

CITY OF ORLANDO, FLORIDA
**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**



Lake Eola Park



FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

COMPREHENSIVE ANNUAL FINANCIAL REPORT

City of Orlando, Florida
For the Fiscal Year Ended September 30, 2016



Prepared by:
Office of Business and
Financial Services



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CITY OF ORLANDO

ELECTED OFFICIALS



BUDDY DYER
Mayor



JIM GRAY
District 1 Commissioner



TONY ORTIZ
District 2 Commissioner



ROBERT F. STUART
District 3 Commissioner



PATTY SHEEHAN
District 4 Commissioner



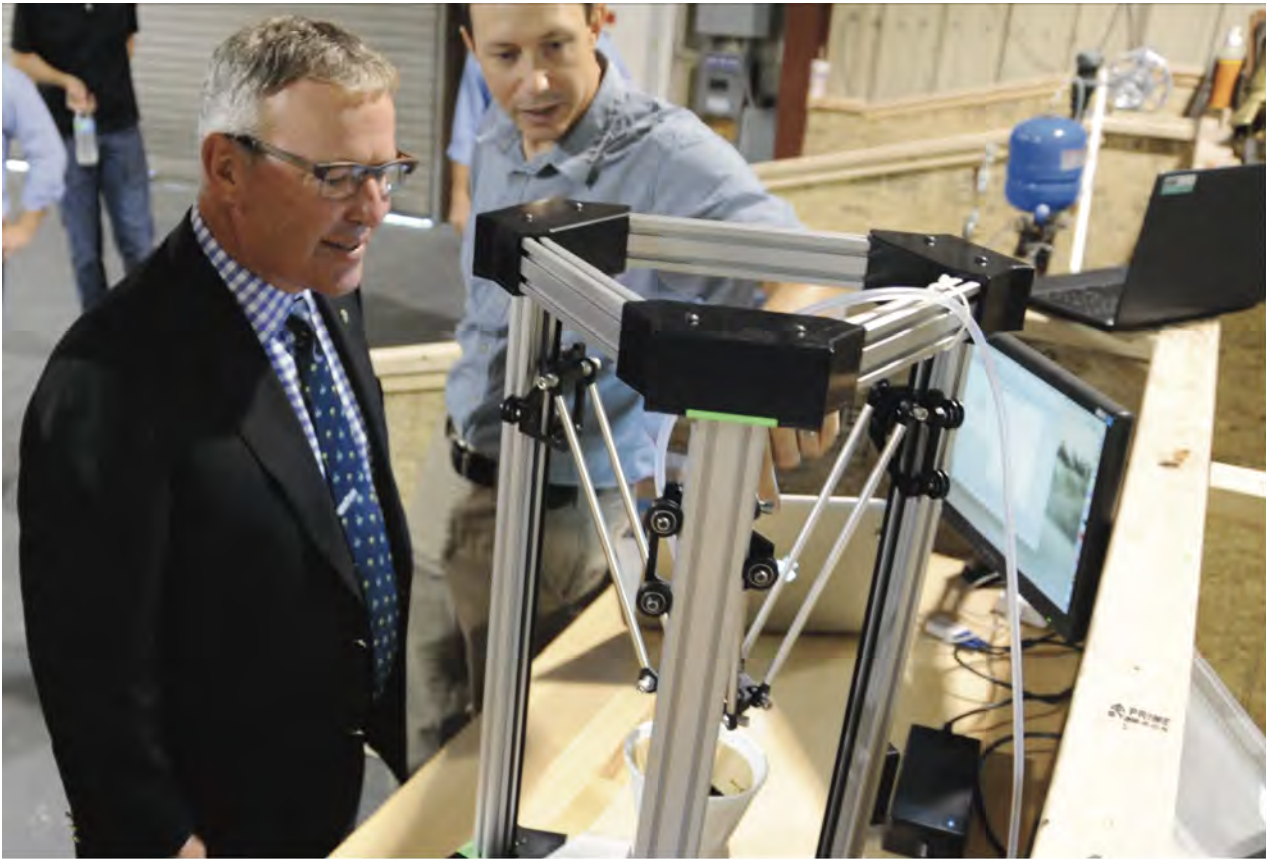
REGINA I. HILL
District 5 Commissioner



SAMUEL B. INGS
District 6 Commissioner



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Thirteen years ago we began a journey to transform everyone's favorite destination into our country's favorite place to live.

Driven by a shared vision to shape Orlando into a place that is truly by everyone and for everyone, we made strategic investments in:

- Providing the tools, technology and training to fuel our superior police and fire protection.
- Bringing world-class sports, art and entertainment here through our venues.
- Expanding our parks and strengthening our neighborhoods.
- Bolstering our transit options and building SunRail.
- Invigorating our Downtown and making it the economic and cultural hub of our entire region.
- Helping thousands of businesses open or grow.
- Creating our tech and life sciences industry clusters.
- Building an environment that nurtures innovation and entrepreneurship.

Today, we are the City where everyone wants to live! Orlando is the fastest growing major City in America. It's an exciting time to live in Orlando and to see all our hard work paying off due to the never quit, can-do attitude of everyone who calls Orlando home.

Orlando Mayor Buddy Dyer

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March 24, 2017

Mayor Buddy Dyer,
City Commissioners, and
Citizens of the City of Orlando

It is our pleasure to submit this Comprehensive Annual Financial Report (CAFR) for the City of Orlando, Florida for the fiscal year ended September 30, 2016. The report fulfills the requirements set forth by State law, in accordance with the Florida Statutes Section 166.241 and Chapter 10.550 Rules of the Auditor General requires that all general purpose local governments publish each fiscal year a complete set of financial statements presented in conformity with Generally Accepted Accounting Principles (GAAP) in the United States and audited in accordance with auditing standards generally accepted in the United States by a firm of licensed certified public accountants.

This CAFR consists of management's representations concerning the finances of the City of Orlando. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City of Orlando has established a comprehensive internal control framework that is designed both to protect the City's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City of Orlando's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City of Orlando'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.

Florida Statutes require that an annual financial audit be performed by independent certified public accountants. This year the audit was performed by Moore, Stephens, Lovelace, P.A. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Orlando for the fiscal year ended September 30, 2016, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation.

The independent auditor concluded, based upon the audit, that there was reasonable basis for rendering an unmodified opinion that the City of Orlando's financial statements for the fiscal year ended September 30, 2016, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the City of Orlando was part of a broader, mandated "Single Audit" designed to meet the special needs of federal and state grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements – with special emphasis involving the administration of federal and state awards. These reports are included in the Single Audit section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City of Orlando's MD&A can be found immediately following the report of the independent auditor.

This report and other historical audited financial statements, prior year(s) fiscal operating budgets, as well as the City's various Pension Reports, may be accessed via the City's website at www.cityoforlando.net.

CITY PROFILE

The City is a Florida municipal corporation, which was founded in 1875, and has an estimated population of 271,752 living within an area of approximately 110 square miles. The City is in the approximate center of the State of Florida and the four-county Orlando-Kissimmee-Sanford Metropolitan Statistical Area (MSA), which has an estimated population of 2,376,358. The City operates under a Charter adopted February 4, 1885, as amended. The City has a seven-member City Council comprised of the Mayor (elected at large) and six District Commissioners.

The City provides a variety of services including police and fire protection; the construction and maintenance of highways, streets and other infrastructure; housing and community development; recreational and cultural activities; wastewater sanitation; stormwater management; parking; and solid waste collection.

Included in the City's basic financial statements is the legally separate Downtown Development Board (DDB), which is reported separately (i.e., discretely presented). Although legally separate, because of the closeness of their relationship to the City, the Community Redevelopment Agency (CRA) and Downtown South Neighborhood Improvement District are reported as though they are part of the City (i.e., blended presentation). Additional information on all three of these legally separate entities can be found in the notes to the financial statements on page 50.

Budgetary Controls

The annual budget serves as the foundation for the City's financial planning and control. Departments are required to submit requests for appropriations to the budget director, who uses those requests as the starting point for developing a proposed budget. The budget director keeps the Chief Financial Officer fully advised as to the financial condition and needs of the City and submit an annual budget for consideration. The City Council is required to hold public hearings on the proposed budget and to adopt a final budget by September 30, the close of the City's fiscal year. The appropriated budget is prepared by fund, function and department.

Budgetary controls are maintained at the fund level within cost center, grant, or project appropriations. Budget to actual comparisons demonstrate how the actual revenues and expenditures compare to both the original and final revised budgets. The following schedule identifies where these comparisons can be found:

	<u>Tab</u>	<u>Starting Page</u>
Governmental Major Funds*	Other RSI	132
Governmental Non-Major Funds	Combining	161

*Including the General and Major Special Revenue Funds.

Each comparison also demonstrates, on the bottom of the schedule, the adjustment necessary to reconcile to Generally Accepted Accounting Principles (GAAP). A discussion of the budget to actual presentation is available in the notes to the Required Supplementary Information (see page 131).

ECONOMIC CONDITION

Each fiscal year provides the City an opportunity to identify, address, and resolve issues facing our community and our citizens, both exclusively and as part of the four-county MSA.

The City's major challenges are to provide the infrastructure and services needed to maintain the quality of life, which has attracted considerable growth to our community. History has proven that significant emphasis on support systems such as transportation, stormwater management, potable (drinking) water, wastewater treatment, solid waste collection, and electric capacity must be balanced carefully with the quality of life amenities which include parks, recreation, sports, entertainment, and cultural opportunities to maintain the natural beauty and attractiveness of a community. For the City, these natural attributes take shape as a generous spotting of lakes, a tree canopy, and lush vegetation, which provide the atmosphere of traditional Central Florida living.

The following discussion is intended to demonstrate the growth and vitality of the City and to address the challenges and concerns of the near future.

The Orlando-Kissimmee-Sanford MSA, which includes Orange, Seminole, Osceola, and Lake Counties, continues to rank as one of the top growth areas in the country based on population. The Orlando-Kissimmee-Sanford MSA is also ranked as one of the largest tourist destinations in the United States (with approximately 66 million visitors in 2015), and a major Sunbelt competitor for the location or relocation of home offices, regional distribution centers, and high tech industries.

The following schedule demonstrates individual year growth (for the last three fiscal years), and also three, five, and ten year average annual trends.

ECONOMIC GROWTH
Actual/Estimates and Average Annual Percentage Growth
Last Three Fiscal Years, and Three, Five, and Ten Year Averages

	Fiscal Years					Average Annual % Growth		
	2016	2015	2014	2012	2007	Last 3	Last 5	Last 10
Population (in thousands)								
City of Orlando	271.8	262.9	255.6	245.4	228.8	2.8%	2.5%	2.1%
Orange County	1,280.4	1,252.4	1,228.0	1,175.9	1,105.6	2.1%	2.1%	1.9%
MSA	2,376.4	2,320.2	2,270.4	2,184.6	9.0	2.3%	2.1%	1.7%
Taxable Value (in billions)								
City of Orlando	\$ 22.7	\$ 20.0	\$ 18.7	\$ 18.1	\$ 21.2	8.5%	4.3%	3.4%
Orange County	\$ 100.3	\$ 90.1	\$ 84.1	\$ 81.3	\$ 92.3	7.9%	4.0%	3.3%
Dollar Value of Building Permits (in millions)								
City of Orlando	\$ 1,787.5	\$ 1,648.1	\$ 1,352.7	\$ 979.4	\$ 1,220.6	12.1%	57.0%	1.5%
Building Permits - New Construction								
City of Orlando	1,189	1,280	1,313	598	2,212	-4.2%	19.8%	-4.6%
MSA Employment (in thousands)								
Selected Segments:								
Manufacturing & Construction	117.0	99.5	95.3	81.4	131.6	13.5%	8.2%	-1.0%
Wholesale & Retail	242.6	226.5	179.4	161.6	171.1	14.2%	11.2%	4.4%
Service	644.3	600.5	610.3	568.4	584.9	2.9%	2.7%	1.2%
Government	124.4	119.2	117.6	116.1	121.5	2.2%	1.5%	0.7%
Other	112.6	108.5	102.4	95.4	96.6	4.0%	4.4%	1.9%
Total	1,240.9	1,154.2	1,105.0	1,022.9	1,105.7	5.6%	4.5%	1.5%
Sales Tax Revenue (in millions)								
City of Orlando	\$ 39.4	\$ 37.9	\$ 35.6	\$ 31.0	\$ 30.2	6.0%	6.4%	5.2%
Tourist Development Tax (in millions)								
Orange County	\$ 239.5	\$ 226.2	\$ 201.4	\$ 175.3	\$ 163.0	9.4%	7.2%	8.4%
Orlando International Airport Activity (in millions)								
Passengers	41.6	37.8	35.2	35.4	35.8	6.5%	3.4%	2.0%
Lbs. of Airfreight	405.7	364.6	344.6	348.8	410.0	5.9%	1.9%	0.0%

Sources: Florida Department of Economic Opportunity, Florida Office of Economic and Demographic Research, selected local Governmental Units, and Greater Orlando Aviation Authority.

Fiscal Year 2015-2016 Budget Development

The budget was formulated with conservative assumptions of revenue and moderate expenditure growth, the same approach that allowed the City to maintain or improve its credit ratings during the worst economic conditions in a generation. As a result of a \$2.2 billion increase in property values, the City anticipates a \$13 million increase in property tax revenues. That source, the largest of General Fund revenue growth, contributed to an overall increase of \$20.9 million, or 5.2% compared to last year. We continue to fully fund the actuarial required contributions to all three pension plans, will not use any reserves to balance our budget, and maintain our commitments to employees with a wage increase. Our citizens can continue to rely on superior public safety: The Orlando Fire Department remains at the highest national ranking of ISO 1 and also has international accreditation from the Commission on Fire Accreditation International (1 of only 38 departments worldwide to have both international accreditation and an ISO 1 ranking), while the Orlando Police Department has pushed crime rates even lower. Outside the General Fund, the City's budget anticipates an aggressive Wastewater maintenance program, a re-establishment of the facility assessment program, and expansion of our award-winning After School All Star program using grant funding. We have also expanded staffing in Economic Development in response to demands for permitting and construction inspection. Finally, we note that given the City's responsibility to our citizens, we have waived automatic increases in solid waste fees and wastewater fees.

Reserve Policy

The City Council has approved a Reserve Policy, which was developed by staff, and reviewed and recommended by the Finance Committee. The policy addresses the criteria to be considered, the differing needs of various fund categories, time periods (for replenishment) based on level of reserve use, as well as annual reporting requirements. The reserve ranges are established based on a percentage of subsequent years' budget. Reserve levels above the top of the range are deemed to be available for capital or other lawful purposes.

A sampling of specific funds reserve ranges and September 30, 2016 status are shown below:

	<u>Range</u>	<u>9/30/16 Status</u>
General Fund	15-25%	23%
Business Units:		
Solid Waste Mgt.	10-20%	58%
Wastewater System	10-20%	43%
Parking System	10-20%	40%
Internal Service:		
Risk Management*	10-15%	41%

*Measured based on projected outstanding claims liability rather than the subsequent years' budget.

The general fund reserve is calculated using the assigned and unassigned fund balance of the general fund and utility services tax fund.

Initiatives and Programs

The following initiatives, some new and some on-going are briefly outlined to indicate the opportunities related to development currently facing the City.

Downtown Residential Construction

420 East – In July 2014, construction began on this \$42.7 million 9-story, 299 unit apartment complex. The complex will include three art galleries totaling 4,000 square feet and 10 ground floor live/work units, an integrated 448-space parking garage, a heated saltwater pool surrounded by a 10,000 square foot lounge and activity deck, a 20-person poolside spa, a 1,800 square foot fitness center, and a 2,000 square foot indoor lounge. The project was completed first half 2016.

Crescent Lucerne- In January 2017, construction began on this \$62 million project, a redevelopment of Orlando Health's former Lucerne Pavilion Hospital, into a mixed-use complex with apartments, shops and an Earth Fare organic grocery store. Construction is expected to be completed second half of 2018.

The Sevens Apartments – In November 2014, groundbreaking was held on this \$42.6 million 9-story, 325 unit apartment complex. The complex will include a 600-space, 7-story integrated parking garage, approximately 9,500 square feet of ground-floor retail, three indoor/outdoor gathering places, a dog park, and a rooftop pool, deck, and fitness center. The project was completed first half 2016.

Lexington Court – In September 2014, construction began on this \$17.8 million 4-story, 104 unit apartment complex. The complex will include an integrated parking garage, fitness center, and clubhouse. Lexington Court opened in the 2nd half of 2015.

Thornton Park Brownstones – Construction began on this project during the second half of 2014. It will be located on a 1.1 acre parcel on South Summerlin Avenue between East Jackson Street on the south and Mariposa Street to the north. It consists of four, 3-story buildings totaling 28 units, each with a double car garage. The project was completed late 2016.

Modera by Mill Creek, Central – Construction is projected to begin October 2016 on this \$74 million 22-story multi-use development. The project is located on 1.2 acres, bounded on the north by East Central Avenue, on the east by South Rosalind Avenue, on the south by East Pine Street and on the west by the library parking garage. The project consists of 350 residential units, and the University Club to occupy approximately 12,500 square feet and, parking garage with 514 spaces with a pool on the roof.

Other Downtown Construction

Ace Café Orlando – Groundbreaking was held in April 2015 on this approximately 3 acre retail and entertainment complex. Phase one of the project includes the renovation and repurposing of two existing buildings into 18,000 square feet of retail space. The Ace Café deck will wrap around the building and overlook the courtyard which can hold up to 1,500 people. The barn/garages will open to the courtyard and patio, and will house motorcycle and hot rod garage/shops. Construction is expected to be complete in 2017.

Orlando City Soccer Stadium- Construction of the \$155 million MLS soccer stadium began in October 2014. The stadium will accommodate 25,500 other features include, club seats, 29 premium suites, canopy to increase crowd noise and provide shelter from inclement weather, natural grass field and fan plaza spanning 10,000 square feet. Construction is was to be completed in early 2017, and the first home game was held March 5, 2017.

Dr. Phillips Center (DPC) Phase II- Ground breaking was held on March 7, 2017 for Steinmetz Hall, which will be a 1,700-seat acoustical theater that will be the future home of the Orlando Ballet, Orlando Philharmonic Orchestra and Opera Orlando. Phase II will be \$203.5 million, in which the Dr. Phillips Center Philanthropy will contribute \$51.3 million, County TDT \$143.2 million, City \$10 million and \$3 million from interest income.

Creative Village

On May 24, 2010, City Council approved the selection of a developer for the redevelopment of the former Centroplex site into a Creative Village. The Creative Village will have a strong focus on educational uses and build on existing components including the Nap Ford Charter School, the University of Central Florida Center for Emerging Media, the Florida Interactive Entertainment Academy, and the House of Moves motion capture facility. The Creative Village will be designed to:

- Attract technology companies,
- Create spin-off and start-up companies,
- Create a business-friendly environment in which digital media can thrive,
- Offer diverse cultures and lifestyles,
- Enhance the lifestyle of creative people, and
- Offer vibrant street life and urban amenities.

UCF and Valencia College will host a ceremonial groundbreaking on May 11, 2017 at the site of the downtown campus.

Transportation

The first phase of SunRail (from Debarry to Sand Lake Road) began operations on May 1, 2014. The second phase of SunRail, which will extend the route south to Poinciana, is expected to begin operation in 2017.

On November 14, 2012, the City and LYNX held a ceremony to kick off construction of the \$26 million, six-mile expansion of the Lymmo system (the free downtown bus circulator). The expanded service includes 22 new destinations including Thornton Park, Parramore, the Creative Village, and the downtown Orlando SunRail stations. The east/west route (Grapefruit Line) opened on April 10, 2014. The first phase of the Parramore route (Lime Line) opened in January 2016. The second phase of the Lime Line is expected to open in August 2016. The existing Lymmo service was renamed the Orange Line. Also opening in January 2016 was a new North Quarter Loop. The standalone Orange-North Quarter Line operates in a loop along Livingston Avenue, Magnolia Avenue, Marks Street, and Orange Avenue.

In 2015, the FDOT began improvements to approximately 21 miles of Interstate-4 (I-4) including the entire stretch through Downtown Orlando. The estimated \$2.3 billion project will completely rebuild the free general use lanes; reconstruct 15 major interchanges; widen 13 bridges, replace 74 bridges, and add 53 new bridges; add four variable price tolled express lanes; add new pedestrian crossings; and add sound walls adjacent to residential areas. The project is expected to be completed in 2021.

AWARDS AND ACKNOWLEDGEMENTS

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 Orlando, Florida for its Comprehensive Annual Financial Report for the fiscal year ended September 30, 2015.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, the contents of which conform to program standards. Such reports 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 has received a Certificate of Achievement for the last 38 consecutive years (fiscal years ended 1978-2015). We believe our current comprehensive annual financial report continues to conform to Certificate of Achievement Program requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

In addition, the City also received the GFOA's Distinguished Budget Presentation Award for its 2015-2016 budget document. In order to qualify for the Distinguished Budget Presentation Award, the City's budget document had to be judged proficient as a policy document, a financial plan, an operations guide, and a communications device.

The preparation of this report on a timely basis was made possible through the efficient, dedicated and professional efforts of the entire staff of the financial reporting team. The significant amount of year-end closing procedures required prior to the audit could not have been accomplished without members of the department who made personal sacrifices. Other City departments, although not extensively involved in year-end audit activities, contributed significantly by ensuring the accuracy and integrity of accounting information complied throughout the year. Credit must also be given to the Mayor, City Council, Department Directors, and Division Managers for their unfailing support for maintaining the highest standards of professionalism in the management of the City of Orlando and I thank you for your support and commitment to maintaining the financial integrity of the City.

Respectfully submitted,



Christopher P. McCullion
Chief Financial Officer



Government Finance Officers Association

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

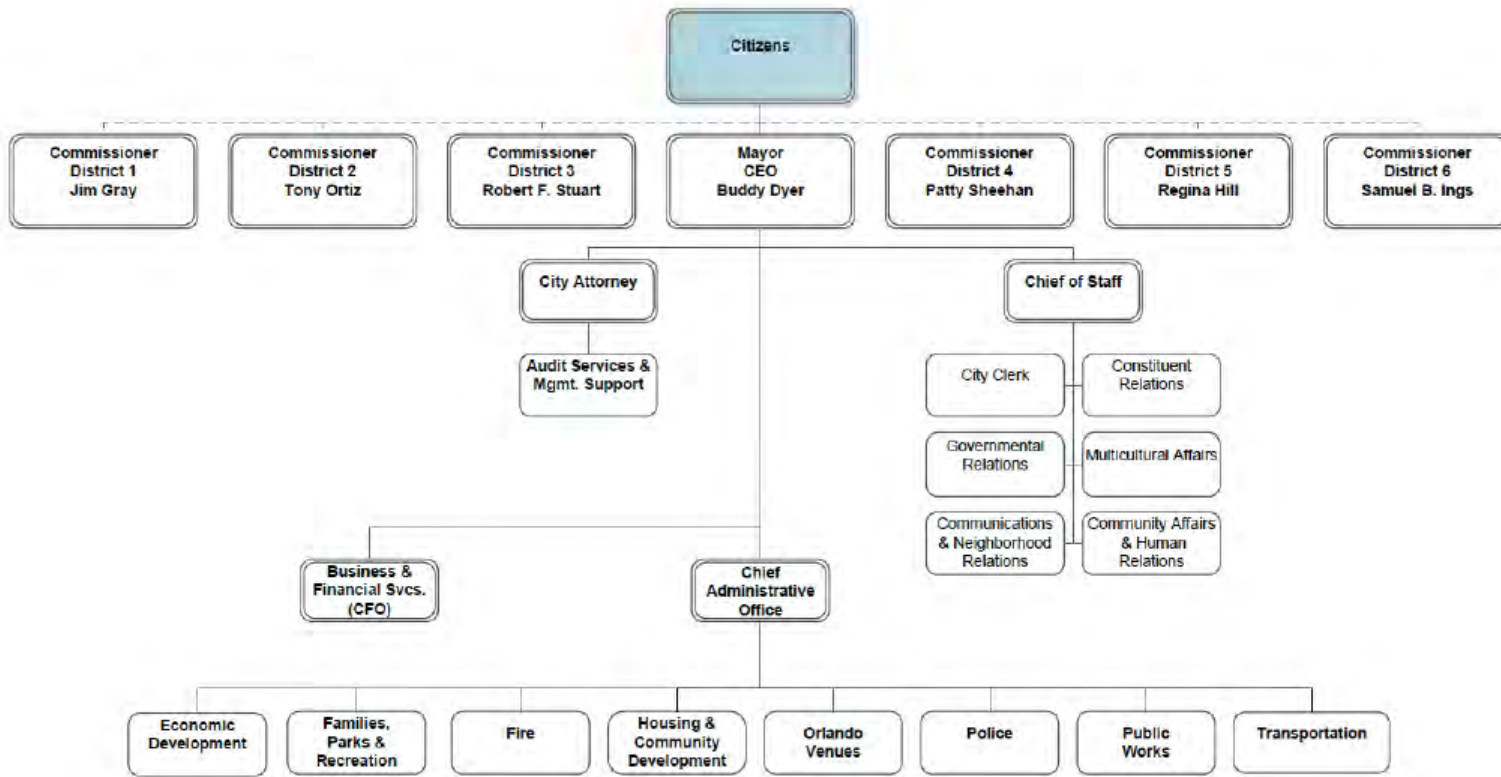
Presented to

**City of Orlando
Florida**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2015

Executive Director/CEO



CITY OF ORLANDO, FLORIDA CITY OFFICIALS

As of March 1, 2017

Chief Executive Officer	MAYOR BUDDY DYER
Chief of Staff	FRANK BILLINGSLEY
City Attorney	MAYANNE DOWNS, ESQ.
Chief Financial Officer	CHRISTOPHER P. MCCULLION
Chief Administrative Officer	BYRON BROOKS
MAYOR'S CABINET:	
City Clerk	DENISE ALDRIDGE
Director of Economic Development	BROOKE BONNETT
Director of Families, Parks and Recreation	LISA EARLY
Director of Housing and Community Development	OREN HENRY
Director of Transportation	BILLY HATTAWAY
Fire Chief	RODERICK WILLIAMS
Orlando Venues Director	ALLEN JOHNSON
Police Chief	JOHN MINA
Public Works Director	RICK HOWARD



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Orlando is a city for everyone – a diverse, inclusive and welcoming place. We’ll continue to show the world that Orlando is a place that celebrates our differences.

The successful Come Out With Pride parade and festival attracted more than 150,000 LGBTQ community members and allies to Downtown Orlando.

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of the City Council
City of Orlando, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Orlando, Florida (the "City") as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, as listed in the table of contents. We have also audited the financial statements of the Firefighters Pension, the Police Pension, and the General Employees' Pension fiduciary funds presented as supplementary information, as defined by the Governmental Accounting Standards Board, included in the accompanying combining financial statements as of and for the year ended September 30, 2016, 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 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 of 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 City'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 City'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, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City as of September 30, 2016, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Firefighters Pension, the Police Pension, and the General Employees' Pension fiduciary funds of the City as of September 30, 2016, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The Honorable Mayor and
Members of the City Council
City of Orlando, Florida

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and Required Supplementary Information (other than MD&A), as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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 financial statements and schedules, supplemental information, and statistical section, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the financial statements.

The combining financial statements and schedules and supplemental information 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 information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 24, 2017, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 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.

Moore Stephens Lovelace, P.A.

MOORE STEPHENS LOVELACE, P.A.
Certified Public Accountants

Orlando, Florida
March 24, 2017



Parks give a community a sense of place and keep both people and the environment healthy. In Orlando, there are more than 110 parks for residents and visitors to enjoy. And with more than 9 million visits to our parks annually, Orlando's parks have become a top destination.

CITY OF ORLANDO, FLORIDA
Management's Discussion and Analysis
September 30, 2016

As management of the City of Orlando (City), Florida, we offer readers of the City's financial statements this narrative and analysis of the financial activities of the City for the fiscal year ended September 30, 2016.

OVERVIEW OF 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 consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic 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 a broad overview of the City in a corporate-like manner similar to private sector financial statements. The Statement of Net Position presents information on all the City's assets, deferred outflows of resources, liabilities, and deferred inflows of resources. This statement format combines and consolidates the governmental funds' current financial resources with capital assets (including infrastructure) and long-term obligations.

Component units, which are other governmental units over which the City (the City Council, acting as a group) can exercise influence and/or may be obligated to provide financial subsidy, are presented as a separate column in the government-wide statements and as individual activities in the fund financial statements.

The Statement of Activities is focused on both the gross and net cost of various functions (including governmental, business-type and component unit), which are supported by the government's general tax and other revenues. This statement is intended to summarize and simplify the user's analysis of the cost of various governmental services and/or subsidy to various business-type activities and/or component units.

The government-wide financial statements present information about the functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities reflect the City's basic services, including police, fire, public works, and families, parks and recreation. Property, sales, utility services and public service taxes, along with the Orlando Utilities Commission contribution, finance the majority of these services. The business-type activities reflect private sector type operations (Wastewater, Orlando Venues, Parking, Stormwater and Solid Waste Management), where the fee for service typically covers all or most of the cost of operation, including depreciation.

Fund Financial Statements

A fund is a grouping of related accounts 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 City funds are divided into three basic fund types: governmental funds, proprietary funds, and fiduciary funds.

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near term financing decisions. Both the governmental fund Balance Sheet and the government fund Statement of Revenues, Expenditures, and Changes in Fund Balances provides a reconciliation to facilitate this comparison between governmental fund and governmental activities.

The City maintains various individual governmental funds. Information is presented separately in the Governmental Funds Balance Sheet, and in the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balance,

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for the General Fund, Community Redevelopment Agency, and the Capital Improvement Projects Fund; all of which are considered to be major funds. Data from other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these other governmental funds is provided in the form of combining statements elsewhere in the report.

The basic financial statements also include budgetary comparison statements for the General Fund to demonstrate compliance with the annual budget as adopted and amended.

The governmental fund financial statements immediately follow the government-wide financial statements.

Proprietary Funds. The City maintains various individual enterprise funds. Information is presented separately in the Statement of Net Position Proprietary Funds, and in the Statement of Revenues, Expenditures, and Changes in Net Position Proprietary funds, for the Wastewater Fund, Orlando Venues Fund, Parking System Fund, Stormwater Utility Fund, and the Solid Waste Management Fund; all of which are considered to be major funds.

The City maintains various internal service funds. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for maintaining the purchases and services of the City's vehicles; risk management activities for workers' compensation, auto liability, property and contents loss, and general liability; City's banking fund which are loaned to other funds and component units to provide financing for capital projects; the management and inspection services provided to other funds' construction projects; health insurance payments for the City's employees health plan, and; the construction, remodeling, preventative maintenance, and general repairs to City facilities provided to other funds. Because these services benefit governmental functions, they have been included within governmental activities in the government-wide financial statements.

The internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

The proprietary fund financial statements immediately follow the governmental fund financial statements.

Fiduciary funds. Fiduciary funds account for resources held for the benefit of parties outside the government. Fiduciary Funds are not included in the government-wide financial statement because the resources of those funds are not available to support the City's programs. The fiduciary fund financial statements immediately follow the proprietary fund financial statements.

Discretely Presented Component Unit and Agency Fund. The City has custodial responsibility and accounts for the flow of assets of the Downtown Development Board (DDB). The operations of the DDB are reported in the government-wide financial statements in a separate column. The agency fund financial statements immediately follow the fiduciary fund financial statements. The agency fund accounts for the City's collection of school impact fees on behalf of Orange County School Board.

Notes to Financial Statements

The Notes to Financial Statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements immediately follow the component unit financial statements.

Other Information

In addition to the financial statements and accompanying notes, this report also presents certain required supplementary information related to the City's employee pension plans and other post-employment benefits (OPEB) obligations. The combining statements of CRAs, non-major governmental funds, internal service funds, and fiduciary funds are presented following the required supplementary information.

The blended component units referred to earlier in connection with the government-wide financial statements, although legally separate, function at the discretion and direction of the City's management.

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Their financial position and results of operations, therefore, have been included as an integral part of the primary government, and presented in the fund financial statements.

Financial Highlights

- For FY 2016, the City's total net position increased by \$120.9 million (or 8.0%). The governmental activities net position increased by \$61.2 million (or 12.7%) and the business-type activities net position increased by \$59.7 million (or 5.8%).
- Comparing FY 2016 with FY 2015, the governmental activities revenue increased \$54.3 million (or 11.8%). In FY 2016, the results of governmental activities produced an increase in net position of \$61.2 million, while in FY 2015 net position increased by \$38.8 million.
- Comparing FY 2016 with FY 2015, the business-type activities revenue increased by \$38.2 million (or 14.8%). In FY 2016, the results of activities produced an increase in net position of \$59.7 million, while in FY 2015 net position decreased by \$13.6 million.
- Comparing FY 2016 with FY 2015, the City's total expenses increased by \$55.9 million (or 8.4%).
- For FY 2016, the General Fund (the primary operating fund) reflected on a current financial resource basis, reported an increase in fund balance of \$15.7 million, compared to an increase of \$6.3 million in FY 2015.

GOVERNMENT-WIDE FINANCIAL STATEMENT ANALYSIS

The government-wide financial statements provide long-term and short-term information about the City's overall financial condition. This analysis addresses the financial statements of the City as a whole.

The largest portion of the City's net position, 79 percent, reflects its net investment in capital assets (e.g., land, building and systems, improvements other than buildings, infrastructure, and construction in progress); less any related outstanding debt used to acquire these assets. The City uses these capital assets to provide services to residents; 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.

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

Table 1
Statement of Net Position
(in millions)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2016	2015	2016	2015	2016	2015
Current and other assets	\$ 680.2	\$ 642.8	\$ 503.9	\$ 464.6	\$ 1,184.1	\$ 1,107.4
Capital assets	634.9	606.6	1,518.9	1,520.2	2,153.8	2,126.8
Total assets	<u>1,315.1</u>	<u>1,249.4</u>	<u>2,022.8</u>	<u>1,984.8</u>	<u>3,337.9</u>	<u>3,234.2</u>
Deferred Outflows of Resources	129.9	48.1	9.0	2.6	138.9	50.7
Current and other liabilities	455.5	370.9	78.0	82.6	533.5	453.5
Long-term debt outstanding	435.2	427.2	864.5	875.1	1,299.7	1,302.3
Total liabilities	<u>890.7</u>	<u>798.1</u>	<u>942.5</u>	<u>957.7</u>	<u>1,833.2</u>	<u>1,755.8</u>
Deferred Inflows of Resources	9.6	16.0	0.3	-	9.9	16.0
Net position:						
Net investment in capital assets	487.0	494.4	800.5	778.6	1,287.5	1,273.0
Restricted	145.0	143.0	55.7	58.7	200.7	201.7
Unrestricted	(87.4)	(154.0)	232.8	192.0	145.4	38.0
Total net position	<u>\$ 544.6</u>	<u>\$ 483.4</u>	<u>\$ 1,089.0</u>	<u>\$ 1,029.3</u>	<u>\$ 1,633.6</u>	<u>\$ 1,512.7</u>

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Normal Impacts

There are six basic (normal) transactions that will affect the comparability of the Statement of Net Position summary presentation.

Net Results of Activities – which will impact (increase/decrease) current assets and unrestricted net position.

Borrowing for Capital – which will increase current assets and long-term debt.

Spending Borrowed Proceeds on New Capital – which will reduce current assets and increase capital assets. There is a second impact, an increase in capital assets and an increase in related debt which has an offsetting effect and will not change the net investment in capital assets.

Spending of Non-borrowed Current Assets on New Capital – which will (a) reduce current assets and increase capital assets, and (b) reduce unrestricted net position and increase net investment in capital assets.

Principal Payment on Debt – which will (a) reduce current assets and reduce long-term debt, and (b) reduce unrestricted net position and increase net investment in capital assets.

Reduction of Capital Assets through Depreciation – which will reduce capital assets and net investment in capital assets.

Current Year Impacts - Government Wide Statement of Net Position

Governmental Activities:

In the Governmental activities columns, the current and other assets and current and other liabilities are affected by the amount of investment portfolio securities lending as of the end of each fiscal year. The value of the securities lending portfolio was \$88.6 million at September 30, 2016 as compared to \$95.2 million at September 30, 2015. Current and other assets increased by \$37.3 million, primarily from an increase of \$43.3 million in cash and cash equivalents due to continued financial improvement in the governmental funds and a decrease of \$7.0 million in investments due primarily from the liquidation of bond reserve funds as part of the bond refunding in FY 2016. Deferred outflows of resources increased \$81.8 million due to an increase of \$77.8 million in pension related deferred outflows based on GASB Statement 68 actuary reports, and an increase of \$4.0 million in deferred expense on refunding bonds due to the previously mentioned bond refunding in FY 2016. Current and other liabilities increased by \$84.6 million due primarily to an \$80.4 million increase in the net pension liability based on GASB Statement 68 actuary reports and a \$3.1 million year end accrual for the new Orlando Police Department (OPD) headquarters construction contract. Long-term debt outstanding increased \$8.0 million. See page 87 for a discussion on the City's outstanding debt. Deferred inflows of resources decreased \$6.4 million due primarily to the amortization of the deferred inflow of resources from the sale and lease back of the old Orlando Police Department Headquarters building.

Business-type Activities:

In the Business-type activities columns, current and other assets increased by \$39.3 million, primarily due to an increase in cash and cash equivalents (\$24.6 million) and restricted cash and investments (\$7.4 million). Wastewater cash and cash equivalents increased \$15.3 million due to prior year's increases in the wastewater rates charged to customers. Orlando Venues cash and cash equivalents increased \$4.4 million due to stronger operating revenues in FY 2016. Solid Waste cash and cash equivalents increased \$3.1 million also due to stronger operating results. The increase in restricted cash and investments is primarily from an increase in Tourist Development Tax (TDT) revenues from Orange County that are used as a reserve for the City's TDT bonds. Capital assets remained relatively unchanged compared to FY 2015. Deferred outflows of resources increased \$6.4 million due to an increase of \$3.8 million in pension related deferred outflows based on GASB Statement 68 actuary reports and an increase of \$2.5 million in deferred expense on refunding bonds due to the Sales Tax bond refunding in FY 2016. Current and other liabilities decreased by \$4.6 million due to a \$13.6 million decrease in the Orlando Venues fund (there was a large liability recorded at fiscal year end 2015 for amounts due back to the soccer team for the soccer stadium contributions); a \$3.5 million increase in advance payments in the Orlando Venues fund for ticket sales collected that were not remitted to the promoters until after September 30; and an increase of \$1.7 million in advance payments in the Wastewater fund for capacity reservations in the Wastewater system.

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Long-term debt outstanding decreased \$10.6 million due primarily to the normal debt service principal payments on the City's outstanding debt. Deferred inflows of resources remained relatively unchanged compared to FY 2015.

Net Position:

Increases or decreases in net position may serve over time as a useful indicator of whether a government's financial position is improving or deteriorating. For the City as the primary government, total assets and deferred outflows of resources exceeded total liabilities and deferred inflows of resources by \$1,633.6 million at the close of September 30, 2016. This is an increase of \$120.9 million from FY 2015 which was largely the result of the continued financial health of the City.

Approximately 79% of the City's net position reflects its investment in capital assets (e.g., land, buildings, equipment, and infrastructure), less any related debt used to acquire those assets. These capital assets are used to provide services to citizens and are not available for future spending. Payment of the debt incurred to acquire these assets must come from future revenues. The total restricted net position of the City (approximately 12%) represents resources that are subject to external restrictions on how the resources may be used. The remaining balance of unrestricted net position (approximately 9%) may be used to meet the City's ongoing obligations to citizens and creditors.

Net investment in capital assets increased \$14.5 million (or 1.1%) primarily from additions to capital assets from the Orlando Venues projects (Performing Arts Center and Camping World Stadium) along with scheduled annual principal payments on all debt. (See Table 4).

Restricted net position decreased \$1.0 million (or 0.5%), with governmental activities increasing \$2.0 million and business-type activities decreasing by \$3.0 million.

Unrestricted net position increased by \$107.4 million (or 282.6%), primarily the result of the strong operating results for all the City's business-type activities, and the governmental activities in addition to a one time gain on sale of capital assets (\$18.2 million) from the sale of the soccer stadium land (recorded on an entity wide basis).

The table on the next page summarizes the statement of activities and the changes in net position for the current and previous year.

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Table 2
Changes in Net Position
(in millions)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2016	2015	2016	2015	2016	2015
REVENUES						
Program revenues:						
Charges for services	\$ 87.5	\$ 80.1	\$ 210.0	\$ 201.2	\$ 297.5	\$ 281.3
Operating grants and contributions	20.7	15.5			20.7	15.5
Capital grants and contributions	7.4	8.7	73.5	51.5	80.9	60.2
General revenues:						
Property taxes	145.1	128.1	-	-	145.1	128.1
Local Option Fuel Tax	8.9	8.5	-	-	8.9	8.5
Franchise Fees	31.9	31.1	-	-	31.9	31.1
Public Service Taxes	45.3	44.6	-	-	45.3	44.6
Tax Increment Revenue	16.8	14.2	-	-	16.8	14.2
Local Business Tax	9.8	8.4	-	-	9.8	8.4
OUC Contribution	55.7	53.2	-	-	55.7	53.2
Sales Tax	39.4	37.9	-	-	39.4	37.9
Other grants and contributions	17.7	17.2	-	-	17.7	17.2
Investment Income	20.6	6.5	13.3	5.9	33.9	12.4
Other general revenues	7.0	5.5	-	-	7.0	5.5
Total revenues	513.8	459.5	296.8	258.6	810.6	718.1
EXPENSES						
Executive Offices	12.4	12.5	-	-	12.4	12.5
Housing	9.6	8.0	-	-	9.6	8.0
Economic Development	25.3	19.9	-	-	25.3	19.9
Public Works	39.2	37.9	-	-	39.2	37.9
Families, Parks, and Recreation	35.0	35.6	-	-	35.0	35.6
Police	149.5	129.0	-	-	149.5	129.0
Fire	116.6	108.1	-	-	116.6	108.1
Business and Financial Services	33.6	28.1	-	-	33.6	28.1
Orlando Venues	4.8	3.8	-	-	4.8	3.8
Community Redevelopment	14.2	11.1	-	-	14.2	11.1
General Government	9.9	11.9	-	-	9.9	11.9
Lynx/Transit Subsidy	3.9	3.9	-	-	3.9	3.9
Interest Costs	21.3	18.0	-	-	21.3	18.0
Wastewater	-	-	77.8	76.0	77.8	76.0
Orlando Venues	-	-	100.0	97.0	100.0	97.0
Parking	-	-	14.0	16.0	14.0	16.0
Stormwater Utility	-	-	23.8	20.5	23.8	20.5
Solid Waste	-	-	28.5	26.2	28.5	26.2
Total expenses	475.3	427.8	244.1	235.7	719.4	663.5
Change in Net Position						
before Transfers and Special Items	38.5	31.7	52.7	22.9	91.2	54.6
Transfers	(7.0)	(4.4)	7.0	4.4	-	-
Sale of Capital Assets	29.7	11.5	-	-	29.7	11.5
Contributions	-	-	-	(34.1)	-	(34.1)
Special Item - Capital Asset Impairment	-	-	-	(6.8)	-	(6.8)
Change in Net Position	61.2	38.8	59.7	(13.6)	120.9	25.2
Net Position - Beginning	483.4	560.6	1,029.3	1,049.3	1,512.7	1,609.9
Prior Period Adjustment	-	(116.0)	-	(6.4)	-	(122.4)
Net Position - Beginning as Restated	483.4	444.6	1,029.3	1,042.9	1,512.7	1,487.5
Net Position - Ending	\$ 544.6	\$ 483.4	\$ 1,089.0	\$ 1,029.3	\$ 1,633.6	\$ 1,512.7

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Normal Impacts

There are nine basic (normal) impacts on revenues and expenses as reflected below.

Revenues:

Economic Condition – which can reflect a declining, stable or growing economic environment and has a substantial impact on property, sales, gas or other tax revenue as well as public spending habits for building permits, elective user fees and volumes of consumption.

Increase/Decrease in Council approved rates – while certain tax rates are set by statute, the City Council has significant authority to impose and periodically increase/decrease rates (wastewater, parking, permitting, impact fees, recreation user fees, etc.)

Changing Patterns in Intergovernmental and Grant Revenue (both recurring and non-recurring) – certain recurring revenues (state revenue sharing, block grant, etc.) may experience significant changes periodically while non-recurring (or one-time) grants are less predictable and often distorting in their impact on year to year comparisons.

Contribution from Orlando Utilities Commission (OUC) – the City receives an annual dividend and therefore, the ongoing competitiveness and vitality of OUC is important to the City's wellbeing.

Market Impacts on Investment income – the City's investment portfolio is managed using a longer average maturity than most governments and the market condition may cause investment income to fluctuate more than alternative shorter-term options.

Expenses:

Introduction of New Programs – within the functional expense categories (Police, Fire, Public Works, Families, Parks and Recreation, etc.) individual programs may be added or deleted to meet changing community needs.

Increase/Decrease in Authorized Personnel – changes in service demand may cause the City Council to increase/decrease authorized staffing. Staffing costs (salary and related benefits) were approximately \$350.5 million in FY 2016 and \$336.7 million in FY 2015.

Salary Increases (cost of living, merit and market adjustment) – the ability to attract and retain human and intellectual resources requires the City to strive to approach a competitive salary range position in the marketplace. The City negotiated agreements with all bargaining groups and provided a 2% cost of living increase in FY 2016.

Inflation – while overall inflation appears to be reasonably modest, the City is a major consumer of certain commodities such as chemicals and supplies, fuels and parts. Some functions may experience unusual commodity specific increases.

Current Year Impacts - Government Wide Statement of Activities and Changes in Net Position

Governmental Activities:

For FY 2016, the net position of the governmental activities increased by \$61.2 million, compared to an increase of \$38.8 million in FY 2015.

Charges for services revenue increased \$7.4 million primarily from an increase of \$2.4 million in building permits and an increase of \$1.0 million in impact fees, both signs of continued strength in the local economy and in particular the construction industry. Internal service fees and charges also increased \$3.1 million due primarily to construction on the new OPD Headquarters. The dividend from the enterprise funds to the general fund increased \$0.6 million indicating an increase in enterprise fund revenues. Operating/capital grants and contributions increased \$3.9 million primarily from an increase of \$2.5 million in Housing department grants.

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Property taxes increased by \$17.0 million (13.2%) as a result of an increase in the City-wide assessed property values from \$20.1 billion to \$22.9 billion. Sales taxes increased by \$1.5 million (4.0%), the result of continued strength in the overall local economy and a robust tourism industry. Contributions and Dividends from OUC increased \$2.5 million (4.7%), the result of continued improvement in OUC's financial performance. Investment income increased \$14.1 million (216.3%), primarily as a result of higher investment returns for the City. The City's investment portfolio performance recognized an annual return of 4.11% in FY 2016 as compared to 1.47% in FY 2015. Sale of Capital Assets increased \$18.2 million (157.6%) as a result of the sale of the soccer stadium land (recorded on an entity wide basis).

Governmental activities expenses increased \$47.5 million (11.1%) primarily from an increase in Police (\$20.5 million) and Fire (\$8.5 million) reflecting the City's continued commitment to Public Safety. For FY 2016, the City again provided a 2% across the board cost of living increase to all employees.

Business-type Activities:

For FY 2016, the net position of the business-type activities increased by \$59.7 million, compared to a decrease of \$13.6 million in FY 2015.

Charges for Services revenue increased by \$8.8 million or 4.4%. Wastewater charges for services increased by approximately \$5.5 million due primarily to a \$4.2 million increase in commercial capacity and commercial commodity revenue. Solid Waste charges for services included an increase of \$0.8 million in commercial refuse collection fees. The commercial revenue increase in Wastewater and Solid Waste are another sign of strength in the local economy. The Orlando Venues charges for services included an increase of \$1.3 million in concessionaire commission as a result of an increase in attendance at Orlando Venues events.

Capital grants and contributions increased by \$22.0 million or 42.7% over the prior year. Contributions from Orange County for the receipt of Tourist Development Taxes (TDT) pass-through revenues increased by \$19.1 million, which is evidence of a strong tourism industry (TDT revenues are collected on short term rentals, including hotels).

Investment income increased by \$7.4 million, from \$5.9 million in FY 2015 to \$13.3 million in FY 2016, as a result of the higher annual return of the investment portfolio during FY 2016 as previously mentioned.

Expenses of the business-type activities increased by \$8.4 million or 3.6%. These increases all include the 2% salary cost of living increase given to all employees. Solid Waste expenses increased \$2.3 million due to an increase in general operating expenses including fleet and facilities charges, utility services, and operating supplies. Wastewater expenses increased \$1.8 million due mainly to an increase in salaries and benefits. The number of Wastewater employees increased approximately 10% from FY 2015 to FY 2016. There was an increase of \$3.7 million in losses on disposals of capital assets, primarily in Orlando Venues and Stormwater, related to the sale of the Orlando soccer stadium land.

In FY 2015, the Stormwater Fund reported a capital asset impairment in the amount of \$6.8 million for Stormwater ponds that were filled in and no longer used in operations. Also in FY 2015, the Orlando Venues fund reported a \$34.1 million special item expense as a result of the soccer team fully funding the new soccer stadium.

FUND FINANCIAL STATEMENT ANALYSIS

Governmental Funds

The fund financial statements for the governmental funds provide information on the near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, the unassigned and assigned fund balance is a useful measure of the City's net resources available for spending at the end of the fiscal year.

The General Fund unassigned and assigned fund balance at September 30, 2016 was \$111.1 million, while the total fund balance was \$116.1 million. As a measure of the General Fund's availability of resources for future use, it is useful to compare unassigned and assigned fund balances to total budgeted expenditures of the subsequent fiscal year. At year end, the unassigned and assigned fund balances in the General Fund (including the Utility Services Tax Fund) represented 26% of the total FY 2016/2017 budgeted General Fund expenditures; this falls just above the upper end of the City's fund balance policy range of 15-25%.

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Current cash and cash equivalents in the General Fund increased \$23.1 million or 22.6% as a result of the strong financial results for FY 2016 and from the inclusion of the Utilities Services Tax Fund in the General Fund for FY 2016. Previously, the Utilities Services Tax Fund was reported as a separate major governmental fund.

General Fund revenues totaled \$430.8 million, an increase of \$67.5 million or 18.6% over FY 2015. Property Taxes increased by \$16.6 million. The millage rate was kept the same as FY 2015 at 6.6500 mills. A 14.1% increase in assessed property values accounted for the increase in property tax revenues. The OUC Contribution increased by \$2.5 million, which was budgeted at the start of the year. Sales Tax revenue increased by \$1.5 million, resulting from overall growth in our economy and the tourism sector. Income on Investments increased by \$10.5 million, primarily the result of the City's rate of return increasing from 1.47% in FY 2015 to 4.11% in FY 2016.

General Fund expenditures totaled \$397.5 million, an increase of \$18.5 million or 4.9% over FY 2015. The majority of this increase is explained below:

- Salaries and wages increased \$8.9 million or 5.4% across all General Fund departments (this includes the 2% cost of living adjustment);
- Repairs and maintenance increased \$2.3 million or 8.9% due primarily to the fleet vehicle replacement charge and planned facilities maintenance work; and
- An increase of \$2.0 million or 14.3% in the City's tax increment revenue contribution to the Community Redevelopment Agency (Downtown District, Republic Drive (Universal Blvd.) District and Conroy Road District) due to the previously mentioned increase in the City's assessed property values.

The General Fund "net" transfers out (other financing uses) totaled \$21.8 million versus a net transfer in of \$17.1 million in FY 2015. Transfers out to the Capital Improvement fund for budgeted capital projects totaled \$17.1 million and transfers out for the budgeted operating subsidy for H.P. Leu Gardens was \$1.5 million.

The combined changes in fund balances for all the other governmental funds (major and non-major) resulted in an \$11.0 million increase for FY 2016, compared with a \$70.9 million increase for FY 2015, a difference of \$59.9 million. Significant factors which attributed to the change in fund balances between 2016 and 2015 include:

- In FY 2015, the Public Safety Construction Fund issued \$67.4 million of debt for the construction of the City's new Orlando Police Department Headquarters and to fund various energy efficiency projects in City buildings. In FY 2016, the City issued \$30.0 million in bonds to fund municipal capital improvements; and
- In FY 2015, the Capital Improvement Fund had land sales of \$18.5 million, which included the Orlando Police Department headquarters. No comparable sales occurred in FY 2016.

Proprietary Funds

The fund financial statements for the proprietary funds essentially provide the same information found in the business-type activities column in the government-wide financial statements. Factors concerning the proprietary funds have been addressed in the discussion of the City's business-type activities.

General Fund Budgetary Highlights

The following is a brief review of the budgeting changes from the original to final budget (refer to budget comparison on page 132).

There was an increase of \$14.2 million in budgeted revenues due primarily to increases in estimates for permits and fees (\$1.7 million due to an increase in building activity); local business taxes (\$1.5 million due to the strong local economy); income on investments (\$3.0 million due to the strong performance of the City's investment portfolio); and charges for services (\$2.5 million due to increases in facility use fees such as parks and recreation, the administrative cost allocation fee charged to most City funds, and Emergency Management Services (EMS) transport fees). There was an increase in budgeted expenditures (excluding transfers out) of \$12.2 million. This was due to the increase in budgeted revenue as previously mentioned as the expenditure budgets were increased for Police (\$3.4 million), Fire (\$1.3 million), Families, Parks, and Recreation (\$1.3 million), Business and Financial Services (\$4.3 Million), and Debt Service (\$4.9 million).

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The budget for transfers out increased \$7.7 million due primarily to transfers to the Capital Improvement Fund for various citywide projects.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At September 30, 2016, the City had \$2,153.8 million invested in a variety of capital assets, as reflected in the following schedule, which represents a net increase (additions less retirements and depreciation) of \$27.0 million or 1.3% from the end of last year.

Table 3
Capital Assets at Year-end, in millions
(Net of Depreciation)

	Governmental Activities		Business-type Activities		Totals	
	2016	2015	2016	2015	2016	2015
Land and land rights	\$ 191.0	\$ 195.6	\$ 142.6	\$ 146.9	\$ 333.6	\$ 342.5
Artwork	5.6	4.7	0.6	0.6	6.2	5.3
Buildings	94.7	99.4	862.8	877.4	957.5	976.8
Improvements other than buildings	34.0	40.0	150.9	156.0	184.9	196.0
Equipment	11.5	14.9	14.0	24.4	25.5	39.3
Motor Vehicles	42.5	31.1	-	-	42.5	31.1
Infrastructure	169.9	170.1	-	-	169.9	170.1
Intangibles	4.6	5.4	-	-	4.6	5.4
Sewer Lines	-	-	281.1	266.6	281.1	266.6
Total	553.8	561.2	1,452.0	1,471.9	2,005.8	2,033.1
Construction Work in Progress	81.1	45.4	66.9	48.3	148.0	93.7
Total	<u>\$ 634.9</u>	<u>\$ 606.6</u>	<u>\$ 1,518.9</u>	<u>\$ 1,520.2</u>	<u>\$ 2,153.8</u>	<u>\$ 2,126.8</u>

The reconciliation on the table below summarizes the change in Capital Assets, which is presented in detail on page 76 of the Notes to Financial Statements.

Table 4
Change in Capital Assets
(in millions)

	Governmental Activities	Business-type Activities	Total
Beginning Balance	\$ 606.6	\$ 1,520.2	\$ 2,126.8
Additions	87.5	121.5	209.0
Retirements:			
CWIP	(12.5)	(51.5)	(64.0)
Other	(24.2)	(5.6)	(29.8)
Depreciation	(38.1)	(66.3)	(104.4)
Transfers/Retirements*	15.6	0.6	16.2
Ending Balance	<u>\$ 634.9</u>	<u>\$ 1,518.9</u>	<u>\$ 2,153.8</u>

* Reduction in accumulated depreciation related to retirements.

The retirements in construction work-in-progress (CWIP) is also reflected as an addition to Capital Assets.

CITY OF ORLANDO, FLORIDA
Management's Discussion and Analysis
September 30, 2016

A schedule of major construction contract commitments is presented on page 78 of the Notes to Financial Statements. This year's major additions, those in excess of \$2 million, are shown below (in millions):

Governmental Activities:

Vehicle Replacement	\$	20.2
Church Street Improvements		9.8
Constitution Green Park		3.4

Business-type Activities:

Camping World Stadium Improvements	\$	12.4
Lift Station Improvements		6.4
Rapid Response Construction		4.7
Lift Station Odor Control		4.6
Stormwater Ponds		2.7
West Orlando Area Piping Improvements		2.4
Performing Arts Center Construction		2.1

Debt Outstanding

As of year-end, the City had \$1,299.7 million in debt (bonds, notes, etc.) outstanding compared to the \$1,302.3 million last year. Several key components occurred during the year which had a significant impact on the City's overall debt:

- The issuance of \$26.4 million of Capital Improvement Bonds, Series 2016C, to be used to finance the construction of municipal capital improvements, including but not limited to a public safety computer-aided dispatch system;
- Proceeds of \$3.8 million were received from the State Revolving Fund (SRF) for wastewater projects;
- The issuance of \$59.0 million of Capital Improvement Refunding Bonds, Series 2016B, for the refunding of \$69.3 million in Capital Improvement Bonds Series 2007B, 2009A, and 2010C bonds;
- The issuance of \$28.1 million of State Sales Tax Payments Refunding and Improvement Revenue Bonds, Series 2016 for the refunding of \$26.6 million in State Sales Tax Payments Revenue Bonds, Series 2008; and
- The normal debt service principal payments of approximately \$44.8 million.

See the Notes to Financial Statements on pages 85 through 100 for more detail on the City's outstanding debt.

Table 5
Outstanding Debt at Year-end
(in millions)

	2016	2015
Governmental:		
Covenant	\$ 240.5	\$ 222.0
Tax Increment	182.5	189.6
SIB Loan	8.0	9.5
Capital Lease	4.2	6.1
Sub-total	435.2	427.2
Business Type:		
Wastewater System	95.3	97.5
Parking System	10.9	13.4
Orlando Venues	758.0	763.1
Stormwater	0.3	1.1
Sub-total	864.5	875.1
Total	\$ 1,299.7	\$ 1,302.3

CITY OF ORLANDO, FLORIDA
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Principal payments of \$31.9 million and \$12.9 million (on external bonds, leases, and loans) were made in the governmental and business-type activities, respectively. Internal loan principal payments of \$22.9 million and \$3.9 million were made in the governmental and business-type activities, respectively.

A significant portion of the City's debt activity occurs in the City's Internal Loan Fund (operating like a bank), which involves short, medium, and long-term debt. Table 5 reflects the covenant (internal loan) debt as a separate line (for the governmental activities) and a portion of each respective line (for the business-type activities).

Subsequent to September 30, 2016, the City approved a resolution authorizing the issuance of up to \$8.3 million in Capital Improvement Refunding Special Revenue Bonds, Series 2017A to refund \$9 million in outstanding Capital Improvement Special Revenue Bonds, Series 2011A.

While the City has no outstanding general obligation (G.O.) debt, the City has obtained a comparable rating for G.O. debt of Aa1/AA+/AAA by the three rating agencies (Moody's Investors Service, Standard & Poor's, and Fitch Ratings, respectively). The City's Covenant and Wastewater System programs have underlying ratings of Aa2/AA/AA+ and Aa2/AA+/AAA from Moody's Investors Service, Standard & Poor's, and Fitch Ratings, respectively.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

The State of Florida, by constitution, does not have a state personal income tax and therefore the State operates primarily using sales, gasoline, and corporate income taxes. Local governments (cities, counties, and school boards) primarily rely on property and a limited array of other permitted taxes (sales, gasoline, utilities services, etc.) and fees (franchise, local business taxes, etc.) for their governmental activities. There are a limited number of state-shared revenues and recurring and non-recurring (one-time) grants from both the state and federal governments. For the business-type and certain governmental activities (permitting, recreational programs, etc.) the user pays a related fee or charge associated with the service.

The level of taxes, fees and charges for services (including development related impact fees) will have a bearing on the City's specific competitive ability to (a) annex additional land into its corporate limits, and (b) encourage development (office, retail, residential and industrial) to locate in our jurisdiction. The City places significant emphasis on encouraging both annexation and economic development. There are 13 cities in Orange County (of which Orlando is significantly the largest), and even so, approximately 64% of the County's population lives outside of any city limits. The City competes for new regional development with unincorporated Orange County and the surrounding cities and counties.

The city-wide adopted operating budget for FY 2017 is \$1,171.1 million or 5.1% more than the FY 2016 adopted budget of \$1,114.8 million. The General Fund budget for FY 2017 is \$424.1 million or 5.6% greater than the FY 2016 adopted budget of \$401.6 million. The millage rate for FY 2017 remains unchanged at 6.6500 mills. For the second year in a row Solid Waste, Stormwater Utility, and Wastewater fees were not increased for FY 2017; in past years these fees were scheduled for automatic annual fee increases of between 4-5%.

FINANCIAL CONTACT

The City's financial statements are designed to present users (citizens, taxpayers, customers, investors and creditors) with a general overview of the City's finances and to demonstrate the City's accountability. If you have questions about the report or need additional financial information, contact the City's Chief Financial Officer on the 4th floor of City Hall, 400 South Orange Avenue, PO Box 4990, Orlando, Florida 32802-4990.



The City continues to present diverse programming and high-profile events at its various facilities. Among the highlights: Camping World Stadium hosted international soccer matches and welcomed the NFL back to Orlando after a 19-year absence, Amway Center presented numerous sold-out concerts, the Mennello Museum of American Art showcased groundbreaking sculptural collections and Harry P. Leu Gardens hosted the wildly successful "Big Bugs" exhibit.

CITY OF ORLANDO, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2016

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	
ASSETS				
Cash and Cash Equivalents	\$ 529,452,229	\$ 263,582,516	\$ 793,034,745	\$ 2,373,563
Securities Lending Collateral	88,590,468	-	88,590,468	-
Receivables (net)	27,519,486	14,988,872	42,508,358	75
Due From Fiduciary Funds	715,000	-	715,000	-
Due From Other Governments	24,439,517	2,159,948	26,599,465	23,920
Internal Balances	(19,754,312)	19,754,312	-	-
Inventories	897,589	302,109	1,199,698	-
Prepays	2,626,820	47,328	2,674,148	-
Restricted Assets:				
Cash and Cash Equivalents	4,044,941	86,552,122	90,597,063	-
Investments	21,593,458	116,495,545	138,089,003	-
Capital Assets:				
Non-depreciable	277,709,533	210,139,223	487,848,756	-
Depreciable (Net)	357,157,848	1,308,796,418	1,665,954,266	36,087
Total Assets	<u>1,314,992,577</u>	<u>2,022,818,393</u>	<u>3,337,810,970</u>	<u>2,433,645</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Outflows on Refunding Bond	6,193,895	2,492,380	8,686,275	-
Deferred Outflows - Pension Related	123,713,676	6,471,942	130,185,618	23,294
Total Deferred Outflows	<u>129,907,571</u>	<u>8,964,322</u>	<u>138,871,893</u>	<u>23,294</u>
LIABILITIES				
Accounts Payable	29,974,908	8,253,380	38,228,288	49,002
Accrued Liabilities	4,876,688	633,200	5,509,888	4,659
Accrued Interest Payable	7,378,774	14,044,668	21,423,442	-
Due to Other Governments	647,851	-	647,851	-
Advance Payments	12,131,331	41,321,333	53,452,664	-
Unearned Revenue	12,814,542	-	12,814,542	-
Securities Lending Obligations	89,063,365	-	89,063,365	-
Non-Current Liabilities				
Due Within One Year:				
Other Liabilities	757,321	-	757,321	-
Environmental Remediation	745,345	82,793	828,138	-
Compensated Absences	2,925,231	286,013	3,211,244	4,450
Loans/Leases Payable	5,330,658	5,827,552	11,158,210	-
Bonds Payable	16,863,019	9,485,000	26,348,019	-
Claims Liabilities	10,999,000	-	10,999,000	-
Due In More Than One Year:				
Environmental Remediation	5,321,600	-	5,321,600	-
Compensated Absences	33,640,162	3,289,150	36,929,312	51,182
Net Pension Liability	219,781,255	10,097,985	229,879,240	36,570
Loans/Leases Payable	21,747,139	195,418,873	217,166,012	-
Bonds Payable	391,248,082	653,777,585	1,045,025,667	-
Claims Liabilities	24,440,000	-	24,440,000	-
Total Liabilities	<u>890,686,271</u>	<u>942,517,532</u>	<u>1,833,203,803</u>	<u>145,863</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred Inflows - Sale and Lease Back	2,561,407	-	2,561,407	-
Deferred Inflows - Pension Related	7,063,118	277,252	7,340,370	1,019
Total Deferred Inflows	<u>9,624,525</u>	<u>277,252</u>	<u>9,901,777</u>	<u>1,019</u>
NET POSITION				
Net Investment in Capital Assets	486,949,156	800,514,698	1,287,463,854	36,087
Restricted for:				
Transportation	54,644,964	-	54,644,964	-
Debt Service	16,596,533	13,283,746	29,880,279	-
Housing and Community Development	557,868	-	557,868	-
Law Enforcement	4,021,567	-	4,021,567	-
Building Code Enforcement	16,498,873	-	16,498,873	-
911 Services	352,119	-	352,119	-
Capital Projects	50,772,155	-	50,772,155	-
Street Tree Replacement	758,889	-	758,889	-
Renewal and Replacement	747,360	12,900,294	13,647,654	-
Contractual Obligations	-	29,473,839	29,473,839	-
Science Center	88,673	-	88,673	-
Other Purposes	2,258	-	2,258	-
Unrestricted (Deficit)	(87,401,063)	232,815,354	145,414,291	2,273,970
Total Net Position	<u>\$ 544,589,352</u>	<u>\$ 1,088,987,931</u>	<u>\$ 1,633,577,283</u>	<u>\$ 2,310,057</u>

The accompanying notes are an integral part of the financial statements.

**CITY OF ORLANDO, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016**

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			Component Unit
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	
Primary Government:								
Governmental Activities:								
Executive Offices	\$ 12,391,224	\$ 961,094	\$ 149,078	\$ -	\$ (11,281,052)	\$ -	\$ (11,281,052)	\$ -
Housing and Community Development	9,599,020	-	8,821,490	270,524	(507,006)	-	(507,006)	-
Economic Development	25,308,127	32,138,267	993,918	1,960,446	9,784,504	-	9,784,504	-
Public Works	39,202,144	330,614	1,149,043	3,512,084	(34,210,403)	-	(34,210,403)	-
Families, Parks, and Recreation	34,996,575	3,850,403	2,022,684	2,900	(29,120,588)	-	(29,120,588)	-
Police	149,552,426	17,361,626	7,208,882	529,013	(124,452,905)	-	(124,452,905)	-
Fire	116,595,506	15,108,378	304,559	46,050	(101,136,519)	-	(101,136,519)	-
Business and Financial Services	33,566,282	4,414,367	-	47,479	(29,104,436)	-	(29,104,436)	-
Orlando Venues	4,754,692	1,326,965	71,630	829,560	(2,526,537)	-	(2,526,537)	-
Community Redevelopment	14,250,863	-	-	-	(14,250,863)	-	(14,250,863)	-
General Government	9,873,336	12,052,313	-	194,372	2,373,349	-	2,373,349	-
Lynx/Transit	3,873,006	-	-	-	(3,873,006)	-	(3,873,006)	-
Interest on Long-Term Debt	21,315,222	-	-	-	(21,315,222)	-	(21,315,222)	-
Total governmental activities	475,278,423	87,544,027	20,721,284	7,392,428	(359,620,684)	-	(359,620,684)	-
Business-type Activities:								
Wastewater	77,836,008	101,381,245	-	2,196,906	-	25,742,143	25,742,143	-
Orlando Venues - Business	99,940,750	37,687,820	-	69,547,254	-	7,294,324	7,294,324	-
Parking	14,039,746	15,375,642	-	91,548	-	1,427,444	1,427,444	-
Stormwater Utility	23,766,680	23,472,106	-	1,616,620	-	1,322,046	1,322,046	-
Solid Waste	28,483,706	32,113,381	-	-	-	3,629,675	3,629,675	-
Total business-type activities	244,066,890	210,030,194	-	73,452,328	-	39,415,632	39,415,632	-
Total primary government	\$ 719,345,313	\$ 297,574,221	\$ 20,721,284	\$ 80,844,756	(359,620,684)	39,415,632	(320,205,052)	-
Component unit:								
Downtown Development Board	\$ 3,096,917	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (3,096,917)
Total component unit	\$ 3,096,917	\$ -	\$ -	\$ -	-	-	-	(3,096,917)
General Revenues:								
Taxes:								
Property taxes, levied for general purposes					145,100,382	-	145,100,382	2,233,736
Local Option Fuel Tax					8,900,769	-	8,900,769	-
Franchise Fees					31,852,013	-	31,852,013	-
Public Service Taxes					45,233,863	-	45,233,863	-
Tax Increment Revenue					16,808,817	-	16,808,817	-
Local Business Tax					9,741,683	-	9,741,683	-
Grants and contributions not restricted to specific programs:								
Orlando Utilities Commission					55,719,368	-	55,719,368	-
State Sales Tax					39,428,960	-	39,428,960	-
Other					17,660,200	-	17,660,200	-
Investment Earnings					20,643,044	13,226,648	33,869,692	85,033
Payment from Primary Government					-	-	-	814,762
Miscellaneous					7,033,547	-	7,033,547	165,201
Transfers					(7,013,105)	7,013,105	-	-
Gain on Sale of Land					29,663,282	-	29,663,282	-
Total General Revenues and Transfers					420,772,823	20,239,753	441,012,576	3,298,732
Change in Net Position					61,152,139	59,655,385	120,807,524	201,815
Net position - Beginning					483,437,213	1,029,332,546	1,512,769,759	2,108,242
Net position - Ending					\$ 544,589,352	\$ 1,088,987,931	\$ 1,633,577,283	\$ 2,310,057

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

MAJOR GOVERNMENTAL FUNDS

The measurement focus of the Governmental Funds (in the fund financial statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the major Governmental Funds of the City:

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

The Community Redevelopment Agency (CRA) Fund includes the Downtown CRA, Republic Drive (Universal Boulevard) District CRA, and Conroy Road District CRA.

These are incremental tax districts established pursuant to Florida Statutes and accounted for in a special revenue fund. The fund accounts for incremental increase in ad valorem tax revenue collected within the designated community redevelopment areas. Revenues must be utilized and expended in accordance with the respective community redevelopment plans.

The Capital Improvement Fund accounts for financial resources used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

**CITY OF ORLANDO, FLORIDA
BALANCE SHEET
ALL GOVERNMENTAL FUNDS
SEPTEMBER 30, 2016**

	MAJOR FUNDS			Non-Major Governmental Funds	Total Governmental Funds
	General	Community Redevelopment Agency Funds	Capital Improvement		
ASSETS					
Current Cash and Cash Equivalents	\$ 124,981,922	\$ 18,031,300	\$ 71,629,406	\$ 141,867,293	\$ 356,509,921
Restricted Cash and Cash Equivalents	472,897	3,572,044	-	-	4,044,941
Restricted Investments	-	14,792,346	-	-	14,792,346
Securities Lending Collateral	88,590,468	-	-	-	88,590,468
Receivables (Net)					
Accounts	3,273,858	-	26,735	9,725	3,310,318
Taxes	251,597	-	-	814	252,411
Special Assessments	1,511,082	-	-	30,889	1,541,971
Due from Other Funds	2,371,000	-	-	-	2,371,000
Due from Other Governments	16,551,136	-	64,025	7,796,854	24,412,015
Prepaid Items	262,279	-	-	-	262,279
Inventories	451,482	-	-	48,336	499,818
Total Assets	<u>\$ 238,717,721</u>	<u>\$ 36,395,690</u>	<u>\$ 71,720,166</u>	<u>\$ 149,753,911</u>	<u>\$ 496,587,488</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$ 7,936,366	\$ 1,337,790	\$ 1,937,239	\$ 10,531,235	\$ 21,742,630
Accrued Liabilities	4,320,119	27,352	-	320,638	4,668,109
Advance Payments	8,164,226	158	854,689	3,112,258	12,131,331
Due to Other Funds	-	-	-	1,656,000	1,656,000
Due to Other Governments	645,420	-	448	1,983	647,851
Unearned Revenue	8,796,817	-	-	2,437,725	11,234,542
Obligations Under Securities Lending	89,063,365	-	-	-	89,063,365
Accrued Interest Payable	288,621	1,767,857	-	-	2,056,478
Total Liabilities	<u>119,214,934</u>	<u>3,133,157</u>	<u>2,792,376</u>	<u>18,059,839</u>	<u>143,200,306</u>
Deferred Inflows of Resources:					
Unavailable Revenue on Property and Casualty Insurance Premiums	3,391,500	-	-	-	3,391,500
Fund Balances:					
Nonspendable	713,761	-	-	49,336	763,097
Restricted	2,291,866	34,366,069	-	126,651,058	163,308,993
Committed	1,968,987	-	68,927,790	1,689,739	72,586,516
Assigned	22,388,546	-	-	3,334,301	25,722,847
Unassigned	88,748,127	(1,103,536)	-	(30,362)	87,614,229
Total Fund Balances	<u>116,111,287</u>	<u>33,262,533</u>	<u>68,927,790</u>	<u>131,694,072</u>	<u>349,995,682</u>
Total Liabilities, Deferred Inflows, and Fund Balances	<u>\$ 238,717,721</u>	<u>\$ 36,395,690</u>	<u>\$ 71,720,166</u>	<u>\$ 149,753,911</u>	<u>\$ 496,587,488</u>

The accompanying notes are an integral part of the financial statements.

**CITY OF ORLANDO, FLORIDA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2016**

Total fund balances of governmental funds \$ 349,995,682

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.

Governmental capital assets	1,186,393,535	
Less accumulated depreciation	<u>(600,937,386)</u>	585,456,149

Long-term receivables applicable to governmental activities are not due and collectible in the current period and therefore are not reported in fund balance in the governmental funds.

Accounts Receivable		20,833,409
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Long-term liabilities, including bonds payable are not due and payable in the current period and therefore are not reported in the governmental funds.

Governmental bonds payable	(180,553,327)	
Premium	(2,299,705)	
Current year premium amortization	384,629	
Deferred outflow of resources	341,211	
Current year amortization	(80,916)	
Compensated Absences	(35,462,686)	
Central Florida Expressway Authority Liability	(757,321)	
Environmental Remediation Liability	(6,066,945)	
State Infrastructure Bank (SIB) loan payable	(8,046,206)	
Governmental leases payable	(4,223,591)	
Governmental internal loans payable	(207,852,871)	
Net Pension Liability	<u>(217,276,733)</u>	(661,894,461)

Deferred inflow of resources in governmental funds is susceptible to full accrual on the entity-wide statements.

Deferred inflow of resources		3,391,500
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Deferred inflows and outflows of resources related to pensions are not reported in the governmental funds but will be recognized in pension expense on a long term basis and therefore are reported in the statement of net position.

Deferred inflows of resources related to pensions	(6,995,278)	
Deferred outflows of resources related to pensions	<u>122,100,008</u>	115,104,730

Gain on a sale-leaseback transaction is recognized over the lease term and is reported as deferred inflows of resources in the statement of net position.

Sale and lease back of OPD Headquarters		(2,561,407)
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Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of internal service funds are included in governmental activities in the statement of net position.

		<u>134,263,750</u>
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Total net position of governmental activities. \$ 544,589,352

The accompanying notes are an integral part of the financial statements

CITY OF ORLANDO, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

	MAJOR FUNDS			Non-Major Governmental Funds	Total Governmental Funds
	General	Community Redevelopment Agency Funds	Capital Improvement		
REVENUES					
Taxes:					
Property	\$ 144,711,644	\$ -	\$ -	\$ 388,738	\$ 145,100,382
Local Option Fuel	-	-	-	8,900,769	8,900,769
Communication Services	13,708,950	-	-	-	13,708,950
Local Business	9,741,683	-	-	-	9,741,683
Utilities Services	31,524,912	-	-	-	31,524,912
Intergovernmental:					
Orlando Utilities Commission Contribution	55,719,368	-	-	-	55,719,368
State Sales Tax	39,428,960	-	-	-	39,428,960
Other Intergovernmental	18,997,820	40,616,677	-	17,716,857	77,331,354
Franchise Fees	31,852,013	-	-	-	31,852,013
Permits and Fees	7,117,041	-	106,650	22,577,379	29,801,070
Charges for Services	60,470,852	17,624	231,919	14,163,788	74,884,183
Fines and Forfeitures	3,828,773	-	-	-	3,828,773
Income on Investments	5,327,207	1,492,183	2,420,467	5,208,119	14,447,976
Securities Lending Income	419,789	-	-	-	419,789
Special Assessments	48,371	-	-	5,317,249	5,365,620
Other Revenues	7,954,181	3,133,229	641,221	2,840,830	14,569,461
Total Revenues	430,851,564	45,259,713	3,400,257	77,113,729	556,625,263
EXPENDITURES					
Current Operating:					
Executive Offices	21,104,351	-	-	1,090,970	22,195,321
Housing and Community Development	497,012	-	-	8,966,399	9,463,411
Economic Development	14,298,947	-	-	13,760,693	28,059,640
Public Works	18,862,366	-	-	2,376,732	21,239,098
Families, Parks, and Recreation	32,065,541	-	-	1,942,048	34,007,589
Police	134,822,672	-	-	14,027,661	148,850,333
Fire	111,776,369	-	-	307,626	112,083,995
Business and Financial Services	28,076,182	-	-	-	28,076,182
Orlando Venues	464,591	-	-	2,846,724	3,311,315
Other Expenditures	15,813,674	-	-	30,224	15,843,898
Community Redevelopment Agency	-	18,073,330	-	-	18,073,330
Intergovernmental	-	-	-	3,873,006	3,873,006
Capital Improvements	-	3,457,336	18,112,343	46,662,947	68,232,626
Securities Lending Expenses:					
Interest and Agent Fees	356,364	-	-	-	356,364
Debt Service:					
Principal Payments	15,941,218	10,231,430	-	6,856,585	33,029,233
Interest and Other	3,441,123	12,357,187	-	112,709	15,911,019
Total Expenditures	397,520,410	44,119,283	18,112,343	102,854,324	562,606,360
Excess (Deficiency) of Revenues Over (Under) Expenditures	33,331,154	1,140,430	(14,712,086)	(25,740,595)	(5,981,097)
OTHER FINANCING SOURCES AND (USES)					
Transfers In	2,989,755	24,330,736	19,209,076	2,640,123	49,169,690
Transfers Out	(24,834,152)	(28,513,713)	(1,752,148)	(2,157,386)	(57,257,399)
Sale of Land	-	2,022,302	4,518,814	-	6,541,116
Issuance of Debt	4,244,653	-	-	30,000,000	34,244,653
Total Other Financing Sources and (Uses)	(17,599,744)	(2,160,675)	21,975,742	30,482,737	32,698,060
Net Change in Fund Balances	15,731,410	(1,020,245)	7,263,656	4,742,142	26,716,963
Fund Balances - Beginning	100,379,877	34,282,778	61,664,134	126,951,930	323,278,719
Fund Balances - Ending	\$ 116,111,287	\$ 33,262,533	\$ 68,927,790	\$ 131,694,072	\$ 349,995,682

The accompanying notes are an integral part of the financial statements.

**CITY OF ORLANDO, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016**

Net change in fund balances - total governmental funds \$ 26,716,963

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

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

Expenditures for capital assets	44,815,127	
Contributions of capital assets	1,919,898	
Less current year depreciation	<u>(28,492,998)</u>	18,242,027

Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. This is the amount by which proceeds exceeded repayments.

Bond, loan, and lease proceeds	(34,244,653)	
Principal and other debt service payments	<u>33,029,233</u>	(1,215,420)

Some revenues reported in the statement of activities do not provide current financial resources and therefore are not reported as revenues in governmental funds.

Change in deferred inflow from State insurance premiums	19,000	
Sale and lease back of OPD Headquarters	4,390,992	
Long-term accounts receivable	<u>18,731,174</u>	23,141,166

Some revenues reported in governmental funds are to be collected on a long-term basis and therefore are not reported as revenue in the statement of activities.

Long-term accounts receivable		(4,987,032)
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Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Amortization of current year bond discount/deferred expense	(80,916)	
Amortization of current year bond premium	384,629	
Change in long-term liabilities	(8,819,923)	
Change in long-term compensated absences	(5,218,893)	
Pension Expense	(2,077,679)	
Change in environmental remediation liability	<u>418,055</u>	(15,394,727)

Some expenditures reported in governmental funds are to be collected/(paid) on a long-term basis and therefore are not reported as expenses in the statement of activities.

Obligation to Central Florida Expressway Authority		788,091
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Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue (expense) of the internal service funds is reported with governmental activities.

		<u>13,861,071</u>
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Change in net position of governmental activities		<u>\$ 61,152,139</u>
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The accompanying notes are an integral part of the financial statements



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PROPRIETARY FUNDS

The focus of Proprietary Fund measurement is upon determination of operating income, changes in fund net position, financial position, and cash flows, which is similar to businesses. The following is a description of the major Proprietary Funds of the City:

The Wastewater System Fund accounts for the activities of the City's Wastewater System.

The Orlando Venues Fund accounts for the operation of Camping World Stadium, a 65,000-seat stadium, and the Amway Center, a 20,000-seat events center. Although the City owns the assets, a separate 501(c)(3) organization operates both the Performing Arts Center as well as the Bob Carr Theatre. See further discussion on pages 78 through 80 regarding the Expo Centre (meeting hall/exhibit facility) and the Community Venues (cultural and recreational venues.)

The Parking System Fund accounts for the activity of the City's Parking System, including the parking fine revenues.

The Stormwater Utility Funds: accounts for the activities of the Stormwater System which charges a user fee per parcel based on the amount of impervious surface thereon.

The Solid Waste Management Fund accounts for the activities of the City's residential and commercial collection system. This includes the costs of disposal fees charged at the Orange County landfill.

INTERNAL SERVICE FUNDS

Internal service funds account for the financing of goods and services provided by one department to other departments of the governmental unit on a cost-reimbursement basis. The City maintains six internal service funds (see page 177).

**CITY OF ORLANDO, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2016**

	Business-type Activities		
	Enterprise Funds		
	Wastewater Utility Fund	Orlando Venues Fund	Parking System Fund
ASSETS			
Current Assets:			
Current Cash and Cash Equivalents	\$ 169,997,628	\$ 22,915,501	\$ 10,807,364
Accounts Receivable (Net)	8,821,456	3,389,174	19,744
Due From Other Governments	1,886,334	-	225,881
Inventories	302,109	-	-
Prepaid Items	-	47,097	-
Total Current Assets	181,007,527	26,351,772	11,052,989
Non-Current Assets:			
Restricted:			
Restricted Cash and Cash Equivalents	13,213,068	70,106,435	3,232,619
Investments	8,690,277	107,805,268	-
Loans Receivable from Other Funds	-	-	-
Capital Assets:			
Artwork	6,095	611,243	-
Land	31,707,628	92,116,263	17,065,153
Buildings	162,141,101	882,284,939	78,023,357
Improvements Other Than Buildings	277,957,074	46,857,620	2,678,078
Equipment	53,570,866	35,233,074	1,359,456
Vehicles	-	532,236	-
Wastewater and Stormwater Lines and Pump Stations	375,846,411	-	-
Less Accumulated Depreciation	(500,610,030)	(149,383,251)	(56,517,492)
Construction in Process	41,441,874	7,603,878	-
Total Non-Current Assets	463,964,364	1,093,767,705	45,841,171
Total Assets	644,971,891	1,120,119,477	56,894,160
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflows on Refunding Bonds	-	2,492,380	-
Deferred Outflows - Pension Related	2,589,299	770,794	1,153,045
Total Deferred Outflows	2,589,299	3,263,174	1,153,045
LIABILITIES			
Current Liabilities:			
Accounts Payable	4,066,066	2,060,566	261,672
Accrued Liabilities	268,692	100,883	80,710
Accrued Interest Payable	1,074,506	12,970,162	-
Compensated Absences	129,529	47,736	22,215
Advance Payments	29,787,326	11,474,100	59,157
Current Portion of Loans from Other Funds	-	890,766	975,000
Current Portion of Loans/Leases Payable	3,677,060	-	-
Current Portion of Bonds Payable	1,370,000	8,115,000	-
Current Portion of Claims Liabilities	-	-	-
Total Current Liabilities	40,373,179	35,659,213	1,398,754
Non-Current Liabilities:			
Non-Current Compensated Absences	1,489,580	548,968	255,469
Net Pension Liability	4,021,833	1,200,496	1,810,142
Loans from Other Funds	-	42,437,677	9,957,083
Loans/Leases Due After One Year	53,024,113	90,000,000	-
Bonds Payable After One Year	37,274,211	616,503,374	-
Claims Liabilities After One Year	-	-	-
Total Non-Current Liabilities	95,809,737	750,690,515	12,022,694
Total Liabilities	136,182,916	786,349,728	13,421,448
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows - Pension Related	109,154	32,812	50,474
NET POSITION			
Net Investment in Capital Assets	360,087,990	290,624,897	31,676,469
Restricted:			
Debt Service	8,997,437	4,286,309	-
Renewal and Replacement	5,643,922	4,023,753	3,232,619
Contractual Obligations	3,354,821	26,119,018	-
Unrestricted	133,184,950	11,946,134	9,666,195
Total Net Position	\$ 511,269,120	\$ 337,000,111	\$ 44,575,283

Adjustment to reflect the cumulative consolidation of internal service fund activities related to enterprise funds.

Net position of business-type activities

Business-type Activities Enterprise Funds			Governmental Activities
Stormwater Utility Fund	Solid Waste Management Fund	Total Enterprise Funds	Internal Service Funds
\$ 39,028,132	\$ 20,833,891	\$ 263,582,516	\$ 172,942,308
62,046	2,696,452	14,988,872	1,377
47,236	497	2,159,948	27,502
-	-	302,109	397,771
231	-	47,328	2,364,541
<u>39,137,645</u>	<u>23,530,840</u>	<u>281,080,773</u>	<u>175,733,499</u>
-	-	86,552,122	-
-	-	116,495,545	6,801,112
-	-	-	262,113,397
-	-	617,338	-
1,633,452	71,165	142,593,661	555,768
771,935	1,402,289	1,124,623,621	8,308,153
22,269,311	426,850	350,188,933	2,202,910
2,233,798	830,184	93,227,378	7,753,325
-	-	532,236	104,292,693
153,766,735	-	529,613,146	-
(80,400,096)	(2,478,027)	(789,388,896)	(73,701,617)
17,521,055	361,417	66,928,224	-
117,796,190	613,878	1,721,983,308	318,325,741
156,933,835	24,144,718	2,003,064,081	494,059,240
-	-	2,492,380	5,933,600
817,407	1,141,397	6,471,942	1,613,668
817,407	1,141,397	8,964,322	7,547,268
1,409,972	537,897	8,336,173	8,232,278
79,744	103,171	633,200	208,579
-	-	14,044,668	5,322,296
34,105	52,428	286,013	88,216
750	-	41,321,333	-
-	-	1,865,766	-
284,726	-	3,961,786	1,851,000
-	-	9,485,000	9,870,000
-	-	-	10,999,000
1,809,297	693,496	79,933,939	36,571,369
392,208	602,925	3,289,150	1,014,491
1,273,655	1,791,859	10,097,985	2,504,522
-	-	52,394,760	-
-	-	143,024,113	12,957,000
-	-	653,777,585	270,033,224
-	-	-	24,440,000
1,665,863	2,394,784	862,583,593	310,949,237
3,475,160	3,088,280	942,517,532	347,520,606
34,850	49,962	277,252	67,840
117,511,464	613,878	800,514,698	49,411,232
-	-	13,283,746	-
-	-	12,900,294	-
-	-	29,473,839	-
36,729,768	21,533,995	213,061,042	104,606,830
<u>\$ 154,241,232</u>	<u>\$ 22,147,873</u>	<u>1,069,233,619</u>	<u>\$ 154,018,062</u>
		19,754,312	
		<u>\$ 1,088,987,931</u>	

The accompanying notes are an integral part of the financial statements.

CITY OF ORLANDO, FLORIDA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

	Business-type Activities		
	Enterprise Funds		
	Wastewater System Fund	Orlando Venues Fund	Parking System Fund
Operating Revenues			
User Charges	\$ 96,642,128	\$ 32,407,680	\$ 13,179,369
Fees	94,133	-	51,208
Parking Fines	-	-	2,040,902
Other	12,787	5,280,140	103,358
Total Operating Revenues	<u>96,749,048</u>	<u>37,687,820</u>	<u>15,374,837</u>
Operating Expenses			
Salaries, Wages, and Employee Benefits	17,043,337	8,837,287	5,462,438
Services and Supplies	36,787,794	20,982,619	6,577,353
Depreciation Expense	23,645,031	34,990,433	1,836,866
Total Operating Expenses	<u>77,476,162</u>	<u>64,810,339</u>	<u>13,876,657</u>
Operating Income (Loss)	<u>19,272,886</u>	<u>(27,122,519)</u>	<u>1,498,180</u>
Non-Operating Revenues (Expenses)			
Income on Investments	6,695,076	3,496,942	491,520
Impact Fees	4,632,197	-	-
Interest Expense	(1,110,207)	(32,745,208)	(290,502)
Gain (Loss) on Disposal of Capital Assets	(13,916)	(2,566,131)	805
Total Non-Operating Revenues (Expenses)	<u>10,203,150</u>	<u>(31,814,397)</u>	<u>201,823</u>
Income (Loss) Before Contributions, and Transfers	<u>29,476,036</u>	<u>(58,936,916)</u>	<u>1,700,003</u>
Federal and State Grants	400,000	2,000,004	-
Capital Contributions	1,796,906	6,346,658	91,548
Capital Contributions - Tourist Development Tax	-	61,200,592	-
Transfers In	-	6,783,648	771,357
Transfers Out	(174,164)	-	(5,327)
	<u>2,022,742</u>	<u>76,330,902</u>	<u>857,578</u>
Change in Net Position	31,498,778	17,393,986	2,557,581
Net Position - Beginning	<u>479,770,342</u>	<u>319,606,125</u>	<u>42,017,702</u>
Net Position - Ending	<u>\$ 511,269,120</u>	<u>\$ 337,000,111</u>	<u>\$ 44,575,283</u>

Adjustment to reflect the current year consolidation of internal service fund activities related to enterprise funds.

Change in net position of business-type activities

Business-type Activities Enterprise Funds			Governmental Activities
Stormwater Utility Fund	Solid Waste Management Fund	Total Enterprise Funds	Internal Service Funds
\$ 23,047,603	\$ 31,906,889	\$ 197,183,669	\$ 122,798,282
-	-	145,341	-
-	-	2,040,902	-
424,503	206,492	6,027,280	5,142,869
<u>23,472,106</u>	<u>32,113,381</u>	<u>205,397,192</u>	<u>127,941,151</u>
4,947,673	7,465,828	43,756,563	11,379,359
11,000,756	22,012,448	97,360,970	92,014,636
5,729,564	81,653	66,283,547	9,560,712
<u>21,677,993</u>	<u>29,559,929</u>	<u>207,401,080</u>	<u>112,954,707</u>
<u>1,794,113</u>	<u>2,553,452</u>	<u>(2,003,888)</u>	<u>14,986,444</u>
1,817,170	725,940	13,226,648	5,824,027
-	-	4,632,197	-
(25,614)	-	(34,171,531)	(9,276,650)
<u>(2,302,731)</u>	<u>(920)</u>	<u>(4,882,893)</u>	<u>(184,499)</u>
<u>(511,175)</u>	<u>725,020</u>	<u>(21,195,579)</u>	<u>(3,637,122)</u>
<u>1,282,938</u>	<u>3,278,472</u>	<u>(23,199,467)</u>	<u>11,349,322</u>
291,000	-	2,691,004	-
1,325,620	-	9,560,732	3,826,566
-	-	61,200,592	-
23,082	-	7,578,087	3,528,738
<u>(201,500)</u>	<u>(183,991)</u>	<u>(564,982)</u>	<u>(2,454,136)</u>
<u>1,438,202</u>	<u>(183,991)</u>	<u>80,465,433</u>	<u>4,901,168</u>
2,721,140	3,094,481	57,265,966	16,250,490
<u>151,520,092</u>	<u>19,053,392</u>		<u>137,767,572</u>
<u>\$ 154,241,232</u>	<u>\$ 22,147,873</u>		<u>\$ 154,018,062</u>
		<u>2,389,419</u>	
		<u>\$ 59,655,385</u>	

The accompanying notes are an integral part of the financial statements

**CITY OF ORLANDO, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016**

	Business-type Activities Enterprise Funds		
	Wastewater System Fund	Orlando Venues Fund	Parking System Fund
Increase (Decrease) in Cash and Cash Equivalents:			
Cash Flows from Operating Activities:			
Receipts from Customers	\$ 93,293,889	\$ 39,886,895	\$ 15,423,878
Repayment of Loans from Other Funds	-	-	-
Loans to Other Funds	-	-	-
Payments to Suppliers	(27,207,318)	(37,151,348)	(7,550,998)
Payments to Employees	(10,839,669)	(7,154,027)	(3,141,827)
Payments to Internal Service Funds and Administrative Fees	(16,293,501)	(2,283,048)	(1,445,906)
Net Cash Provided by (Used in) Operating Activities	<u>38,953,401</u>	<u>(6,701,528)</u>	<u>3,285,147</u>
Cash Flows from Noncapital Financing Activities:			
Transfers In	-	6,783,648	771,357
Transfers (Out)	(174,164)	-	(5,327)
Proceeds from Bonds and Loans	-	-	-
Inter Fund Services	-	-	-
Principal Paid on Bonds and Loans	-	-	-
Interest Paid on Bonds and Loans	-	-	-
Net Cash Flows Provided by (Used in) Noncapital Financing Activities	<u>(174,164)</u>	<u>6,783,648</u>	<u>766,030</u>
Cash Flows from Capital and Related Financing Activities:			
Proceeds from Bonds, Loans, and Leases	3,806,757	6,925,730	-
Additions to Capital Assets	(36,802,425)	(15,521,706)	(2,338)
Principal Paid on Bonds, Interfund Loans, Loans, and Leases	(5,931,306)	(12,132,538)	(2,440,000)
Interest Paid on Bonds, Interfund Loans, Loans, and Leases	(1,134,396)	(33,068,641)	(290,502)
Capital Contributions from/to Other Governments, Developers, and Funds	2,196,906	2,100,004	91,548
Impact Fees Received	6,340,408	-	-
Disposal of Capital Assets	-	-	-
Tourist Development Tax (pass-through from Orange County)	-	61,200,592	-
Net Cash Flows Provided by (Used in) Capital and Related Financing Activities	<u>(31,524,056)</u>	<u>9,503,441</u>	<u>(2,641,292)</u>
Cash Flows from Investing Activities:			
Purchases of Investments	(21,738)	(29,348,245)	-
Proceeds from Sales and Maturities of Investments	4,727	1,156,269	-
Net Investment Income	6,695,076	3,496,942	491,520
Net Cash Flows Provided by (Used in) Investing Activities	<u>6,678,065</u>	<u>(24,695,034)</u>	<u>491,520</u>
Net Change in Cash and Cash Equivalents	13,933,246	(15,109,473)	1,901,405
Cash and Cash Equivalents at Beginning of Year	<u>169,277,450</u>	<u>108,131,409</u>	<u>12,138,578</u>
Cash and Cash Equivalents at End of Year	<u>\$ 183,210,696</u>	<u>\$ 93,021,936</u>	<u>\$ 14,039,983</u>
Classified As:			
Current Assets	\$ 169,997,628	\$ 22,915,501	\$ 10,807,364
Restricted Assets	13,213,068	70,106,435	3,232,619
Totals	<u>\$ 183,210,696</u>	<u>\$ 93,021,936</u>	<u>\$ 14,039,983</u>

			Governmental Activities
Stormwater Utility Fund	Solid Waste Management Fund	Total Enterprise Funds	Internal Service Funds
\$ 23,476,891	\$ 31,957,345	\$ 204,038,898	\$ 127,949,538
-	-	-	22,518,629
-	-	-	(35,707,916)
(10,147,644)	(15,974,079)	(98,031,387)	(91,706,320)
(2,859,408)	(4,470,069)	(28,465,000)	(7,024,710)
(2,271,687)	(8,744,516)	(31,038,658)	(3,487,108)
<u>8,198,152</u>	<u>2,768,681</u>	<u>46,503,853</u>	<u>12,542,113</u>
23,082	-	7,578,087	3,798,273
(201,500)	(183,991)	(564,982)	(2,723,671)
-	-	-	102,081,490
-	-	-	(136,000)
-	-	-	(86,671,000)
-	-	-	(17,415,686)
<u>(178,418)</u>	<u>(183,991)</u>	<u>7,013,105</u>	<u>(1,066,594)</u>
-	-	10,732,487	-
(9,252,210)	(214,156)	(61,792,835)	(16,241,202)
(819,851)	-	(21,323,695)	-
(25,614)	-	(34,519,153)	-
291,750	(920)	4,679,288	-
-	-	6,340,408	-
-	-	-	252,726
-	-	61,200,592	-
<u>(9,805,925)</u>	<u>(215,076)</u>	<u>(34,682,908)</u>	<u>(15,988,476)</u>
-	-	(29,369,983)	(6,258)
-	-	1,160,996	7,755,347
1,817,170	725,940	13,226,648	5,119,279
<u>1,817,170</u>	<u>725,940</u>	<u>(14,982,339)</u>	<u>12,868,368</u>
30,979	3,095,554	3,851,711	8,355,411
<u>38,997,153</u>	<u>17,738,337</u>	<u>346,282,927</u>	<u>164,586,897</u>
<u>\$ 39,028,132</u>	<u>\$ 20,833,891</u>	<u>\$ 350,134,638</u>	<u>\$ 172,942,308</u>
\$ 39,028,132	\$ 20,833,891	\$ 263,582,516	\$ 172,942,308
-	-	86,552,122	-
<u>\$ 39,028,132</u>	<u>\$ 20,833,891</u>	<u>\$ 350,134,638</u>	<u>\$ 172,942,308</u>

The accompanying notes are an integral part of the financial statements.

**CITY OF ORLANDO, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016
(continued)**

	Business-type Activities Enterprise Funds		
	Wastewater System Fund	Orlando Venues Fund	Parking System Fund
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities:			
Operating Income (Loss)	\$ 19,272,886	\$ (27,122,519)	\$ 1498180
Adjustments Not Affecting Cash:			
Depreciation	23,645,031	34,990,433	1,836,866
(Increase) Decrease in Assets and Increase (Decrease) in Liabilities:			
Accounts Receivable	(2,423,468)	(1,288,801)	(19,744)
Due from Other Governments	(1,031,691)	-	101,153
Inventory	31,960	-	-
Prepaid Items	-	(47,097)	1,400
Deferred Outflows	(1,554,688)	(2,953,271)	(681,035)
Loans to Other Funds	-	-	-
Accounts Payable	(865,237)	(14,188,316)	(128,649)
Accrued Liabilities	105,270	28,044	30,454
Compensated Absences	450,899	83	100,992
Pension Liability	1,359,495	403,025	595,531
Claims Payable	-	-	-
Deferred Inflows	(37,056)	(10,985)	(16,233)
Advance Payments	-	3,487,876	(33,768)
Total Adjustments	<u>19,680,515</u>	<u>20,420,991</u>	<u>1,786,967</u>
Net Cash Provided by (Used in) Operating Activities	\$ 38,953,401	\$ (6,701,528)	\$ 3,285,147
Noncash Investing, Capital, and Financing Activities:			
Contributed capital assets received	\$ 2,196,906	\$ 1,326,596	\$ 91,548
Loss on disposal of capital assets	13,916	2,566,131	-
Capitalized interest	1,281,827	-	-

Stormwater Utility Fund	Solid Waste Management Fund	Total Enterprise Funds	Governmental Activities
			Internal Service Funds
\$ 1,794,113	\$ 255,345	\$ (2,003,888)	\$ 14,986,444
5,729,564	81,653	66,283,547	9,560,712
52,020	(156,036)	(3,836,029)	10,888
(47,236)	-	(977,774)	(2,502)
-	-	31,960	(10,110)
116	-	(45,581)	(250,387)
(488,432)	(674,155)	(6,351,581)	(1,141,658)
-	-	-	(13,189,287)
464,940	(6,608)	(14,723,870)	2,009,690
35,727	35,709	235,204	96,690
241,873	361,221	1,155,068	245,589
427,109	589,514	3,374,674	1,289,910
-	-	-	(1,065,000)
(11,642)	(16,069)	(91,985)	1,134
-	-	3,454,108	-
6,404,039	215,229	48,507,741	(2,444,331)
\$ 8,198,152	\$ 2,768,681	\$ 46,503,853	\$ 12,542,113
\$ 1,325,620	\$ -	\$ 4,940,670	\$ 3,826,566
2,302,731	-	4,882,778	-
-	-	1,281,827	-

The accompanying notes are an integral part of the financial statements.



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FIDUCIARY FUNDS AND AGENCY FUNDS

Employee Retirement Funds account for the activities of the firefighters' and police officers' and the general employees' pension funds, which accumulate resources for pension benefits and disability payments to qualified retirees (see page 187).

Agency Fund accounts for the City's collection of School Impact Fees on behalf of the Orange County School Board.

COMPONENT UNIT

Downtown Development Board (DDB) The DDB encompasses all the CRA areas and is a discretely presented component unit of the City.

**CITY OF ORLANDO, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2016**

	Employee Retirement Funds	Agency Fund
ASSETS		
Cash and Cash Equivalents	\$ 15,206,397	\$ 7,670,300
Cash with Fiscal Agents	150,000	-
Accounts Receivable	26,537	-
Prepaid Items	1,222,384	-
Investments, at Fair Value		
Fixed Income	389,051,757	-
Equity	485,106,949	-
Real Estate	68,918,574	-
Global Commingled Investments	108,302,015	-
Hedge Fund of Funds	59,023,058	-
Private Equity	12,003,704	-
Private Debt	23,903,832	-
Other	8,744,745	-
Defined Contribution Mutual Funds	192,455,492	-
Firefighter Share Plan Mutual Funds	11,606,946	-
Retiree Health Savings Mutual Funds	3,511,104	-
Securities Lending Collateral	70,196,849	-
Participant Loans	5,281,590	-
Total Assets	1,454,711,933	7,670,300
LIABILITIES		
Obligations Under Security Lending	70,196,849	-
Accounts Payable	432,285	7,670,300
Accrued Liabilities	1,455	-
Due To Other Funds	715,000	-
Total Liabilities	71,345,589	\$ 7,670,300
NET POSITION		
Restricted for Employees' Pension Benefits, OPEB, and Other Purposes	\$ 1,383,366,344	

The accompanying notes are an integral part of the financial statements.

CITY OF ORLANDO, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

	<u>Employee Retirement Funds</u>
ADDITIONS	
Contributions:	
Employer	\$ 74,195,017
State	4,535,169
State in Excess of 1997 Frozen Amounts	721,088
Plan Members	10,574,253
Plan Members State Shortfall	30,166
Plan Members Buyback	31,568
Transfers from the General Employee Pension Fund	265,504
Total Contributions	<u>90,352,765</u>
Investment Income:	
From Investment Activities	
Net Increase (Decrease) in Fair Value of Investments	98,790,604
Interest and Dividends	13,285,499
Net Investment Income	<u>112,076,103</u>
Investment Activity Expenses:	
Investment Management Fees	(2,950,616)
Custodian Fees	(234,996)
Total Investment Expenses	<u>(3,185,612)</u>
Net Income from Investing Activities	<u>108,890,491</u>
From Securities Lending Activities:	
Securities Lending Income	384,938
Security Lending Expenses:	
Interest and Agent Fees	(173,664)
Net Income from Securities Lending Activities	<u>211,274</u>
Total Net Investment Income	<u>109,101,765</u>
Total Additions, net	<u>199,454,530</u>
DEDUCTIONS	
Retirement Benefits	86,447,950
Retiree Healthcare Benefits	16,116,100
Long-Term Disability Benefits	342,557
Refunds of Contributions	208,592
Transfers to the Defined Contribution Plan	265,504
Administrative Expense	523,865
Salaries, Wages and Employee Benefits	91,409
Total Deductions	<u>103,995,977</u>
Net Increase	95,458,553
Net Position - Restricted for Employees' Pension Benefits, OPEB, and Other Purposes:	
Beginning of year	1,287,907,791
End of year	<u>\$ 1,383,366,344</u>

The accompanying notes are an integral part of the financial statements

**CITY OF ORLANDO, FLORIDA
STATEMENT OF NET POSITION
COMPONENT UNIT
SEPTEMBER 30, 2016**

	<u>Downtown Development Board</u>
ASSETS	
Cash and Cash Equivalents	\$ 2,373,563
Receivables (Net)	75
Due From Other Governments	23,920
Capital assets:	
Depreciable (Net)	36,087
Total Assets	<u>2,433,645</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Outflows - Pension Related	<u>23,294</u>
LIABILITIES	
Accounts Payable	49,002
Accrued Liabilities	4,659
Compensated Absences	4,450
Long-term Liabilities:	
Compensated Absences	51,182
Net Pension Liability	36,570
Total Liabilities	<u>145,863</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred Inflows - Pension Related	<u>1,019</u>
NET POSITION	
Net Investment in Capital Assets	36,087
Unrestricted	<u>2,273,970</u>
Total Net Position	<u><u>\$ 2,310,057</u></u>

The accompanying notes are an integral part of the financial statements.

**CITY OF ORLANDO, FLORIDA
STATEMENT OF ACTIVITIES
COMPONENT UNIT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016**

	<u>Expenses</u>	<u>Program Revenues</u>	<u>Net (Expenses) Revenue and Changes in Net Position</u>
		<u>Charges for Services</u>	<u>Downtown Development Board</u>
DOWNTOWN DEVELOPMENT BOARD			
Economic Development	\$ 3,096,917	\$ -	\$ (3,096,917)
General revenues:			
Property taxes, levied for general purposes			2,233,736
Investment Earnings			85,033
Payment from Primary Government			814,762
Miscellaneous			165,201
Total General Revenues			<u>3,298,732</u>
Change in Net Position			201,815
Net Position - Beginning			<u>2,108,242</u>
Net Position - Ending			<u>\$ 2,310,057</u>

The accompanying notes are an integral part of the financial statements.

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2016

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CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2016

NOTE I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Orlando, Florida (the City) have been prepared in accordance with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units. The more significant of these accounting policies are described below.

A. Reporting Entity

The City is a Florida municipal corporation with a seven-member City Council comprised of the Mayor (elected at large) and six district Commissioners. In evaluating the City as a reporting entity, management has addressed all potential component units (traditionally separate reporting entities) for which the City may or may not be financially accountable and, as such, be includable within the City's financial statements. The City (the primary government) is financially accountable if it appoints a voting majority of the organization's governing board and (1) it is able to impose its will on the organization or (2) there is a potential for the organization to provide specific financial benefit to or impose specific financial burden on the City. Additionally, the primary government is required to consider other organizations for which the primary government is not financially accountable to determine whether the relationship is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The financial statements are formatted to allow the reader to distinguish between the primary government and its discretely presented component units.

1. Blended Component Units:

Community Redevelopment Agency (CRA) - The City Council serves as the CRA board. Although legally separate, the CRA is blended as a governmental fund component unit into the primary government because the structure of the CRA meets the GASB Statement 61 criteria for blending. The criteria assessed and determined to result in blending are: (a) the boards of the CRA and the City are the same, and (b) management of the City has operational responsibility for the CRA. The CRA has responsibility for three separate tax increment districts (which have district specific debt obligations and related revenues). The operations of the CRA are reported as a Major Governmental Fund. Separate financial reports for the CRA are not prepared.

Neighborhood Improvement District – Downtown South (NID) - The City Council serves as the NID board. Although legally separate, the NID is blended as a governmental fund component unit into the primary government because the structure of the NID meets the GASB Statement 61 criteria for blending. The criteria assessed and determined to result in blending are: (a) the boards of the NID and the City are the same, and (b) management of the City has operational responsibilities for the NID. For additional information on the NID, see page 129. The operations of the NID are reported as a Non-Major Governmental Fund. Separate financial reports for the NID are not prepared.

2. Discretely Presented Component Units:

Downtown Development Board (DDB) - The DDB has a separate, five member board appointed by the City Council. Staff is shared with the CRA as the CRA defined area encompasses all of the DDB area. The operations of the DDB are reported in the government-wide financial statements in a separate column. Separate financial reports for the DDB are not prepared. (see additional Notes on page 122).

3. Related Organizations:

Orlando Housing Authority (OHA) – Although the Mayor of Orlando appoints the Governing Board of the OHA, the City does not exercise the other prerequisites for inclusion as a component unit. The OHA was established in 1938 and their funding includes the United States Department of Housing and Urban Development.

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2016

The OHA service area is Orange County and they currently control 6,141 rental units of which over 50% are located within the City of Orlando. The City has no obligation to, nor has it been requested to, nor has it electively provided any subsidy to the OHA.

Strengthen Orlando – Strengthen Orlando, Inc. is a 501(c)(3) Florida not-for-profit corporation that was incorporated on December 23, 2009. Strengthen Orlando, Inc. was formed to support charitable activities of various departments within the City. Although the Mayor of Orlando appoints the Board of Directors, the City does not exercise the other prerequisites for inclusion as a component unit. During the year-ended September 30, 2016, the City paid approximately \$9,290 in administrative expenses for Strengthen Orlando external audit and tax fees.

4. Other Organizations:

The City provides limited information regarding the Orlando Utilities Commission (OUC) and the Greater Orlando Aviation Authority (GOAA) in the notes on page 124. Further information regarding these agencies, their financial statements, and/or operations may be obtained by contacting the agencies directly.

Governmental accounting standards require reasonable separation between the Primary Government (including its blended component units) and its discretely presented component unit, both in the financial statements and in the related notes and required supplementary information. Because the discretely presented component unit, although legally separate, has been and is operated as if it is part of the primary government, there are limited instances where special note reference or separation will be required. If no separate note reference or categorization is made, the reader should assume that the information presented is equally applicable to both the primary government and component unit.

B. Government-Wide and Fund Financial Statements

The basic financial statements include both the government-wide (based on the City as a whole) and fund financial statements. Both the government-wide and fund financial statements (within the basic financial statements) categorize primary activities as either governmental or business-type. In the government-wide Statement of Net Position, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, and (b) are reflected on a full accrual, economic resource basis, which incorporates long-term assets and receivables as well as long-term debt and obligations.

The government-wide Statement of Activities reflects both the gross and net costs per functional category (Police, Fire, Public Works, etc.) which are otherwise being supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating grants, and capital grants. The program revenues must be directly associated with the function (Police, Fire, Public Works, etc.) or a business-type activity. The operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The governmental funds' major fund statements in the fund financial statements are presented on a current financial resource and modified accrual basis of accounting. This is the manner in which these funds are normally budgeted. This presentation is deemed most appropriate to (a) demonstrate legal and covenant compliance, (b) demonstrate the source and use of liquid resources, and (c) demonstrate how the City's actual experience conforms to the budgeted fiscal plan. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental activities column, a reconciliation is presented on the page following each statement, which explains the adjustments necessary to transform the fund based financial statements into the governmental activities column of the government-wide presentation.

Internal service funds of a government (which traditionally provide services primarily to other funds of the government) are presented, in summary form, as part of the proprietary fund financial statements. Since the principal users of the internal services are the City's governmental activities, the financial statements of internal service funds are consolidated into the governmental activities column when presented at the government-wide level. The costs of these services are charged to the appropriate functional activity (Police, Fire, Public Works, Wastewater, etc.).

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2016

Surpluses or deficits in the Internal Service Funds are allocated back to customers at the government-wide level Statement of Activities. This creates a reconciling item between the business-type activities column at the government-wide level and the proprietary fund statements at the fund level as reflected on the bottom of each statement.

The City's fiduciary funds are presented in the fund financial statements by type (retirement and agency). Since, by definition, these assets are being held for the benefit of a third party (pension participants and other local governments) and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements.

C. Basis of Presentation

The financial transactions of the City are recorded in individual funds. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses.

GASB Statement 34 *Basic Financial Statements – and Management's Discussion and Analysis – For State and Local Governments* sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The City electively added funds, as major funds, which either had debt outstanding or specific community focus. The non-major governmental funds are combined in a single column in the fund financial statements and detailed in the combining statements section.

1. Major Governmental Funds:

The measurement focus of the Governmental Funds (in the fund financial statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the major Governmental Funds of the City:

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

b. The CRA Fund includes the Downtown CRA, Republic Drive (Universal Boulevard) District CRA, and Conroy Road District CRA. These are incremental tax districts established pursuant to Florida Statutes and accounted for in a special revenue fund. The fund accounts for incremental increase in ad valorem tax revenue collected within the designated community redevelopment areas. Revenues must be utilized and expended in accordance with the respective community redevelopment plans.

c. The Capital Improvement Fund accounts for financial resources used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds).

2. Proprietary Funds:

The focus of Proprietary Fund measurement is upon determination of operating income, changes in fund net position, financial position, and cash flows, which is similar to businesses. The following is a description of the major Proprietary Funds of the City:

a. The Wastewater System Fund accounts for the activities of the City's Wastewater System.

b. The Orlando Venues Fund accounts for the operation of Camping World Stadium, a 65,000-seat stadium, and the Amway Center, a 20,000-seat events center. Although the City owns the assets, a separate 501(c)(3) organization operates both the Performing Arts Center as well as the Bob Carr Theatre. See further discussion on pages 79 and 80 regarding the Expo Centre (meeting hall/exhibit facility) and the Community Venues (cultural and recreational venues).

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c. The Parking System Fund accounts for the activity of the City's Parking System, including the parking fine revenues.

d. The Stormwater Utility Funds: accounts for the activities of the Stormwater System which charges a user fee per parcel based on the amount of impervious surface thereon.

e. The Solid Waste Management Fund accounts for the activities of the City's residential and commercial collection system. This includes the costs of disposal fees charged at the Orange County landfill.

3. Internal Service Funds:

Internal service funds account for the financing of goods and services provided by one department to other departments of the governmental unit on a cost-reimbursement basis. The City maintains six internal service funds:

a. The Fleet Maintenance Fund accounts for the purchases and maintenance services of the City's vehicles.

b. The Risk Management Fund accounts for the City's risk management activity for worker's compensation, auto liability, property and contents loss, and general liability.

c. The Internal Loan Fund accounts for loans and bonds recorded in the City's Banking Fund which are loaned to other funds and component units to provide financing for capital projects. The funding for this program comes from the Sunshine State Governmental Financing Commission Loans and the Capital Improvement Special Revenue Bonds.

d. The Construction Management Fund accounts for the management and inspection services provided to other funds' construction projects.

e. The Healthcare Fund accounts for health insurance payments for the City's employees' health plan.

f. The Facilities Management Fund accounts for the construction, remodeling, preventative maintenance, and general repairs to City facilities provided to other funds.

4. Other Funds:

a. Employee Retirement/Benefit Funds – accounts for the City's defined benefit and defined contribution pension plans, other post employment benefits (OPEB), and disability benefits for its employees/retirees.

b. Agency Fund – accounts for the City's collection of School Impact Fees on behalf of the Orange County School Board.

D. Basis of Accounting

Basis of accounting refers to the point at which revenues, expenditures, expenses, and transfers (and assets, deferred outflows of resources, liabilities, and deferred inflows of resources) are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made, regardless of the measurement focus applied.

The Government-wide financial statements and the Proprietary, Fiduciary, and Component Unit fund financial statements are presented on an accrual basis of accounting. The Governmental Funds in the fund financial statements are presented on a modified accrual basis.

1. Accrual:

Revenues are recognized when earned and expenses are recognized when incurred.

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2. Modified Accrual:

Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means (except for property taxes) collectible within the following nine (9) months. Because of the statutorily defined property tax calendar (see Notes on page 60), most property taxes are collected during the fiscal year in which they are levied, or within 60 days of the end of the fiscal year.

Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt and compensated absences, if any, are recognized when due.

In applying the "susceptible to accrual" concept to intergovernmental revenues pursuant to GASB Statement 33 (the City may act as either provider or recipient), the provider should recognize liabilities and expenses and the recipient should recognize receivables and revenue when the applicable eligibility requirements, including time requirements, are met. Resources transmitted before the eligibility requirements are met should, under most circumstances, be reported as advances by the provider and unearned revenue by the recipient.

E. Encumbrances

Encumbrance accounting, under purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve a portion of the applicable budget appropriation, is utilized by the governmental funds of the City. Encumbrances lapse at year end.

F. Use of Restricted and Unrestricted Resources

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

G. Assets, Liabilities, and Fund Equity

1. Cash and Cash Equivalents:

The City defines Cash and Cash Equivalents as cash on hand, demand deposits, cash with fiscal agents, and the City's cash management pool. The cash management pool is used by all funds and component units, and consists of a variety of short-term investments such as Treasury Securities, U.S. Government agencies and instrumentalities, various corporate debt, mortgages, certificates of deposit, and overnight investments.

The City's cash management pool is treated as a cash equivalent for financial reporting purposes because each individual fund can deposit additional cash or make withdrawals (at any time) without prior notice or penalty.

2. Investments:

All investments (including Pension Funds) are stated at fair value, generally based on quoted market prices. The fair values of investments without quoted market prices, including certain commingled funds, alternative investments and fixed income securities, are estimated by a third party utilizing various pricing sources or based on fund net asset value. However, because of the inherent uncertainty of valuation, the estimated fair values for investments without quoted market prices may differ significantly from the values that would have been used had a ready market for the investments existed.

3. Accounts Receivable:

Accounts receivable are recorded in the Governmental, Business-type, Internal Service, Fiduciary, and Component Unit funds, net of appropriate allowance for doubtful accounts. As of September 30, 2016 the allowance for doubtful accounts in the Governmental, Business-type, and Internal Service funds was \$23,723,242, \$462,012 and \$4,070, respectively.

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4. Due From/Due To Other Funds:

Amounts receivable from, or payable to, other funds are reflected in the accounts of the fund until liquidated, usually within one year. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide statements as “internal balances.”

5. Inventories and Prepaid Items:

All City inventories are maintained on a consumption basis of accounting where items are purchased for inventory and charged to the budgetary accounts as the items are consumed. Inventories held by the General Fund consist principally of general office, printing, engineering, traffic control, and maintenance supplies. Inventories included in the Enterprise Funds consist of chemicals, fuel, and food concessions. Inventories included in the Internal Service Funds consist of maintenance parts, tires, fuel, and supplies. Inventories are stated at average or weighted average cost. Appropriate adjustments have been recorded for obsolete and surplus items.

Certain payments to vendors for services that will benefit periods beyond September 30, 2016 are recorded as prepaid items in both the government-wide and fund financial statements.

6. Restricted Assets:

Certain proceeds of the City’s revenue bonds (both governmental and enterprise funds), as well as certain resources set aside for their repayment, are classified as restricted assets on the statement of net position because their use is limited by applicable bond covenants or other legal agreements. The revenue bond debt service funds are used to segregate resources accumulated for debt service payments over the next twelve months. The revenue bond reserve funds are used to report resources set aside to pay debt service if the sources of the pledged revenues do not generate sufficient funds to satisfy the debt service requirements. The renewal and replacement funds are used to report resources set aside to meet unexpected contingencies or to fund asset renewals and replacements. The City would typically use restricted assets first, as appropriate opportunities arise, but reserves the right to selectively defer the use thereof to a future project or replacement equipment acquisition.

7. Capital Assets:

Property and equipment is carried at historical cost or estimated historical cost. Donated capital assets are recorded at acquisition value as of the date received. Acquisition value is the price that would be paid to acquire an asset with equivalent service potential in an orderly market transaction. The City’s capitalization levels are \$1,000 on tangible personal property, and \$250,000 on infrastructure, including sewer and stormwater lines. For improvements other than buildings, the capital outlay must be greater than \$10,000, extend the estimated useful life for ten years, and be greater than 10% of the original cost of the asset. For intangible assets, the capital outlay must be greater than \$1,000. For software costs, the capital outlay must be greater than \$1,000 per user license and/or \$50,000 for internally generated computer software. Other costs incurred for repairs and maintenance are expensed as incurred. Amortization of intangible assets including software costs is included with depreciation expense in the financial statements.

Infrastructure, buildings, improvements other than buildings, vehicles and equipment are depreciated using the straight-line method over the following useful lives:

	<u>YEARS</u>
Buildings	4 - 50
Improvements Other Than Buildings	7 - 25
Equipment	3 - 20
Software	3 - 10
Vehicles	3 - 15
Stormwater and Wastewater Lines and Pump Stations	10 - 50
Other Infrastructure	10 - 50

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Additions, major renewals and replacements that increase the useful lives of the assets are capitalized. Interest incurred during the construction phase of capital assets of business-type activities is capitalized. Total interest incurred for business-type activities during the current fiscal year was \$35,461,250. Of this amount, \$1,289,719 was capitalized, net of interest earnings, for wastewater treatment construction projects.

The City has a collection of artwork displayed both in buildings and public outdoor spaces. The true value of the art is expected to either be maintained or enhanced over time and thus, the art is not depreciated. If individual pieces are lost or destroyed, the loss is recorded.

The City estimated the historical cost of the infrastructure assets by estimating the then current replacement cost multiplied by an appropriate price-level index to deflate the cost to the estimated acquisition year. The infrastructure in the “traditional city limits” was discounted back to 1960 with the assumption that this infrastructure was built prior to 1960. The infrastructure in the “non-traditional city limits” was discounted back to 1980. As the City constructs or acquires additional infrastructure assets, they are capitalized and reported at historical cost. A local government may elect to use the depreciation method or the modified approach (maintenance of service condition) in reporting long-lived infrastructure assets. The City elected to implement the depreciation method.

8. Bond Discounts, Bond Premiums, and Issuance Costs:

In the governmental funds, bond discounts and bond premiums are treated as period costs in the year of issue. Bond premiums and discounts are shown as an “Other Financing Source/Use”.

In the proprietary funds (and for the governmental activities, in the government-wide statements) bond discounts and bond premiums are amortized over the term of the bonds using the bonds outstanding method, which approximates the effective interest rate method. Bond discounts and premiums are presented as a reduction and increase, respectively, of the face amount of the revenue bonds payable.

Issuance costs, except any portion related to prepaid insurance costs, are recognized as an expense in the period incurred.

9. Deferred Inflows of Resources and Deferred Outflows of Resources:

In the proprietary funds (and for the governmental activities, in the government-wide statements) the difference between the re-acquisition price (new debt) and the net carrying value of the old debt on refunded debt transactions is recorded as a deferred outflow of resources and recognized as a component of interest expense using the bonds outstanding method over the shorter of the remaining life of the old debt or the life of the new debt.

In the governmental activities column of the government-wide statements, the gain on the sale of the Orlando Police Headquarters and other property (which was subsequently leased back to the City) is recorded as a deferred inflow of resources and will be recognized in revenue over the lease term.

In the general fund, revenue from property and casualty insurance premiums (received from the State) that is not available to fund current operations, is recorded as deferred inflows of resources.

10. Deferred Inflows of Resources and Deferred Outflows of Resources Related to Pensions:

Deferred Inflows of resources and Deferred Outflows of resources related to pensions that are derived from the difference between projected and actual earnings on the respective pension plan investments are amortized to pension expense over a closed five-year period. Deferred Inflows of resources and Deferred Outflows of resources related to pensions that are derived from differences between expected and actual experience with regard to economic or demographic factors (difference between expected and actual experience) in the measurement of the respective pension plan’s total pension liability are amortized to pension expense over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the respective pension plan (active and inactive employees) determined as of the beginning of the measurement period. Deferred Inflows of resources and Deferred Outflows of resources related to pensions that are derived from changes in actuarial assumptions are amortized to pension expense over a closed six-year period.

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Contributions to the pension plan from the employer subsequent to the measurement date of the net pension liability and before the end of the reporting period are reported as a deferred outflow of resources related to pensions. This contribution is included as an increase in the respective pension plan fiduciary net position in the subsequent fiscal year.

11. Advanced Payments/Long-term Advances:

Advanced payments represent the fees associated with the reservation of infrastructure capacity, which allows developers to secure for a period of time (subject to time period forfeit), future development rights, trip capacity, etc., to ensure capacity for the development of their owned or to be acquired property. Advanced payments also represent ticket sales for Orlando Venues events that have not yet been remitted to the promoter.

12. Unearned Revenue:

In the governmental funds, certain revenue transactions have been reported as unearned revenue. Revenue cannot be recognized until it has been earned and is available to finance expenditures of the current fiscal period. Revenue that is earned but not available is reported as a deferred inflow of resources (unavailable revenue on property and casualty insurance premiums) until such time as the revenue becomes available. In the proprietary funds (and for the governmental activities in the government-wide statements), unearned revenue is reported regardless of its availability.

13. Compensated Absences:

The City accrues accumulated unpaid vacation and sick leave along with unpaid compensatory time and associated employee-related costs when earned (or estimated to be earned) by the employee. For proprietary funds and the government-wide statements, the current portion is the amount estimated to be used in the following year. In accordance with GAAP, for the governmental funds in the fund financial statements, all of the compensated absences are considered long-term and therefore, are not a fund liability and represents a reconciling item between the fund level and government-wide presentations.

14. Net Pension Liability:

The Net Pension Liability is the difference between the actuarial present value of projected pension benefit payments attributable to employees' past service and the respective pension plan's fiduciary net position. See Notes on page 106 for the net pension liability as of September 30, 2016.

15. Interfund Activity:

During the course of normal operations, the City has numerous transactions between funds. Interfund transactions are reflected as loans, services provided, reimbursements, or transfers. Loans are reported as receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided are treated as revenues and expenditures/expenses. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide presentation.

The City uses its cost allocation plan to identify costs associated with providing certain services. These indirect charges reimburse the administration and overhead services provided by certain General Fund divisions (e.g., finance, personnel, procurement, legal, information technology, etc.). At the fund-level statements, indirect charges of \$17,894,432 are included in the Charges for Services revenue line item in the General Fund. The indirect charges are eliminated at year-end in the entity-wide financial statements like a reimbursement (reducing the revenue and related expense in the General Fund).

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16. Fund Balance:

Fund balance is divided into five classifications based primarily on the extent to which the City is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

a. Nonspendable - The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or are 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. It also includes the long-term amount of interfund loans.

b. Restricted - Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or are imposed by law through constitutional provisions or enabling legislation (City ordinances). Enabling legislation authorizes the City to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. Legal enforceability means the City can be compelled by an external party such as citizens, public interest groups, or the judiciary to use resources created by enabling legislation only for the purposes specified by the legislation.

c. Committed - The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action (ordinance) of City Commission. Those committed amounts cannot be used for any other purpose unless City Commission removes or changes the specified use by taking the same type of action (ordinance) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, committed fund balance classification may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by City Commission, and anything separate from these constraints is not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

d. Assigned - Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes, but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. The City, for planning purposes, may assign fund balances for a specific purpose, such as setting aside funds for capital equipment replacement, emergency preparedness, and accrued benefit payouts to retired/terminated employees. Unlike commitments, assignments generally exist temporarily.

e. Unassigned - Fund balance is the residual classification for the general fund and includes all spendable amounts not contained in the other classifications. In the other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned. The City applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, or unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first, followed by assigned, and then by unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

When expenditures are incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) fund balance are available, the City's policy is to apply restricted first. When expenditures are incurred for purposes for which committed, assigned, or unassigned fund balances are available, the City's policy is to apply committed fund balance first, then assigned fund balance, and finally unassigned fund balance.

17. Net Position:

In the governmental-wide financial statement and proprietary fund financial statements, net positions are classified as follows:

Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by outstanding debt attributed to the acquisition, construction or improvement of the assets.

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Restricted net position is restricted by external creditors, grantors, contributors, or laws and regulations of other governments.

Unrestricted net position is all resources that do not meet the definition of "net investment in capital assets" or "restricted net position".

18. Use of Estimates:

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

19. Reclassifications:

Certain 2015 amounts have been reclassified to conform to the 2016 presentation.

H. Revenues, Expenditures, and Expenses

Substantially all governmental fund revenues (including sales taxes, franchise fees, and licenses) are accrued. Property taxes are generally billed and collected within the same period in which the taxes are levied.

In addition, revenue from Federal and State reimbursement type grants for which eligibility requirements have been met have been accrued and recognized as revenues of the period. Only the portion of special assessments receivable due within the current period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the City. Approximately 86% and 99% of the Wastewater System and the Solid Waste Management operating revenue from user charges, respectively, and 91% of Utility Services Tax are billed and collected by Orlando Utilities Commission (OUC) as agent for the City. Cash collected by OUC is remitted monthly to the City. The City records all revenues billed by OUC, net of estimated uncollectible accounts, through the end of the fiscal year.

Operating revenues for proprietary operations generally result from providing services in connection with a proprietary fund's principal on-going operation (e.g., wastewater, parking and solid waste collection). The principal operating revenue of the proprietary funds is receipts from customers. Operating expenses for these operations include all costs related to providing the service. These costs include salaries, contractual services, depreciation, and administrative expenses. All other revenues and expenses not meeting these definitions are reported as non-operating revenues and expenses.

Expenditures are recognized when the related fund liability is incurred except for the following:

- General obligation long-term debt principal and interest and compensated absences are reported, if any, only when due.
- Inventory costs are reported in the period when inventory items are consumed, rather than in the period purchased.

1. Property Taxes:

The City Council is permitted by State law to levy taxes up to 10 mills of assessed valuation. The millage rate levied by the City for the fiscal year ended September 30, 2016 was 6.6500 mills. Current tax collections (inclusive of legally available early payment discounts) for the City were approximately 98% of the total tax levy.

Under Florida law, the assessment of all properties and the collection of all county, municipal, special district, and school board property taxes are provided by the County's Property Appraiser and Tax Collector, respectively, who are elected County officials.

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The property tax calendar provides for the tax revenue to be billed and collected within the applicable fiscal year.

Calendar of Property Tax Events

Tax Collection

January 1	Property taxes are based on assessed property value at this date as determined by the Orange County Property Appraiser
July 1	Assessment roll approved by the state.
September 30	Millage resolution by the City Council
October 1	Beginning of the fiscal year for which taxes have been levied.
November 1	Property taxes due and payable
November 30	Last day for 4% maximum discount.
April 1	Unpaid property taxes become delinquent
On or before June 1	Tax certificates are sold by the Orange County Tax Collector. This is the first lien date on the properties.

Property tax collections are governed by Chapter 197, Florida Statutes. The Orange County Tax Collector bills and collects all property taxes levied within the County. Discounts are allowed for early payment of 4% in November, 3% in December, 2% in January, and 1% in February. If property taxes are not paid by April 1, the County adds a 3% penalty on real estate, and 1.5% on personal property.

The Tax Collector advertises and sells tax certificates on real property for delinquent taxes. Certificates not sold revert back to the County. The Tax Collector must receive payment before the certificates are issued. Any person owning land on which a tax certificate plus interest and other costs. The owner of a tax certificate may at any time after taxes have been delinquent for two years, file an application for tax deed sale. The County, as a certificate owner, may exercise similar procedures two years after taxes have been delinquent. Tax deeds are issued to the highest bidder for the property which sold at public auction.

The Tax Collector remits current taxes collected through approximately seven distributions to the City in the first three months of the fiscal year and at least one distribution each month thereafter. The City recognizes property tax revenue in the period in which they are levied.

2. Operating Subsidies, Grants, and Impact Fees:

Subsidies and grants to proprietary funds, which finance either capital or current operations, are recorded as non-operating revenue when earned.

The City's wastewater treatment policy requires restriction of all monies collected as impact fees. These fees represent a capacity charge for the proportionate share of the cost of expanding, over-sizing, separating or constructing new additions to the Wastewater System. The City is obligated to expend these funds only to provide expanded capacity to the system.

Deposits received which reserve capacity in the City's wastewater treatment facilities are recorded as a liability upon receipt. After completion of all legal requirements as stipulated by the City's wastewater treatment policy, the monies are recorded as non-operating revenue in the year the requirements are met.

I. Implementation of New GASB Pronouncements

In fiscal year ended September 30, 2016, the City adopted the following accounting standards.

GASB Statement 72, *Fair Value Measurement and Application* (GASB 72) is effective for the fiscal year beginning after June 15, 2015. GASB 72 requires the City to use valuation techniques which are appropriate under the circumstances and are either a market approach, a cost approach or income approach. GASB 72 establishes a hierarchy of inputs used to measure fair value consisting of three levels.

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Level 1 inputs are quoted prices in active markets for identical assets or liabilities. Level 2 inputs are inputs, other than quoted prices included within Level 1, which are observable for the asset or liability, either directly or indirectly. Level 3 inputs are unobservable inputs, and typically reflect management's estimates of assumptions that market participants would use in pricing the asset or liability. GASB 72 also contains note disclosure requirements regarding the hierarchy of valuation inputs and valuation techniques that were used for the fair value measurements. Note disclosure information requirements about the City's investments are addressed in the 2016 CAFR.

GASB Statement 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68* (GASB 73) was issued to improve the usefulness of information about pensions included in the general purpose external financial reports of state and local governments for making decisions and assessing accountability. Note disclosure and required supplementary information requirements about pensions also are addressed.

GASB Statement 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments* (GASB 76) was issued to simplify the structure of the hierarchy of Generally Accepted Accounting Principles (GAAP). The GAAP hierarchy identifies the sources of guidance that state and local governments follow when preparing financial statements in conformity with GAAP and lists the order of priority for pronouncements to which a government should look for guidance.

GASB Statement 79, *Certain External Investment Pools and Pool Participants* (GASB 79) was issued to establish criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes. The requirements of GASB 79 are effective for fiscal year 2016, except for the provisions in certain paragraphs, which are effective for fiscal year 2017. Note disclosure was addressed as required by the GASB pronouncement.

J. Pending GASB Accounting Pronouncements

The following accounting statements which may impact the City's financial reporting requirements in the near future are listed below.

GASB Statement 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans* (GASB 74) was issued to improve the usefulness of information about postemployment benefits other than pension (other postemployment benefits or OPEB) included in the general purpose external financial reports of state and local governments. The requirements of GASB 74 are effective for fiscal year 2017. The City is currently evaluating the impact that GASB 74 may have on its financial statements.

GASB Statement 75, *Accounting and Financial Reporting for Postemployment Benefit Plans Other Than Pensions* (GASB 75) was issued to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). The requirements of GASB 75 are effective for fiscal year 2018. The City is currently evaluating the impact that GASB 75 may have on its financial statements.

GASB Statement 77, *Tax Abatement Disclosures* (GASB 77) was issued to provide disclosure guidance to governments that enter into tax abatement agreements. Tax abatement agreements are used by state and local governments particularly to encourage economic development. The requirements of GASB 77 are effective for fiscal year 2017. The City is currently evaluating the impact that GASB 77 may have on its financial statements.

GASB Statement 78, *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans* (GASB 78) was issued to address an issue regarding the scope and applicability of GASB 68. The issue is associated with pensions provided through certain multiple-employer defined benefit pension plans and to state or local governmental employers whose employees are provided with such pensions. The requirements of GASB 78 are effective for fiscal year 2017. GASB 78 is not anticipated to impact the City's financial statements since the City does not participate in a multiple-employer defined benefit pension plan.

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GASB Statement 80, *Blending Requirements for Certain Component Units – an amendment of GASB Statement No. 14* (GASB 80) was issued to amend the blending requirements for the financial statement presentation of component units of all state and local governments. The requirements of GASB 80 are effective for fiscal year 2017. The City is currently evaluating the impact that GASB 80 may have on its financial statements.

GASB Statement 81, *Irrevocable Split-Interest Agreements* (GASB 81) was issued to improve accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement. The requirements of GASB 81 are effective for fiscal year 2018. The City is currently evaluating the impact that GASB 81 may have on its financial statements.

GASB Statement 82, *Pension Issues - An Amendment of GASB Statements No. 67, No. 68 and No. 73* (GASB 82) is effective for fiscal years beginning after June 15, 2016. The objective of this Statement is to address certain issues that have been raised with respect to GASB. 67, *Financial Reporting for Pension Plans*, GASB 68, *Accounting and Financial Reporting for Pensions*, and GASB 73, *Accounting and Financial Reporting for Pensions and Related Assets That are Not within the Scope of GASB 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*. Specifically, this Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from guidance in an actuarial Standard Practice for Financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements. The City is currently evaluating the impact that GASB 82 may have on its financial statements.

GASB Statement 83, *Certain Asset Retirement Obligations* (GASB 83) was issued to address accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. The requirements of GASB 83 are effective for fiscal year 2019. The City is currently evaluating the impact that GASB 83 may have on its financial statements.

GASB Statement 84, *Fiduciary Activities* (GASB 84) was issued to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The requirements of GASB 84 are effective for fiscal year 2019. The City is currently evaluating the impact that GASB 84 may have on its financial statements.

CITY OF ORLANDO, FLORIDA
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NOTE II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgeting Policy

The City Council annually adopts the Budget Resolution for all operating funds of the City except for certain restricted accounts of the proprietary funds, and the pension and OPEB trust funds. Budgetary control is legally maintained at the fund level. The budget is prepared using the modified accrual basis of accounting with encumbrances included as budgetary basis expenditures. The City's Budget Resolution provides transfer authority (1) to the Chief Financial Officer, within and between departments and funds, as long as the total budget of the City (net of interfund transfers) is not increased, (2) to the Chief Financial Officer to implement grant budgets as the grant applications are accepted by the City, and (3) to the Chief Financial Officer to amend (re-appropriate) each new year's budget, to the extent of outstanding encumbrances, and/or unexpended project/grant appropriations at year end. City Council action is required for (1) use of the budgeted Council contingency, and (2) the approval of a supplemental appropriation(s). During the year, several supplemental appropriations were necessary.

All budget amounts presented in the accompanying supplementary information reflect the original budget (including the prior year carry forward) and the amended budget (which have been adjusted for legally authorized revisions of the annual budgets during the year). Appropriations, except remaining project appropriations, encumbrances, and unexpended grant appropriations, lapse at the end of each fiscal year. The capital projects funds present, for some individual projects, the remaining project appropriations compared to current year expenditures.

B. Excess of Expenditures Over Appropriations

The budgetary comparison schedule for the H.P. Leu Gardens fund (a non-major governmental fund) has an excess of expenditures over appropriations of \$162,091. These over expenditures were funded from existing fund balance and higher than expected operating revenue (charges for services). The budgetary comparison schedule for the Cemetery fund (a non-major governmental fund) has an excess of expenditures over appropriations of \$192,836. These over expenditures were funded from higher than expected operating revenue (charges for services).. The budgetary comparison schedule for the Special Assessment fund (a non-major governmental fund) has an excess of expenditures over appropriations of \$5,484,775. These over expenditures were funded from the pay-off of an outstanding special assessment and existing fund balance. The budgetary comparison schedule for the GOAA Police fund (a non-major governmental fund) has an excess of expenditures over appropriations of \$90,001. These over expenditures were funded from higher than expected operating revenue (charges for services).

C. Deficit Fund Balance/Net Position

Fund	Type	Deficit
Grant Fund	Nonmajor Governmental Fund	\$ 30,362
Community Redevelopment Agency Republic Drive	Nonmajor Governmental Fund	1,103,536
Construction Management Fund	Internal Service Fund	628,801

CITY OF ORLANDO, FLORIDA
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NOTE III. DETAIL NOTES - ALL FUNDS

A. Assets

1. Cash and Investments:

The City maintains an internal cash management pool in which each fund participates on a dollar equivalent and daily transaction basis. Investment earnings (which include realized and unrealized gains and losses as well as interest income) are distributed monthly to the individual funds based on the funds' average cash balance. The investment earnings on the City's cash management pool are reported as part of the investing activities in the Statement of Cash Flows.

The use of daily sweeps of zero balance accounts allows the City's portfolio to be fully invested at all times. Florida Statutes provide for a deposit collateral pool by banks and savings and loans (that are qualified public depositories) which insure local government deposits.

Deposits and investments as of September 30, 2016, are classified in the accompanying financial statements as follows:

City-wide Cash and Investments

Primary Government:	
Cash and Cash Equivalents	\$ 883,631,808
Investments	138,089,003
Pension and Agency Funds:	
Cash and Cash Equivalents	22,876,697
Investments	1,362,628,176
Component Units:	
Cash and Cash Equivalents	2,373,563
Total Cash and Investments	\$ <u><u>2,409,599,247</u></u>
Investment Schedules:	
Operating Portfolio	\$ 859,562,795
Trustee Portfolio	69,786,550
Fiduciary Funds Portfolio	<u>1,362,628,176</u>
Sub-total	2,291,977,521
Other Cash and Investments:	
Cash Deposits	44,120,710
SSGFC & Wells Fargo Reserve Funds	68,299,689
Securities Lending	2,837,366
Cash with Fiscal Agent	<u>2,363,961</u>
Total Cash and Investments	\$ <u><u>2,409,599,247</u></u>

a. Primary Government Activities

(1) Investments and Investment Practices

The City's investment guidelines for the cash management pool are defined by City ordinance and a written investment policy that is approved by the City Council. The investment policy specifies limits by instrument and issuer (within instrument) and establishes a diversified investment strategy, minimum credit quality, and authorized institutions available as counterparties. Implementation and direction of investment strategies, within policy limits, are established by an internal Investment Committee and managed by either internal or external money managers.

The fair values of the City's fixed-maturity investments fluctuate in response to changes in market interest rates. Increases in prevailing interest rates generally translate into decreases in the fair values of those instruments.

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Fair values of interest rate-sensitive instruments may also be affected by the credit worthiness of the issuer, prepayment options, relative values of alternative investments, the liquidity of the instrument, duration of the instrument, and other general market conditions.

The City's Investment Policy (a) authorizes the use of options, puts, forwards, and futures, (b) establishes a maximum duration of 1¼ years for the in-house Liquidity Portfolio, (c) establishes duration limitations of +/-30% of the stated benchmark for active managers, and (d) allows limited use of high-yield corporate securities (no more than 10% of the Aggregate Investment Portfolio), investment grade securities denominated in non-U.S. currency (no more than 10% of the Aggregate Investment Portfolio), and emerging market securities (no more than 10% of the Aggregate Investment Portfolio). Mortgage-related fixed income securities are limited to 35% of the portfolio and must be rated by two nationally recognized credit rating agencies and have a minimum credit rating of Aa3 (Moody's), AA- (S&P), or AA- (Fitch). If the security is not rated by two of these agencies, an equivalent minimum rating by a nationally recognized rating agency is required. The Policy allows for exceptions to be granted by the Investment Committee provided the total value of all exceptions does not exceed 2% of the Aggregate Investment Portfolio.

The Investment Policy is reviewed annually for any adjustments due to changes or developments within the investment spectrum that would provide opportunities to the City.

The City's Investment Policy requires transactions to be settled on a "delivery versus payment" basis, with securities being held by the City's third party custodian on behalf of and in the name of the City. The exceptions to this policy are overnight repurchase agreements with the City's primary banking institution, mutual funds, investments held by a broker/dealer under a reverse repurchase agreement, and investments in money market funds.

Investments reported in the Governmental funds consist primarily of bond reserves that are maintained by trustees in accordance with the bond covenants. Investments reported in the Proprietary funds consist primarily of bond reserves and other debt service related funds. Investments reported in the Fiduciary funds are for the City's retirement plans, the retiree health savings plan, and the OPEB plan.

(2) Custodial Credit Risk

At September 30, 2016, the carrying amount of the City's deposits was \$44,120,710. Monies on deposit with financial institutions in the form of demand deposit accounts and time deposit accounts are defined as public deposits. The entire City's public deposits are held in qualified public depositories pursuant to State of Florida Statutes, Chapter 280, "Florida Security for Public Deposits Act", and covered by federal depository insurance. This act requires that the City maintain deposits only in "qualified public depositories". All qualified public depositories must deposit with the State Treasurer eligible collateral in such amounts as required by the Act. In addition, qualified public depositories are required under the Act to assume mutual responsibility against loss caused by the default or insolvency of other qualified public depositories of the same type. Should a default or insolvency occur, the State Treasurer would implement procedures for payment of losses according to the validated claims of the City.

(3) Interest Rate Risk

Interest rate risk is the risk that as market rates change, the fair value of the investment will vary. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in the market interest rates. The City's formal investment policy ensures that securities mature to meet operating cash requirements to avoid the need to sell on the open market prior to maturity. One of the ways that the City manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

(4) Credit Risk

The City's policies are designed to maximize investment earnings, while protecting the security of principal and providing adequate liquidity, in accordance with all applicable state laws.

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(5) Fair Value Measurements

The City categorizes its fair value measurement within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the relative inputs used to measure the fair value of the investments. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy are described as follows:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the City has the ability to access.

Level 2: Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement. Unobservable inputs reflect the City's own assumptions about the inputs market participants would use in pricing the asset or liability (including assumption about risk). Unobservable inputs are developed based on the best information available in the circumstances and may include the City's own data.

The asset's or liability's level within the hierarchy is based on the lowest level of input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The determination of what constitutes observable inputs requires judgment by City's management. City management considers observable data to be that market data which is readily available, regularly distributed or updated, reliable, and verifiable, not proprietary, and provided by multiple independent sources that are actively involved in the relevant market.

The categorization of an investment or liability within the hierarchy is based upon the relative observability of the inputs to its fair value measurement and does not necessarily correspond to City management's perceived risk of that investment or liability.

The following is a description of the recurring valuation methods and assumptions used by the City to estimate the fair value of its investments. The methods described may produce fair value calculation that may not be indicative of net realizable value or reflective of future fair values. The use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

When available, quoted prices are used to determine fair value. When quoted prices in active markets are available, investments are classified within Level 1 of the fair value hierarchy. When quoted prices in active markets are not available, fair values are based on evaluated prices received by the City's asset manager from third party service providers.

The City applies fair market value updates to its securities on a daily basis. Security pricing is provided by a third party, and is reported daily to the City by its custodian bank. Assets are categorized by asset type, which is a key component of determining hierarchy levels.

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Asset types allowable per the City's investment policy generally fall within hierarchy level 1 and 2. The City recorded its investments at fair value, and primarily uses the Market Approach to valuing each security.

As of September 30, 2016, the City had the following investments:

Investment Vehicle	Actual Year End Fair Value (1)	Percent of Portfolio at Year End (7)	Fair Value Hierarchy	Effective Duration at Year End	Credit Quality (2)
U.S. Government Debt:					
Treasury Securities	\$ 278,838,324	32.44%	Level 2	7.416 years	
Agencies (3)	19,897,728	2.31%	Level 2	2.132	
Direct Obligations	<u>298,736,052</u>	<u>34.75%</u>		7.064	AA+ / Aaa
Federal Instrumentality Debt (4)	<u>116,263,119</u>	<u>13.53%</u>	Level 2	2.300	AA+ / Aaa
Corporate Debt:					
Investment Grade Corporate	226,987,344	26.41%	Level 2	4.078	A- / A3
Specialty Risk:					
Non-U.S. Investment Grade	3,267,321	0.38%	Level 2	1.380	A+ / A3
High Yield	36,882,253	4.29%	Level 2	2.319	BBB- / Ba1
Emerging Markets	3,556,089	0.41%	Level 2	5.760	BBB / Baa
Specialty Risk Total	<u>43,705,663</u>	<u>5.08%</u>		2.529	BBB- / Ba1
Total Corporate Debt	<u>270,693,007</u>	<u>31.49%</u>		3.828	A- / Baa1
Asset-Backed:					
Corporate Loans	32,863,198	3.82%	Level 2		
Mortgage Loans	5,515,508	0.64%	Level 2		
Commingled Fund	16,999,787	1.98%	Level 2		
Total Asset-Backed	<u>55,378,493</u>	<u>6.44%</u>		0.574	AA / Aaa
Mortgage Backed Securities (5)	169,128,689	19.68%	Level 2	1.934	AA+ / Aaa
Municipal Debt	5,406,955	0.63%	Level 2	6.852	AA- / A2
Other Investments:					
Derivatives	(858,801)	-0.10%	Level 2	4.377	
Money Market Investments (6)(8)	<u>76,798,489</u>	<u>8.93%</u>	N/A	0.153	AA+ / Aaa
Sub Total	<u>991,546,003</u>	<u>115.35%</u>			
Clarification Adjustment - Assets in More than One Category (7)	(131,983,208)	-15.35%			
Total Fair Value (1)	<u>\$ 859,562,795</u>	<u>100.00%</u>			
Effective Duration				3.540 years	AA- / Aa3

- (1) Fair Value includes accrued interest. Total accrued interest at the end of the year was \$3,495,050.
- (2) Rated by Standard & Poor's and Moody's, respectively, as of September 30, 2016.
- (3) Includes debt issued by agencies of the U.S. Government which are backed by the full faith and credit of the United States.
- (4) Includes investments in the Small Business Administration, Federal Home Loan Mortgage Corp., Federal National Mortgage Association (FNMA), and Federal Home Loan Bank.
- (5) Includes Agency and Non-Agency mortgage pass-through and Collateralized Mortgage Obligations (CMOs).
- (6) Includes investments in interest-bearing liquid funds held in the various accounts.
- (7) Total percentages will not sum to 100% based on some assets of the external managers being considered part of more than one category. For example, a FNMA mortgage can be included in both the mortgage category and the federal instrumentality category.
- (8) Not measured at fair value

CITY OF ORLANDO, FLORIDA
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b. Trustee Portfolio

Investments are reported at fair value and are held by third party trustees. The investment policy maximums do not apply to trustee accounts since each account is specifically limited as to types of investments and maturities based on the intended uses and covenant restrictions contained in the applicable bond documents. The schedule below reflects the investments held in the trustee accounts.

**Trustee Account Investments
Portfolio Characteristics**

<u>Investment Vehicle</u>	<u>Fair Value</u>	<u>Percent of Portfolio at Year End</u>	<u>Effective Duration at Year End</u>	<u>Credit Quality (1)</u>
Corporate Debt:				
Non-negotiable Certificates of Deposit (2)	\$ 721,171	1.03%	0.500 years	AA+ / Aaa
Other Investments:				
Money Market Funds (3)	69,065,379	98.97%	0.105 years	AA+ / Aaa
Total Fair Value	<u>\$ 69,786,550</u>	<u>100.00%</u>		

(1) Rated by Standard & Poor's and Moody's, respectively, as of September 30, 2016.

(2) All Certificates of Deposit are FDIC insured.

(3) Includes investments in interest-bearing liquid funds held in the various accounts.

(1) Fair Value

Investment in money market funds and non-negotiable certificates of deposit are exempt from GASB 72 fair value hierarchy disclosures per paragraph 69 of GASB 72, and are valued at the City's cost and any accrued interest on these investments.

c. Fiduciary Activities

The City reports five fiduciary accounts, which include three defined benefit pension plans, one OPEB Trust Fund, and the City's Defined Contribution plan. Each of the plans has a separate governing board of trustees, a separate investment policy, and differing investment restrictions/risks. Consequently, each is disclosed separately below. All investments at year-end were in compliance with the respective plan investment policies.

The investments are reported at fair value and are managed by third party money managers. The City's independent custodian and the individual money managers price each instrument (using various third party pricing sources) and reconcile material differences. Investments without quoted market prices include certain co-mingled funds for which fair value is determined by a third party utilizing various pricing sources. However, because of the inherent uncertainty of valuation, the estimated fair values for investments without quoted market prices may differ significantly from the values that would have been used had a ready market for the investments existed. Investments in certain alternative investments are valued using the net asset value (NAV) per shares outstanding. The difference between the cost and fair value of investments is recorded as unrealized gains (or losses) and is included in net investment earnings.

(1) Pension Plans' Portfolio

Each of the City's three defined benefit pension plans has adopted an investment policy that specifies investment objectives and guidelines for the portfolio as a whole and for each individual manager.

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The policy also details limits by instrument and issuer. No single issuer of securities can comprise more than 5% of the total portfolio, either at the manager level or at the aggregate portfolio level. Foreign equity securities traded through domestic exchanges or in the form of American Depository Receipts (ADRs) are permissible. International equity securities are limited to 25% of the aggregate investments for the Police and Fire pension plans. Any international fixed income holdings will comply with statutory limits. The police and fire pension plans each have separate pension boards. City Council is the retirement board for the general employees plan. These boards are responsible for establishing and amending investment policy decisions.

The schedule below provides the credit quality ratings of the fixed income investments for the City's three pension funds.

Quality Breakdown (Moody's)(2)	Fixed Income Credit Quality ⁽¹⁾		
	Aggregate Portfolio (%)		
	General Employee	Firefighter	Police
Treasuries (3)	20%	20%	20%
Federal Instrumentalities and Agencies	1%	1%	1%
Aaa	2%	2%	2%
Aa2	1%	1%	1%
A1	2%	2%	2%
A2	1%	1%	1%
A3	71%	71%	71%
Baa1	1%	1%	1%
Baa2	1%	1%	1%
	100%	100%	100%

- (1) Includes all fixed income investments except short-term overnight pooled cash.
- (2) Securities not rated by Moody's were rated by Fitch or Standard & Poor's.
- (3) Includes U.S. Government Bills, Notes, and Bonds.

The City's pension plans' Investment Consultant monitors the effective duration of their fixed income portfolios as part of its program to manage interest rate risk. The schedule on pages 70 and 71 indicates the average effective duration of the three pension fund portfolios in the aggregate and by security type.

The schedule on pages 72 through 74 outlines the foreign currency exposure that each of the three defined benefit pension plans is subject to as of September 30, 2016. All of the investments are managed by third party money managers in external investment pools.

For the year ended September 30, 2016, the annual money-weighted rate of return on pension investments, net of pension plan investment expense, was 8.98%, 8.65%, and 8.70% for the general, police, and fire pension plans, respectively.

(2) OPEB Plan Portfolio

Investments are reported at fair value. Investments without quoted market prices include certain comingled funds for which fair value is determined by a third party utilizing various pricing sources. However, because of the inherent uncertainty of valuation, the estimated fair values for investments without quoted market prices may differ significantly from the values that would have been used had a ready market for the investments existed. The difference between the cost and fair value of investments is recorded as unrealized gains (or losses) and is included in net investment earnings. The OPEB Trust has an investment policy approved by the City. Assets in the OPEB Trust Fund are invested in a broad range of investments suitable for a portfolio with a long-term investment horizon. Investments in the Retirement Health Savings Program consist of mutual funds, reported at fair value, selected by plan members.

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FIDUCIARY FUNDS INVESTMENT PORTFOLIO CHARACTERISTICS

	Fair Value Hierarchy	General Employee			Firefighter		
		Fair Value	% of Portfolio	Effective Duration	Fair Value	% of Portfolio	Effective Duration
Fixed Income							
Short-term Investments	Level 1	\$ 118,590	0.06%	-	\$ 250,600	0.07%	-
U.S. Government Obligations	Level 2	11,912,085	5.87%	4.07	25,172,141	7.28%	4.07
Federal Instrumentalities and Agencies	Level 2	364,924	0.18%	0.02	771,142	0.22%	0.02
Mortgage Backed Securities	Level 2	1,536	0.00%	-	3,246	0.00%	-
Asset Backed Securities	Level 2	1,695,871	0.84%	0.04	3,583,646	1.04%	0.04
Domestic Corporate	Level 1	4,699,772	2.32%	2.45	9,931,370	2.87%	2.45
Fixed Income Commingled Investments	Level 1	51,894,925	25.58%	5.09	76,796,861	22.20%	5.09
Total Fixed Income (1)		70,687,703	34.85%	4.59	116,509,006	33.68%	4.44
Short-term Investments (2)	Level 1	670,685	0.33%		2,284,206	0.67%	
Domestic Stocks	Level 1	58,567,317	28.87%		85,269,170	24.65%	
Global Commingled Investments	Level 3	21,315,137	10.51%		35,327,443	10.21%	
International Stocks	Level 1	29,472,285	14.53%		48,888,405	14.13%	
Commingled Real Estate Investments	Level 3	11,653,088	5.74%		17,773,483	5.14%	
Real Estate Investment Trusts	Level 1	1,076,098	0.53%		5,852,641	1.69%	
Hedge Fund of Funds	Level 3	9,410,445	4.64%		16,902,374	4.89%	
Private Equity	Level 3	-	0.00%		4,668,107	1.35%	
Private Debt	Level 3	-	0.00%		12,424,885	3.59%	
Total Defined Benefits Pension Plans and OPEB Investments		202,852,758	100.00%		345,899,720	100.00%	
Firefighter Share Plan Mutual Funds	Level 2	-			11,606,945		
Defined Contribution Mutual Funds	Level 2	-			-		
Retiree Health Savings Mutual Funds	Level 2	-			-		
Total Investments		\$ 202,852,758			\$ 357,506,665		

Notes (1) Includes all fixed income investments except short term overnight pooled cash.

(2) Includes other Short-term Investments such as Collective Short-term Investments (overnight cash) and pending trade sales and purchases.

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Police			OPEB			Other	Total Fiduciary Funds Investments	
Fair Value	% of Portfolio	Effective Duration	Fair Value	% of Portfolio	Effective Duration	Fair Value	Fair Value	Effective Duration
\$ 344,160	0.07%	0.00	\$ -	0.00%	-	\$ -	713,350	-
34,570,031	6.75%	4.07	-	0.00%	-	-	71,654,257	4.07
1,059,045	0.21%	0.02	-	0.00%	-	-	2,195,111	0.02
4,459	0.00%	0.00	-	0.00%	-	-	9,241	-
4,921,582	0.96%	0.04	-	0.00%	-	-	10,201,099	0.04
13,639,196	2.66%	2.45	-	0.00%	-	-	28,270,338	2.45
115,264,830	22.48%	5.09	31,916,067	34.12%	3.85	-	275,872,683	4.95
169,803,303	33.13%	4.48	31,916,067	34.12%	3.85	-	388,916,079	4.44
5,789,854	1.12%		135,677	0.14%		-	8,880,422	
128,840,625	25.13%		32,184,124	34.41%		-	304,861,236	
51,659,436	10.07%		19,054,544	20.38%		-	127,356,560	
72,580,616	14.15%		10,249,863	10.95%		-	161,191,169	
25,905,548	5.05%		-	0.00%		-	55,332,119	
6,657,717	1.30%		-	0.00%		-	13,586,456	
32,710,239	6.38%		-	0.00%		-	59,023,058	
7,335,597	1.43%		-	0.00%		-	12,003,704	
11,478,947	2.24%		-	0.00%		-	23,903,832	
512,761,882	100.00%		93,540,275	100.00%		-	1,155,054,635	
-			-			1,519,678	13,126,623	
-			-			192,455,492	192,455,492	
-			-			1,991,426	1,991,426	
\$ 512,761,882			\$ 93,540,275			\$ 195,966,596	\$ 1,362,628,176	

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At September 30, 2016, the fair values of the City's investments in items classified as Level 3 on the fair value hierarchy are based on valuations for which a readily determinable fair value does not exist. These investments are not listed on national exchanges or over-the-counter markets, and quoted market prices are not available. These investments include hedge funds, private equity funds, and other types of non-traditional investments. Management estimates the fair values of these investments based on a review of all available information provided by fund managers and general partners. These fair value estimates are evaluated on a regular basis by management and are susceptible to revisions as more information becomes available. Because of these factors, it is reasonably possible that the estimated fair values of these investments may change materially in the near future.

(3) Defined Contribution Pension Plan

The City's Defined Contribution Pension Plan Committee administers investment options in this Plan, which is subject to the investment policies stipulated in the Plan document rather than the general provisions of the Florida State Statutes or the City's investment policy. Cash and investments of the Defined Contribution Pension Plan are included in the basic financial statements as of September 30, 2016. Investments in the Plan are stated at fair value. The fair value of investments in open-end investment trusts are determined by the funds' quoted share price at September 30, 2016.

(4) Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit. The exposure to foreign currency risk is currently limited to some of the investments within the three defined benefit pension funds. The individual pension boards has given the fund's international equity managers discretion to invest in a broad array of common and preferred stocks, convertibles and warrants of companies headquartered outside of the United States in order to meet or exceed their agreed upon investment return benchmarks. Managers are permitted to enter into hedging strategies, including cross-currency hedges, using forward currency exchange contracts and currency options.

GENERAL EMPLOYEE, FIREFIGHTER, AND POLICE DEFINED BENEFIT PENSION PLANS
FOREIGN CURRENCY EXPOSURE WITHIN THE GLOBAL COMMINGLED INVESTMENTS CLASSIFICATION

Investment	Currency	Maturity	General Employee Fair Value	Firefighter Fair Value	Police Fair Value
GMO Global Balanced Asset Allocation Fund	Australian Dollar	N/A	\$ 149,826	\$ -	\$ 346,233
GMO Global Balanced Asset Allocation Fund	Brazilian Real	N/A	61,958	-	143,179
GMO Global Balanced Asset Allocation Fund	Canadian Dollar	N/A	60,832	-	140,576
GMO Global Balanced Asset Allocation Fund	Chilean Peso	N/A	3,380	-	7,810
GMO Global Balanced Asset Allocation Fund	Chinese Renminbi	N/A	45,060	-	104,130
GMO Global Balanced Asset Allocation Fund	Czech Republic Koruna	N/A	2,253	-	5,207
GMO Global Balanced Asset Allocation Fund	Denmark Krone	N/A	16,898	-	39,049
GMO Global Balanced Asset Allocation Fund	Egypt Pound	N/A	5,633	-	13,016
GMO Global Balanced Asset Allocation Fund	Emirati Dirham	N/A	3,380	-	7,810
GMO Global Balanced Asset Allocation Fund	Euro Currency	N/A	786,305	-	1,817,074
GMO Global Balanced Asset Allocation Fund	Hong Kong Dollar	N/A	328,941	-	760,151
GMO Global Balanced Asset Allocation Fund	Indian Rupee	N/A	174,609	-	403,505
GMO Global Balanced Asset Allocation Fund	Indonesian Rupiah	N/A	7,886	-	18,223
GMO Global Balanced Asset Allocation Fund	Israeli Shekel	N/A	28,163	-	65,081
GMO Global Balanced Asset Allocation Fund	Japanese Yen	N/A	762,648	-	1,762,405
GMO Global Balanced Asset Allocation Fund	Mexican Peso	N/A	20,277	-	46,859
GMO Global Balanced Asset Allocation Fund	New Zealand Dollar	N/A	54,073	-	124,956
GMO Global Balanced Asset Allocation Fund	Norwegian Krone	N/A	56,326	-	130,163
GMO Global Balanced Asset Allocation Fund	Philippines	N/A	7,886	-	18,223
GMO Global Balanced Asset Allocation Fund	Polish Zloty	N/A	3,380	-	7,810
GMO Global Balanced Asset Allocation Fund	Qatari Riyal	N/A	1,127	-	2,603
GMO Global Balanced Asset Allocation Fund	Russian Ruble	N/A	107,019	-	247,309
GMO Global Balanced Asset Allocation Fund	Singapore Dollar	N/A	22,530	-	52,065
GMO Global Balanced Asset Allocation Fund	South African Rand	N/A	18,024	-	41,652
GMO Global Balanced Asset Allocation Fund	South Korean Won	N/A	247,832	-	572,717
GMO Global Balanced Asset Allocation Fund	Swedish Krona	N/A	23,657	-	54,668
GMO Global Balanced Asset Allocation Fund	Swiss Franc	N/A	90,121	-	208,261
GMO Global Balanced Asset Allocation Fund	Taiwan Dollar	N/A	339,080	-	783,580
GMO Global Balanced Asset Allocation Fund	Thai Baht	N/A	21,404	-	49,462
GMO Global Balanced Asset Allocation Fund	Turkish Lira	N/A	47,313	-	109,337
GMO Global Balanced Asset Allocation Fund	UK Sterling	N/A	474,261	-	1,095,971
GMO Global Balanced Asset Allocation Fund	Vietnamese Dong	N/A	1,127	-	2,603
Total			<u>\$ 3,973,209</u>	<u>\$ -</u>	<u>\$ 9,181,688</u>

CITY OF ORLANDO, FLORIDA
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Investment	Currency	Maturity	General Employee Fair Value	Firefighter Fair Value	Police Fair Value
Blackrock Global	Australian Dollar	N/A	\$ 86,430	\$ 156,495	\$ 220,391
Blackrock Global	Brazilian Real	N/A	50,250	90,986	128,134
Blackrock Global	British Pound Sterling	N/A	464,311	840,707	1,183,961
Blackrock Global	Canadian Dollar	N/A	198,991	360,303	507,412
Blackrock Global	Euro	N/A	994,953	1,801,515	2,537,059
Blackrock Global	Hong Kong Dollar	N/A	66,330	120,101	169,137
Blackrock Global	Indian Rupee	N/A	54,270	98,264	138,385
Blackrock Global	Japanese Yen	N/A	1,023,093	1,852,467	2,608,815
Blackrock Global	Korean Won	N/A	27,135	49,132	69,193
Blackrock Global	New Zealand Dollar	N/A	(30,150)	(54,591)	(76,881)
Blackrock Global	Other Asia	N/A	41,205	74,608	105,070
Blackrock Global	Other European	N/A	154,770	280,236	394,654
Blackrock Global	Other Latin America	N/A	83,415	151,036	212,703
Blackrock Global	Rest of World	N/A	(4,020)	(7,279)	(10,251)
Blackrock Global	Singapore Dollar	N/A	75,375	136,478	192,201
Blackrock Global	Swiss Franc	N/A	105,525	191,070	269,082
Blackrock Global	Taiwanese Dollar	N/A	27,135	49,132	69,193
Blackrock Global	Thai Baht	N/A	5,025	9,099	12,813
Total			<u>\$ 3,391,883</u>	<u>\$ 6,141,528</u>	<u>\$ 8,649,065</u>

GENERAL EMPLOYEE, FIREFIGHTER, AND POLICE DEFINED BENEFIT PENSION PLANS
FOREIGN CURRENCY EXPOSURE WITHIN THE GLOBAL COMMINGLED INVESTMENTS CLASSIFICATION

Investment	Currency	Maturity	General Employee Fair Value	Firefighter Fair Value	Police Fair Value
Wellington GAA	Australian Dollar	N/A	\$ -	\$ 603,786	\$ -
Wellington GAA	Brazilian Real	N/A	-	108,273	-
Wellington GAA	Canadian Dollar	N/A	-	947,708	-
Wellington GAA	Chilean Peso	N/A	-	140,099	-
Wellington GAA	Chinese Renminbi	N/A	-	(269,831)	-
Wellington GAA	Colombian Peso	N/A	-	106,703	-
Wellington GAA	Denmark Krone	N/A	-	261,661	-
Wellington GAA	Euro Currency	N/A	-	(188,485)	-
Wellington GAA	Hong Kong Dollar	N/A	-	209,374	-
Wellington GAA	Indian Rupee	N/A	-	813,722	-
Wellington GAA	Indonesian Rupiah	N/A	-	31,507	-
Wellington GAA	Israeli Shekel	N/A	-	167,787	-
Wellington GAA	Japanese Yen	N/A	-	472,061	-
Wellington GAA	Malaysian Ringgit	N/A	-	(13,142)	-
Wellington GAA	Mauritius Rupee	N/A	-	45,466	-
Wellington GAA	Mexican Peso	N/A	-	95,915	-
Wellington GAA	New Zealand Dollar	N/A	-	(478,712)	-
Wellington GAA	Norwegian Krone	N/A	-	675,433	-
Wellington GAA	Offshore Chinese Renminbi	N/A	-	(2,567)	-
Wellington GAA	Onshore Iceland Krona	N/A	-	48,399	-
Wellington GAA	Peru New Sol	N/A	-	23,790	-
Wellington GAA	Philippine Peso	N/A	-	101,855	-
Wellington GAA	Polish Zloty	N/A	-	102,842	-
Wellington GAA	Russian Ruble	N/A	-	56,702	-
Wellington GAA	Singapore Dollar	N/A	-	357,786	-
Wellington GAA	South African Rand	N/A	-	101,443	-
Wellington GAA	South Korean Won	N/A	-	91,821	-
Wellington GAA	Swedish Krona	N/A	-	800,415	-
Wellington GAA	Swiss Franc	N/A	-	452,852	-
Wellington GAA	Taiwan Dollar	N/A	-	567,468	-
Wellington GAA	Thai Baht	N/A	-	24,684	-
Wellington GAA	Turkish Lira	N/A	-	(325,179)	-
Wellington GAA	UK Sterling	N/A	-	(44,709)	-
Total			<u>\$ -</u>	<u>\$ 6,086,927</u>	<u>\$ -</u>

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GENERAL EMPLOYEE, FIREFIGHTER, AND POLICE DEFINED BENEFIT PENSION PLANS
FOREIGN CURRENCY EXPOSURE WITHIN THE FIXED INCOME COMMINGLED INVESTMENTS CLASSIFICATION

Investment	Currency	Maturity	General Employee Fair Value	Firefighter Fair Value	Police Fair Value
Loomis Sayles Core Plus Full Discretion Trust	Australian Dollar	N/A	\$ 140,281	\$ 207,594	\$ 311,579
Loomis Sayles Core Plus Full Discretion Trust	Brazilian Real	N/A	108,188	160,102	240,299
Loomis Sayles Core Plus Full Discretion Trust	Colombian Peso	N/A	544,822	806,256	1,210,114
Loomis Sayles Core Plus Full Discretion Trust	Indian Rupee	N/A	672,331	994,951	1,493,327
Loomis Sayles Core Plus Full Discretion Trust	Mexican Peso	N/A	991,970	1,467,970	2,203,285
Total			\$ 2,457,592	\$ 3,636,873	\$ 5,458,604

GENERAL EMPLOYEE, FIREFIGHTER, AND POLICE DEFINED BENEFIT PENSION PLANS
FOREIGN CURRENCY EXPOSURE WITHIN THE INTERNATIONAL STOCKS CLASSIFICATION

Investment	Currency	Maturity	General Employee Fair Value	Firefighter Fair Value	Police Fair Value
Artisan International Fund	British Pound	N/A	2,446,200	4,057,738	6,024,191
Artisan International Fund	Canadian Dollar	N/A	235,778	391,107	580,645
Artisan International Fund	Danish Kroner	N/A	147,361	244,442	362,903
Artisan International Fund	European Euro	N/A	9,047,992	15,008,740	22,282,249
Artisan International Fund	Hong Kong Dollar	N/A	1,562,031	2,591,086	3,846,773
Artisan International Fund	Indonesian Rupiah	N/A	29,472	48,888	72,581
Artisan International Fund	Japanese Yen	N/A	3,860,869	6,404,381	9,508,061
Artisan International Fund	Singapore Dollar	N/A	58,945	97,777	145,161
Artisan International Fund	Swedish Krona	N/A	324,195	537,772	798,387
Artisan International Fund	Swiss Franc	N/A	2,328,311	3,862,184	5,733,869
Artisan International Fund	Taiwan Dollar	N/A	589,446	977,768	1,451,612
Total			\$ 20,630,600	\$ 34,221,883	\$ 50,806,432

(5) Derivatives

As previously noted, the City has established investment policy guidelines for each investment portfolio. Pursuant to these guidelines, derivative investment instruments are authorized to be used as tools for managing risk or executing investment strategies more efficiently than could otherwise be done in cash markets. Derivative instruments shall only be used as part of a prudent investment process. Certain investment portfolios may use derivative instruments to enhance investment returns and to hedge against interest rate risk, currency risk in foreign markets, default risk, and mortgage-backed security prepayment risk, as well as to cost effectively manage exposure to domestic and international equities, and bond and real estate markets. In addition, the pension funds may use derivatives for enhancing investment returns only through the hedge fund of funds sector allocation. The maximum exposure to hedge fund of funds investments is established by the boards of trustees of the City's pension funds through the boards' investment policy statements and asset allocation plans, as amended from time to time. Derivative instruments for both the Aggregate Investment Portfolio and Pension Portfolios were recorded at fair value as of September 30, 2016.

(6) Securities Lending:

The City participates in securities lending for both its operating and pension portfolios. The City has a contract with its custodian that allows the custodian, acting as agent, to lend securities held in the portfolios. The transaction is designed to be invisible to either the third party money managers or in-house staff who manages segments of various portfolios.

The market for securities lending developed to provide temporary access to a large portfolio of securities for broker/dealers who might have a need to borrow specific instruments. The broker/dealer collateralizes their borrowing (in cash or with securities) to 102% of the security value plus accrued interest and this collateral (when in cash) is adjusted daily to maintain the 102% level. If the broker/dealer fails to return the security, upon request, then the custodian, acting as agent, will utilize the collateral to replace the security borrowed. The transaction establishes a rebate interest rate (assuming cash collateral), which is due back to the broker/dealer upon return of the security.

CITY OF ORLANDO, FLORIDA
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The cash is then invested short-term and the City and the custodian share in the incremental return available above the rebate interest rate.

The short-term fixed income instruments can be invested in government securities (treasuries, agencies, instrumentalities), commercial paper, or corporate securities (rated “A” or better), with a policy dollar-weighted, average maturity limit of less than 30 days. While the securities loaned are on a rolling daily basis and the cash collateral can be deposited and/or withdrawn from the investment on a daily basis, the weighted average maturity of the investments at September 30, 2016 was 30 days for the operating pool and 25 days for the pension pool.

The City authorizes the lending of domestic bonds and equity securities. The City, as a program participant, assumes the risk that (a) the overnight investment will not equal or exceed the rebate interest rate, (b) the overnight investment will experience a loss in fair value (i.e., principal), and (c) the collateral will not be sufficient if the borrower fails to return the security back to the lending bank.

As noted above, cash collateral is invested in short-term fixed income instruments. When non-cash collateral is provided, the collateral must be obligations issued or guaranteed by the U.S. Government or its agencies and instrumentalities. The City cannot pledge or sell these obligations in the absence of a default by the borrower. The City would have credit risk if at any time the above-mentioned 102% daily adjusted collateral falls below 100%. As of September 30, 2016, the City of Orlando had no credit risk related to insufficient collateral. However, the market value of securities held in the collateral investment pool of the Operating portfolio (\$88,590,468 at September 30, 2016) were \$472,897, less than the required collateral held at 102%. This is attributed to certain investments in the collateral pool that fell below quality restrictions due to market volatility. The custodian prepares a “stress test” for these assets on a quarterly basis to determine the potential impact of loss in the pool.

To ensure that sufficient funds are available to cover the collateral held, the City has set aside \$472,897 in a restricted cash account to provide a cash reserve against future potential realized losses.

The City periodically reviews the custodian's practices to insure fair distribution of lending opportunities as well as risk evaluation of prospective broker/dealer borrowers. For accounting purposes, the Statements of Net Position and Changes in Net Position reflect the increase in assets, liabilities, interest income, and expense associated with securities lending activity.

2. Restricted Assets:

The balances of the restricted asset accounts in the governmental activities and enterprise funds are as follows:

	<u>Governmental</u>	<u>Enterprise</u>
Debt Service Funds	\$ 3,572,044	\$ 35,344,452
Reserve Funds	22,066,355	117,336,513
Renewal and Replacement Funds	-	50,366,702
Total Restricted Assets	<u>\$ 25,638,399</u>	<u>\$ 203,047,667</u>

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2016

3. Capital asset activity for the year ended September 30, 2016 was as follows:

	Primary Government			
	Beginning Balance	Additions	Transfers, Retirements and Other Adjustments	Ending Balance
Governmental Activities				
Non-Depreciable Assets:				
Land	\$ 195,558,093	\$ 3,707,441	\$ (8,227,742)	\$ 191,037,792
Artwork	4,746,595	829,560	(16,303)	5,559,852
Infrastructure in Progress	34,036,233	8,763,413	(11,017,784)	31,781,862
Construction in Progress	11,335,236	39,487,603	(1,492,812)	49,330,027
Depreciable Assets:				
Buildings	191,193,386	-	(358,996)	190,834,390
Improvements	185,164,006	14,863	-	185,178,869
Equipment	75,572,514	2,897,002	(3,357,423)	75,112,093
Motor Vehicles	96,093,260	20,469,759	(12,270,326)	104,292,693
Infrastructure	456,012,478	11,197,293	-	467,209,771
Intangibles	9,021,961	147,074	-	9,169,035
Totals at historical cost	<u>1,258,733,762</u>	<u>87,514,008</u>	<u>(36,741,386)</u>	<u>1,309,506,384</u>
Less accumulated depreciation for:				
Buildings	(91,761,822)	(4,690,396)	352,774	(96,099,444)
Improvements	(145,175,363)	(6,052,755)	-	(151,228,118)
Equipment	(60,713,537)	(6,131,073)	3,252,268	(63,592,342)
Motor Vehicles	(64,973,154)	(8,786,973)	11,987,903	(61,772,224)
Infrastructure	(285,887,112)	(11,446,886)	-	(297,333,998)
Intangibles	(3,667,251)	(945,626)	-	(4,612,877)
Total accumulated depreciation	<u>(652,178,239)</u>	<u>(38,053,709)</u>	<u>15,592,945</u>	<u>(674,639,003)</u>
Governmental activities capital assets, net	<u>\$ 606,555,523</u>	<u>\$ 49,460,299</u>	<u>\$ (21,148,441)</u>	<u>\$ 634,867,381</u>
Business-type Activities				
Non-Depreciable Assets:				
Land and land rights	\$ 146,852,759	\$ 439,576	\$ (4,698,674)	\$ 142,593,661
Artwork	619,513	1,825	(4,000)	617,338
Construction in Progress	48,298,901	70,149,321	(51,519,998)	66,928,224
Depreciable Assets:				
Buildings	1,110,094,198	14,529,423	-	1,124,623,621
Improvements	342,987,067	7,201,866	-	350,188,933
Equipment	92,998,041	1,639,639	(878,066)	93,759,614
Sewer Lines	502,121,020	27,492,126	-	529,613,146
Totals at historical cost	<u>2,243,971,499</u>	<u>121,453,776</u>	<u>(57,100,738)</u>	<u>2,308,324,537</u>
Less accumulated depreciation/amortization for:				
Buildings	(232,673,846)	(29,128,396)	-	(261,802,242)
Improvements	(186,955,974)	(12,347,601)	-	(199,303,575)
Equipment	(68,639,402)	(11,868,554)	697,848	(79,810,108)
Sewer Lines	(235,533,975)	(12,938,996)	-	(248,472,971)
Total accumulated depreciation	<u>(723,803,197)</u>	<u>(66,283,547)</u>	<u>697,848</u>	<u>(789,388,896)</u>
Business-type activities capital asset, net	<u>\$ 1,520,168,302</u>	<u>\$ 55,170,229</u>	<u>\$ (56,402,890)</u>	<u>\$ 1,518,935,641</u>
Depreciation expense was charged to governmental functions as follows:				
Executive Offices				\$ 266,621
Economic Development				707,515
Office of Business and Financial Services				3,364,531
Housing and Community Development				296,650
Community Redevelopment Agency				470,153
Public Works				17,128,178
Families, Parks, & Recreation				7,340,778
Police				4,802,150
Fire				3,677,133
Total depreciation expense				<u>\$ 38,053,709</u>
Depreciation expense was charged to business-type funds as follows:				
Wastewater System				\$ 23,645,031
Orlando Venues				34,990,433
Parking System				1,836,866
Stormwater Utility				5,729,564
Solid Waste Management				81,653
Total depreciation expense				<u>\$ 66,283,547</u>

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2016

B. Liabilities

1. Commitments and Contingencies:

a. Construction Commitments – As of September 30, 2016 major outstanding construction commitments (in excess of \$1 million) were as follows (for the Community Venues, see Notes on pages 80 and 81):

<u>Project Description</u>	<u>Outstanding Commitment (in millions)</u>
Facilities Maintenance (Energy Initiative)	\$ 8.9
Orlando Police Department Headquarters Construction	7.9
New Fire Station No. 2	4.5
Marks Street Sewers	3.6
Downtown Sanitary Sewer	2.7
Bumby Avenue Drainage	2.5
Parramore South Stormwater Pond	2.3
Lift Station No. 3	2.1
City Sidewalk Construction	1.7
Downtown Conference Center	1.7
Elmwood Street Sanitary Sewer Improvements	1.3
Total Construction Commitments	<u><u>\$ 39.2</u></u>

b. Parking System Commitment - Per an agreement with the Federal Transit Administration (FTA), the net revenues from the operations of City space facilities (two parking garages located near the Bob Carr Performing Arts Center) must be used to offset transit oriented costs (in this instance the downtown Lymmo system). The residual support for the Lymmo system is provided by a junior lien commitment of the Parking System, the Orlando Venues, and the Downtown CRA District. For the fiscal year ended September 30, 2016, the related operating subsidy to the Lymmo system was \$758,429 from the Downtown CRA District and \$633,855 from the Parking Fund which is net of a \$588,628 contribution to the Parking Fund from a City project.

c. Development Related Commitments

JetBlue Airways – On September 13, 2004, the City approved an economic development incentive agreement with JetBlue Airways (JetBlue). The agreement provides for a 50% rebate over an eleven-year period (through 2017) of the tangible personal property taxes paid to the City by JetBlue. The maximum amount available under this agreement is \$1.6 million. In 2005 JetBlue opened a new training facility and a new installation and maintenance hangar on property owned by the Greater Orlando Aviation Authority. During the fiscal year ended September 30, 2016, the City made the tenth payment on the tangible personal property tax rebate totaling \$10,222. Through September 30, 2016, the City has made \$1,303,382 in payments related to the tangible personal property tax rebate.

Crystal Lake Drive Project – In June 2005, the City approved an agreement with the Central Florida Expressway Authority (CFX) whereby the CFX agreed to initially fund construction of the Crystal Lake Drive improvements and then allow the City to reimburse the CFX in equal, annual installments over a ten-year period (through 2017). The total amount owed to the CFX as of September 30, 2016 is \$757,321 and is recorded in other liabilities on the entity-wide statements.

Lake Nona Interchange and Community Park – In August 2007 (and subsequently amended in July 2011), the City approved a developer’s agreement with the developers of Lake Nona for the construction of an interchange at Lake Nona Boulevard and State Road 417 (Central Florida GreeneWay) and the development of a Community Park. The City agreed to reimburse Lake Nona for up to \$10 million of the cost of the interchange and up to \$4 million of the cost of the community park. The reimbursement will be spread over time (up to 25 years) and will be based upon increases in the ad valorem tax revenue generated within the South and Central portions of the Lake Nona development.

CITY OF ORLANDO, FLORIDA
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The base assessed value for calculating the maximum amount of the City's yearly contribution is \$43,733,366. To date, no payments have been made to the developer. See notes on page 130 regarding events subsequent to September 30, 2016 related to the Lake Nona Interchange and Community Park.

d. Downtown CRA District Development Incentives

Downtown Hotel Incentives – While the Orlando-Kissimmee-Sanford Metropolitan Statistical Area (MSA) has experienced significant hotel development, principally in the tourist district, the CRA developed a hotel incentive package for the Downtown district designed to enhance the vitality of the City's core. Pursuant to its policy, the CRA agreed to incentives of up to \$2,000,000 and up to \$606,000, respectively, for two hotel projects. The first incentive was fulfilled in 2011. The second incentive, using 60% of the incremental revenue, is to partially offset the debt service payment on the special assessment obligation associated with certain streetscape, informational kiosk, and public amenities. The special assessment amortization (through 2020) is over 15 years after an initial five-year, interest-only period. The outstanding assessment as of September 30, 2016 is \$117,186. The final CRA incentive payment (60% of the incremental revenue) was paid in April 2013.

55 West – This project involves the redevelopment of Church Street Market, which was located between Orange Avenue and the CSX railroad. 55 West was originally planned to include approximately 400 residential condominium units, 105,000 sq. ft. of retail space, and a 1,072-space parking structure.

The agreement provides for the Developer (a) to replace the Parking System's 380-space garage at no cost to the City and to pay an interim rent during construction, replacing the monthly net income to the Parking System, and after construction to pay a \$50,000 annual lease payment for the air rights, (b) to build an additional 100 spaces in the garage, which were purchased by the Parking System in FY 2011, (c) to pay back a \$7,000,000 Special Assessment obligation used to partially finance the condominium-related portion of the parking structure, and (d) to repay up to \$2,000,000 Special Assessment obligation used to finance 75% of the plaza area improvements, which is available to the public. Beginning in September 2009, the residential tower was offered as rental units. During the 2016 fiscal year, the special assessment obligations were paid in full.

The CRA is providing a partial tax increment recapture to be used to offset a portion of the public plaza-related special assessment. The tax increment recapture began in FY 2011, and will last for 12 years (through 2022).

The Plaza – This project redeveloped the super block between Orange Avenue and Magnolia Avenue (on the east and west), and Church Street and Pine Street (on the north and south). This block was targeted as the number one project for Downtown redevelopment and designated as at the corner of "Main and Main" for Orlando.

The project was completed in 2007. The developer built 394,000 sq. ft. of office condominium, 100,000 sq. ft. of retail and restaurant space (including a 12-screen movie theatre), 304 residential condominium units, and a related 1,650-space parking structure.

The City/CRA provided (a) a \$14,000,000 Special Assessment obligation to partially finance 1,450 parking spaces to be repaid "Due on Sale" as the office and/or residential condominium units are sold, and (b) a \$3,500,000 cornerstone incentive which was borrowed from the City's Internal Loan Fund by the CRA Downtown District, granted to the Developer, and will be repaid from related tax increment revenue. In addition, the City/CRA has agreed to provide (a) a 10-year, \$350,000 per year, CRA incentive to support the 12-screen movie theatre with the first annual payment due 30 days after the theatre opens, and (b) a residential-only-related partial tax increment recapture for 12 years. In November 2006, the developer paid off the remaining balance on the \$14,000,000 special assessment obligation. During the fiscal year ended September 30, 2016, the CRA made the ninth of twelve installments on the residential-only tax increment recapture.

On December 15, 2008, the City and Community Redevelopment Agency approved an agreement to provide funding for the completion of the movie theatre located in The Plaza. The agreement also restructures the original movie theatre incentive previously approved by the City and Community Redevelopment Agency.

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The new agreement provided for the funding of the movie theatre project, up to \$6,000,000, on a periodic basis as construction progressed. The project construction funds are being repaid by the developer, with interest, through the levy, imposition, and collection of special assessments on both the retail condominium and parking condominium, which will be specially benefitted from the project. On July 2, 2014 the City received the balance of \$1,750,000 on the parking condominium portion of the assessment. The outstanding balance on the retail condominium portion of the assessment as of September 30, 2016 is \$1,333,331. The CRA's payment of \$350,000 per year (as contemplated in the previously approved Plaza agreement) will continue through fiscal year 2019.

Paramount on Lake Eola – This project involves the redevelopment of property generally located in the area bounded by Central Boulevard on the north, Lake Avenue on the west, Pine Street on the south and Osceola Avenue on the east. The development includes approximately 310 residential units, a 29,000 sq. ft. full-service grocery store, 12,100 sq. ft. of office space, 6,300 sq. ft. of retail space, and approximately 630 parking spaces.

The City/CRA agreed to provide (a) a \$2,000,000 special assessment obligation to fund the capital costs of the subsurface parking facility to be repaid over an 11-year period, (b) up to \$350,000 in credits, waivers, reductions and/or direct payments for building permit fees and concurrency surcharges, (c) a partial tax increment recapture for eight years, and (d) a four-year, \$250,000 per year, CRA incentive to support the full-service grocery store. The outstanding assessment as of September 30, 2016 is \$388,342, which includes capitalized interest.

Camden Orange Court Project – This project involves the redevelopment of the former Orange Court Motor Lodge property generally located in the area bounded by Colonial Drive on the north, Orange Avenue on the east, commercial buildings on the south and the CSX railroad on the west. The development (to be constructed in two phases) includes approximately 253 residential apartments, 7,200 sq. ft. of ground floor retail space and an approximately 450 space parking garage in Phase I and approximately 30,500 sq. ft. of office space in Phase II.

The CRA agreed to provide a Phase I-only partial tax increment recapture for 11 years (through 2020). During the fiscal year ended September 30, 2016, the CRA made the seventh of eleven tax increment recapture payments.

Parramore Area Initiatives:

Expo Centre – Building Redevelopment – In October 2004, the City, the CRA, the University of Central Florida (UCF), and the UCF Foundation signed a lease for the Expo Centre. The building was offered to UCF as a downtown site for its School of Film and Digital Media and the Florida Interactive Entertainment Academy (the Schools). The CRA contributed \$4.3 million to replace the roof and the air conditioning system at the Expo Centre. On November 2, 2005 the Schools held their grand opening.

While initially the City offered a \$1 per year lease (for 40 years), provided that UCF complies with all the terms and conditions of the lease agreement, the City shall transfer title to the Expo Centre to the UCF Foundation after the Schools are operating at full capacity, but no earlier than March 1, 2007. At any time prior to the City's transfer of title to the UCF Foundation, the UCF Foundation has the option to purchase the Expo Centre from the City at a price mutually agreed to by the parties. The net book value of the building, as reflected on the Orlando Venues fund statement of net position, is \$1.1 million. As of September 30, 2016, title to the Expo Centre has not been transferred to the UCF Foundation.

Creative Village - On July 26, 2010, the Orlando City Council adopted an ordinance amending the City's Growth Management Plan (GMP) by changing the future land use designation for the former Amway Arena property from Public-Recreational-Institutional to Urban Activity Center. The amended plan is to redevelop the former 68-acre Amway Arena site into the Creative Village property. The Amway Arena was demolished in 2012. It is envisioned that the Creative Village will create a magnet for creative workers to live, work and play – a place where high-tech, digital media and creative industry companies integrate with residential, retail and academia in a neighborhood that is connected to, and complements, the Parramore neighborhood and surrounding community.

In February 2011, the City entered into a 20 year Master Development Agreement (MDA) which establishes rights and responsibilities between the City and Creative Village LLC (CVD) regarding management and redevelopment of the Creative Village site.

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CVD also has the right to purchase a portion of the commercial and residential development rights and parcels within the site and the City retains the right to sell the remaining commercial and residential parcels.

Under the MDA, the City will coordinate with CVD to identify appropriate federal grant opportunities to support the Creative Village project, and will provide up to \$1 million toward other necessary items, such as environmental remediation. Additionally, the City has committed to allocating \$1 million of allowable federal grant funds or other infrastructure grant funds received to the Creative Village project. As of September 30, 2016, this commitment is still outstanding.

Related to the Creative Village project, in 2010, the City guaranteed a match of \$2.5 million to LYNX for infrastructure costs related to a \$10 million grant that LYNX received from the U.S. Department of Transportation. This grant, the 2010 TIGER II, has created an expansion route to the LYMMO bus rapid transit service between the Creative Village and the Downtown core, which includes the construction of two new roads within the Creative Village. In October 2012, LYNX was awarded an additional grant of \$3 million, of which the City agreed to guarantee a match of \$750,000. All grant match was funded through City CIP and Wastewater funds, non-City in-kind sources, and unused funds from other City/LYNX projects. On September 8, 2014, the City additionally committed up to \$785,145 to cover environmental remediation associated with the new road construction within the project limits, of which \$586,404 has been incurred. The \$586,404 was drawn from the \$1 million allocated for items such as environmental remediation within Creative Village. On July 11, 2016, the City also committed up to \$500,000 toward the Parramore BRT Project B items related to soil removal and associated environmental remediation, of which \$198,741 has been incurred.

e. Community Enhancements - Remaining commitments for the Community Venues projects are shown below. Debt financing incurred as of September 30, 2016 for the Community Venues projects is included on page 86.

Performing Arts Center – On November 6, 2014 Stage 1 of the PAC in downtown Orlando officially opened. The PAC is a unique, world-class destination that showcases the region’s performance groups, including the Orlando Philharmonic, Orlando Ballet, Orlando Opera, and Festival of Orchestras. In addition, it provides a venue for touring shows. Stage 1 of the facility contains two concert halls, education space, and an outdoor plaza that will host free public concerts.

A separate 501(c)(3) organization operates the Performing Arts Center and the Bob Carr Auditorium, a 2,500 seat performing arts center under an agreement with the City. The organization is responsible for the management, operations and routine maintenance of the Bob Carr Auditorium. Under the agreement, the City will maintain a repair and replacement fund for capital maintenance and repairs or replacements. The City will contribute to this fund as part of its capital improvement program budgeting process. Depreciation expense on the Bob Carr Auditorium is recorded in the Orlando Venues fund.

The construction phase of Stage 1 was completed in fiscal year 2015 with final payments made in fiscal year 2016. Through September 30, 2016 the City has incurred \$315.2 million for land acquisition, design services, and Stage 1 construction of the PAC. The Orlando Performing Arts Center contributed about \$335,000 during fiscal year 2016 (which was recorded in the Orlando Venues fund), for a total of \$48.3 million for Stage 1 construction.

Stage 2 construction of the third hall for the Performing Arts Center is expected to begin in fiscal year 2017. Subsequent to September 30, 2016, on October 24, 2016 the City Council approved the second amended and restated Orlando-Orange County Interlocal agreement which provides the funding arrangement for construction to begin. The initial estimated construction budget (before the final established Guaranteed Maximum Price) is \$203.5 million, with around \$143 million coming from Tourist Development Tax funds, \$51 million from philanthropic contributions and the remaining from various sources. To date, \$10 million has been spent on Stage 2 preparation with \$5.9 million of that amount being paid by the Orlando Performing Arts Center.

Camping World Stadium - Originally constructed in 1936, Camping World Stadium (formerly the Citrus Bowl) is currently the home of three college football bowl games and the Florida Classic football game. The City renovated the stadium to retain existing events as well as add amenities that will make Camping World Stadium an attractive venue for future events.

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The renovation includes the demolition and replacement of the lower bowl structure and enhancements to the remainder of the stadium facilities, including concessions, locker rooms, restroom facilities, and press facilities.

In July 2012 and October 2013, amendments to the Interlocal Agreement were approved which allow the original project scope to go forward. Demolition of the lower portion of the Camping World Stadium began in January 2014. The reconstructed stadium began hosting events in November 2014 with the Florida Blue Classic and two college football games. However, substantial completion of construction did not end until April 2015. Final retainage is expected to be released in fiscal year 2017. Through September 30, 2016, the City has incurred \$207.1 million in costs with a remaining commitment of approximately \$600,000.

Central Florida Commuter Rail Transit System (SunRail) - In July 2007, the City approved an Interlocal Governance Agreement and Interlocal Funding Agreement for SunRail. The Florida Department of Transportation (FDOT), in cooperation with Volusia, Seminole, Orange, and Osceola Counties, and the City of Orlando (the Local Government Partners), developed Phase I of SunRail that runs through the heart of the City.

Of the 12 existing stations, four are located in the City. Two stations are located directly in downtown (Church Street and LYNX central station) and the other two are located at Florida Hospital in the north and Orlando Regional Medical Center to the south. Approximately 5.5 miles of system track are located in the City.

The local government partners have agreed that FDOT will be the agency responsible for the design, permitting, and construction of the commuter rail system. In addition, FDOT will be responsible for its funding, operation, management, and maintenance for a period of seven years following the start of operation. The local government partners have created the Central Florida Commuter Rail Commission (the Commission) to assume responsibility for funding, operation, management, and maintenance of the commuter rail system upon expiration of the FDOT funding period (tentatively scheduled for 2021).

The City's share of SunRail costs per the interlocal funding agreement is \$16.17 million (as amended). The City was awarded a State Infrastructure Bank (SIB) loan to fund its share of the commuter rail system, which will be repaid to FDOT through fiscal year 2021 (see additional Notes on page 97 regarding the SIB loan).

Phase I of SunRail began operating on May 1, 2014. Phase I consists of approximately 32 miles and 12 stations from Debarry to Sand Lake Road. Construction on Phase II South (linking Sand Lake Road to Poinciana) started in April 2016. Phase II South consists of approximately 17 miles and 4 additional stations and is scheduled to begin operating in 2018.

f. City Line of Credit – By separate arrangement between the City and the CRA, the City has extended a line of credit to the CRA in an amount not to exceed \$2,300,000 to be used exclusively to make up any shortfalls in current year operation not available within the CRA's Downtown District operating funds. As of September 30, 2016, there was no outstanding balance on the line of credit.

2. Encumbrance Commitments:

Encumbrances outstanding 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. At September 30, 2016, the City had encumbrance commitments in the Governmental Funds as follows:

Major Funds and Non Major Funds	Encumbrances
General Fund	\$ 2,365,029
Community Redevelopment Agency	123,969
Capital Improvement	2,547,670
Aggregate Non Major Funds	22,200,957
Total Encumbrances	\$ 27,237,625

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3. Risk Management:

The City is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, and natural disasters. Risk Management attempts to identify, define, and evaluate the areas of potential loss to the City so as to reduce their occurrences. Acknowledging that some loss is inevitable, routine or predictable losses are self-insured, while other more unpredictable or catastrophic losses are transferred to insurance companies.

Effective January 1, 2012, the City became self-insured with respect to employee health insurance coverage. This covers all eligible active and retired employees and their dependents. The Human Resources Division manages the health self-insured plan.

The City self-insures the great majority of its General Liability, Auto Liability, Workers' Compensation and Property losses via self-insured retentions (deductibles). For its General Liability and Auto Liability exposures, the City is afforded protection against losses consistent with the State of Florida Sovereign Immunity statute. These losses are capped at \$200,000 per person and \$300,000 per event. The schedule below describes the different deductibles, insurance coverages, and insurance limits the City currently has in place. Any losses above commercial insurance limits would also be self-insured. There were no significant changes in coverages from the prior year.

Deductibles	Coverage	Limits of Coverage
N/A	General Liability & Auto Liability	\$200,000 per person, \$300,000 per occurrence (Consistent with Florida Statute 768.28)
\$250,000 (base)	All-Risk City Wide Property/Boiler and Machinery	\$350 million
\$250,000 (base)	All-Risk Amway Center Property/Boiler and Machinery	\$450 million
\$1,000,000	Workers' Compensation	Statutory
\$50,000	Crime/Employee Dishonesty	Various, up to \$10 million

The City's Risk Management Division handles the claims management and loss prevention activities for the City. The only exception is third party administration of workers' compensation claims. Annually, as of September 30, the Program has a third party actuary review the claim history for all claim years for which open claims are outstanding. The actuary projects the ultimate claim payment obligation (including the incurred but not reported claims) for each year's claim experience and projects the New Year's probable loss fund cost.

These projections are provided at the expected confidence level before and after discounting the loss reserves for Workers' Compensation, General Liability, and Automobile Liability. The City elected to establish the liability at the undiscounted projection.

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The table below reflects the discounted and undiscounted estimates:

Estimated Risk Management Liability (1)		
(in thousands)		
	Discounted (2)	Undiscounted
Workers' Compensation	\$ 13,826	\$ 15,997
General Liability	12,179	13,532
Automobile Liability	5,234	5,660
Total	\$ 31,239	\$ 35,189

- (1) Actuarial projection excludes property liability. The reserve for property at September 30, 2016 for all claim years is \$250,000.
(2) 3.0% discount rate assumption.

The probable loss fund estimate is used to budget the Risk Management Fund's billing as an Internal Service Fund to the various funds and component units of the City. Historically, if an adjustment is necessary to increase the reported fund liability to reflect the actuary's estimated ultimate claim payment, then the Risk Management Fund will either draw upon its accumulated net position or initiate a year end billing to the City's participant funds. The City's practice of cash funding the projected ultimate claims payment experience as of the end of each fiscal year, even though some payments may not be made for 8 to 12 years thereafter, is intended to temporarily accumulate net position (through interest earnings) which can be used to meet changes in estimates over time. Settlements have not exceeded coverages for each of the past three fiscal years.

The City maintains individual claim year experience (revenues, expenses, accumulated earnings on the excess) to allow, once a claims year is closed out, an elective decision with regard to any excess available to either (a) retain the excess in the Risk Management Fund or (b) declare a dividend and redistribute the excess to the participants under the original shared billing formula.

The following schedule presents the changes in aggregate claims liabilities for the past two years for the Fund's property and casualty, and workers' compensation benefits.

Risk Management Fund						
Changes in Aggregate Claims Liabilities						
For the Years Ending September 30, 2016 and 2015						
(in thousands)						
	Property and Casualty		Workers' Compensation		Totals	
	2016	2015	2016	2015	2016	2015
Unpaid claims and claims adjustment expenses at beginning of fiscal year	\$ 20,835	\$ 18,461	\$ 15,669	\$ 15,961	\$ 36,504	\$ 34,422
Incurred claims and claim adjustment expenses:						
Provisions for insured events of the current fiscal year	6,539	6,479	4,401	4,501	10,940	10,980
Increase (Decrease) in provision for insured events of prior fiscal years	(3,795)	(1,544)	105	4	(3,690)	(1,540)
Total insured claims and claim adjustment expenses	2,744	4,935	4,506	4,505	7,250	9,440
Payments:						
Claims and claim adjustment expenses attributable to insured events of current fiscal year	(427)	(160)	(4,037)	(4,653)	(4,464)	(4,813)
Claims and claim adjustment expenses attributable to insured events of prior fiscal years	(3,710)	(2,401)	(141)	(144)	(3,851)	(2,545)
Total payments	(4,137)	(2,561)	(4,178)	(4,797)	(8,315)	(7,358)
Total unpaid claims and claim adjustment expenses at end of fiscal year	\$ 19,442	\$ 20,835	\$ 15,997	\$ 15,669	\$ 35,439	\$ 36,504

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Self-Insurance for Employee Medical Benefits

The City's self-insurance plan covers claims up to \$600,000 with an aggregating specific deductible endorsement of \$150,000. The claims liability is reported in accounts payable the Healthcare Internal Service fund and is the actuarially determined undiscounted amount. The change in the fund's claims liability during fiscal year 2016 (in thousands) was:

Liability beginning balance	\$	4,216
Claims incurred		50,591
Claims payments		(50,810)
Liability ending balance	\$	<u>3,997</u>

4. Leases:

Operating - On September 27, 1976, the City entered into a turnover agreement with GOAA, which authorized GOAA to operate the Herndon Airport (Orlando Executive Airport) and Orlando International Airport for a term of 50 years commencing October 1, 1976. Amendment 1 of the agreement allowed the City to acquire a portion of the land for \$586,500 and the right to use the land for the site of the Conserv I wastewater treatment facility. Amendment 2 of the agreement provided for a land lease on which the Conserv I facility's effluent disposal system was constructed. After a five-year period of fixed payments between 1986 and 1991, annual payments increase 25% on each fifth anniversary of the May 1, 1986 date. The term of the original agreement does not change and expires on October 1, 2026. On August 10, 2015 the City Council approved an amended and restated operation and use agreement with GOAA for the Orlando International Airport and the Orlando Executive Airport. The amended and restated operation and use agreement is for a new term of 50 years commencing on October 1, 2015 and ending September 30, 2065.

The following schedule reflects the operating lease obligations for the next five years and for each five-year period thereafter:

<u>Year Ending</u> <u>September 30</u>	<u>Lease</u> <u>Payments</u>
2017	\$ 704,628
2018	704,628
2019	704,628
2020	704,628
2021	778,023
2022-2026	4,495,630
2027-2031	5,519,565
2032-2036	7,024,456
2037-2041	8,780,570
2042-2046	10,975,713
2047-2051	13,719,641
2052-2056	17,149,551
2057-2061	21,436,939
2062-2065	20,999,451

The lease also allows GOAA, for certain aviation-related reasons, to require the City to relocate all or a portion of its Rapid Infiltration Basins (RIBs) at the City's cost and, for non-aviation related reasons, for the City and GOAA to share in the associated relocation costs.

Total rent expense incurred by the City for the year ended September 30, 2016 was \$3,301,873.

Capital – On January 19, 2007 the City entered into a capital lease agreement with Banc of America Public Capital Corp. Property acquired under the agreement consists of fire and police radio equipment.

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On September 23, 2011 the City entered into another capital lease agreement, which was assigned to Banc of America Public Capital Corp. Property acquired under this agreement consists of radio system improvements.

On July 28, 2014 the City Council approved four capital leases with Leasing 2, Inc. for street sweeping and storm drain cleaning equipment. One of the Stormwater leases was paid off early in FY 2016. The leases are recorded in the Stormwater Utility Fund (an Enterprise Fund).

Fiscal Year Ending <u>September 30</u>	Governmental Activities			Business-type Activities
	Fire and Police Radios	Radio System Improvements	Total Governmental Activities	Stormwater Vehicles
	2017	\$ 876,921	\$ 1,175,132	\$ 2,052,053
2018	-	1,175,132	1,175,132	-
2019	-	1,175,132	1,175,132	-
Total Minimum Lease Payments	876,921	3,525,396	4,402,317	291,243
Less Amount Representing Interest	(31,740)	(146,986)	(178,726)	(6,517)
Present Value of Minimum Lease Payments	<u>\$ 845,181</u>	<u>\$ 3,378,410</u>	<u>\$ 4,223,591</u>	<u>\$ 284,726</u>

The stated interest rate is 3.75% for the fire and police radios and 2.16% for the radio system improvements.

The stated interest rate for the stormwater vehicles are: 2.57% for two of the leases, 2.85% for one lease, and 2.68% for the fourth lease.

The assets acquired through capital leases are shown below. Depreciation expense for assets under capital leases was \$307,093 and \$518,786, for Governmental Activities and Business-type Activities, respectively for the year ended September 30, 2016.

Asset:	Governmental Activities	Business-type Activities
Equipment	\$ 8,611,377	\$ -
Vehicles	-	1,376,907
Less: Accumulated depreciation	(8,585,786)	(787,149)
Total	<u>\$ 25,591</u>	<u>\$ 589,758</u>

5. Long-Term Obligations:

Revenue bonds and other long-term liabilities directly related to and intended to be paid from Proprietary Funds (of the Primary Government or the Component Units) are included in the accounts of such funds. All other long-term indebtedness of the Primary Government or the Governmental Component Unit is accounted for in the governmental activities column of the government-wide statement of net position.

The schedule of long-term liability activity is included on the next page. Long-term liabilities for internal service funds are included as part of the totals for governmental activities. At fiscal year-end, \$1,102,706 of internal service funds compensated absences is included in the governmental activities total. The remainder of the compensated absences liability in the governmental activities is generally liquidated by the general fund.

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a. Description of Individual Bond Issues and Loans Outstanding - Summarized below are the City's bond and loan issues which are outstanding at September 30, 2016:

	<u>Purpose of Issue</u>	<u>Amount Issued</u>	<u>Amount Outstanding</u>	<u>Coupon Interest Rate</u>	<u>Maximum Annual Debt Service</u>
PRIMARY GOVERNMENT:					
Governmental Activities					
State Infrastructure Bank (SIB) Loan	Sun Rail Commuter Rail	\$ 14,874,867	\$ 8,046,206	2.45%	\$ 1,729,450
Community Redevelopment Agency--					
Republic Dr. (Universal Blvd) Series 2012	Refunding	29,430,000	21,940,000	3.00-5.00%	3,009,000
Republic Dr. (Universal Blvd) Series 2013	Capital Improvements	9,000,000	7,003,327	2.17%	864,993
Conroy Road Series 2012	Refunding	19,225,000	14,965,000	5.00%	1,947,750
Downtown CRA Series 2009A	Performing Arts Ctr.	14,475,000	11,550,000	4.00-5.25%	2,286,425
Downtown CRA Series 2009C	Performing Arts Ctr.	50,955,000	50,955,000	7.50-8.10%	6,298,385
Downtown CRA Series 2010A	Performing Arts Ctr.	4,760,000	2,725,000	4.00%	1,445,600
Downtown CRA Series 2010B	Performing Arts Ctr.	71,415,000	71,415,000	6.21-7.78%	10,837,876
Total		<u>\$ 214,134,867</u>	<u>188,599,533</u>		
Internal Loan Fund --					
SSGFC Tax-exempt Series H	Refunding	18,510,000	14,808,000	(1)	(2)
Capital Improvement Special					
Revenue Bonds:					
Series 2007B	Public Safety projects	58,905,000	2,830,000	4.25-5.25%	1,490,294
Series 2009B	Refunding	15,965,000	15,965,000	5.00%	5,736,625
Series 2010B	Refunding	17,650,000	17,475,000	5.00%	6,554,375
Series 2010C	Refunding	40,260,000	11,180,000	5.00%	2,743,000
Series 2011A	Refunding	9,000,000	9,000,000	4.00%	1,056,600
Series 2012A	Refunding	9,965,000	9,965,000	3.00%	1,173,392
Series 2014A	Refunding	6,205,000	6,205,000	1.99%	4,459,898
Series 2014B	Public Safety projects	62,205,000	62,205,000	5.00%	4,506,125
Series 2014C	Refunding	10,355,000	9,655,000	4.00-5.00%	1,341,200
Series 2014D	Refunding	12,450,000	11,710,000	4.00-5.00%	1,497,300
Series 2015A	Refunding	5,705,000	5,705,000	1.82%	3,738,716
Series 2016A	Refunding	6,995,000	6,995,000	1.90%	5,042,453
Series 2016B	Refunding	54,850,000	54,850,000	2.00-5.00%	5,542,766
Series 2016C	Public Safety Projects	26,425,000	26,425,000	4.00-5.00%	2,019,900
Total		<u>355,445,000</u>	<u>264,973,000</u>		
Total Governmental Activities		<u>\$ 569,579,867</u>	<u>\$ 453,572,533</u>		
Business-Type Activities					
Wastewater Revenue Bonds	Wastewater Treatment and Refunding	\$ 36,170,000	\$ 33,610,000	3.00-5.00%	2,877,900
Series 2013					
Wastewater State Revolving Fund	Wastewater projects	92,359,522	56,701,173	1.59-2.66%	5,010,221
Total Wastewater		<u>\$ 128,529,522</u>	<u>\$ 90,311,173</u>		
Orlando Venues -- SSGFC Venue Loans	Events Center projects	\$ 110,000,000	\$ 90,000,000	(1)	(2)
State Sales Tax Rev. Bonds, Series 2016	Refunding	28,090,000	28,090,000	3.00-5.00%	1,998,425
Senior Tourist Dev. Tax Bonds, Series 2008ABC	Events Center projects	310,885,000	289,490,000	4.13-5.75%	20,292,797
Contract Tourist Dev. Tax Bonds, Series 2014A	Community Venues	236,290,000	236,290,000	(3) 3.00-5.25%	16,029,862
Capital Improvement Bonds					
Series 2009A	Events Center projects	11,950,000	5,100,000	4.52-4.99%	1,407,109
Series 2009C	Events Center projects	40,000,000	40,000,000	6.85-7.10%	4,367,361
Series 2016B	Refunding	4,185,000	4,185,000	2.00-5.00%	1,501,625
Total Business-Type Activities		<u>\$ 869,929,522</u>	<u>\$ 783,466,173</u>		

- (1) These variable rate bonds and loans are subject to a 15% interest rate cap. The taxable Series H loans had interest rates, LOC, and other charges of .14%, .45%, and .15% respectively, on September 30, 2016.
- (2) The amortization requirement of the covenant program (not the individual issues) variable rate obligation require a minimum amortization over the last 1/3 (10 years) of the normal (30 years) maturity.
- (3) See subsequent event note regarding the advance refunding of this bond.

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b. Long-term liability activity for the year ended September 30, 2016 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities:					
Bonds, loans, and leases payable:					
Community Redevelopment Agency bonds					
Downtown District	\$ 139,570,000	\$ -	\$ (2,925,000)	\$ 136,645,000	\$ 3,040,000
Republic Drive (Universal Blvd.) District	31,621,203	-	(2,677,876)	28,943,327	2,773,019
Conroy Road District	16,095,000	-	(1,130,000)	14,965,000	1,180,000
Capital Improvement bonds	178,256,424	95,238,050	(77,590,000)	195,904,474	9,870,000
Sunshine State Loans (SSGFC)	23,889,000	-	(9,081,000)	14,808,000	1,851,000
State Infrastructure Bank Loan	9,541,880	-	(1,495,674)	8,046,206	1,532,318
Leases payable	6,117,035	-	(1,893,444)	4,223,591	1,947,340
	<u>405,090,542</u>	<u>95,238,050</u>	<u>(96,792,994)</u>	<u>403,535,598</u>	<u>22,193,677</u>
Plus (Less) bond discounts and premiums	22,111,855	13,811,490	(4,270,045)	31,653,300	-
Total bonds, loans, and leases payable	<u>427,202,397</u>	<u>109,049,540</u>	<u>(101,063,039)</u>	<u>435,188,898</u>	<u>22,193,677</u>
Other liabilities:					
Other liabilities	1,545,411	-	(788,090)	757,321	757,321
Environmental remediation liability	6,485,000	845,345	(1,263,400)	6,066,945	745,345
Net Pension Liability	139,375,808	80,405,447	-	219,781,255	-
Compensated absences	31,100,909	8,315,700	(2,851,216)	36,565,393	2,925,231
Claims and judgments	36,504,000	7,537,465	(8,602,465)	35,439,000	10,999,000
Totals other liabilities	<u>215,011,128</u>	<u>97,103,957</u>	<u>(13,505,171)</u>	<u>298,609,914</u>	<u>15,426,897</u>
Governmental activities long-term liabilities	<u>\$ 642,213,525</u>	<u>\$ 206,153,497</u>	<u>\$ (114,568,210)</u>	<u>\$ 733,798,812</u>	<u>\$ 37,620,574</u>
Business-Type Activities:					
Bonds, loans and leases payable:					
Wastewater revenue bonds	\$ 34,915,000	\$ -	\$ (1,305,000)	\$ 33,610,000	\$ 1,370,000
State Revolving Fund loans	56,964,775	3,806,757	(4,070,359)	56,701,173	3,677,060
Parking - Internal loans	13,372,083	-	(2,440,000)	10,932,083	975,000
Orlando Venues - Internal loans	47,856,493	-	(4,528,050)	43,328,443	890,763
Orlando Venues SSGFC loans	90,000,000	-	-	90,000,000	-
Orlando Venues bonds	608,600,000	32,275,000	(37,720,000)	603,155,000	8,115,000
Stormwater Lease payable	1,104,577	-	(819,851)	284,726	284,726
	<u>852,812,928</u>	<u>36,081,757</u>	<u>(50,883,260)</u>	<u>838,011,425</u>	<u>15,312,549</u>
Plus (Less) bond discounts and premiums	22,287,290	5,335,302	(1,125,007)	26,497,585	-
Total bonds, loans, and leases payable	<u>875,100,218</u>	<u>41,417,059</u>	<u>(52,008,267)</u>	<u>864,509,010</u>	<u>15,312,549</u>
Environmental remediation liability	101,394	-	(18,601)	82,793	82,793
Net Pension Liability	6,723,311	3,374,674	-	10,097,985	-
Compensated absences	2,420,094	1,384,558	(229,489)	3,575,163	286,013
Business-type activities long-term liabilities	<u>\$ 884,345,017</u>	<u>\$ 46,176,291</u>	<u>\$ (52,256,357)</u>	<u>\$ 878,264,951</u>	<u>\$ 15,681,355</u>
Component Unit:					
Net Pension Liability	24,539	12,031	-	36,570	-
Compensated absences	43,939	15,648	(3,955)	55,632	4,450
Component unit long-term liabilities	<u>\$ 68,478</u>	<u>\$ 27,679</u>	<u>\$ (3,955)</u>	<u>\$ 92,202</u>	<u>\$ 4,450</u>

Reconciliation of long-term liability activity to summary of debt service requirements to maturity	
Total Governmental and Internal Service Fund Debt	\$ 457,796,124
Less Internal Loans provided to non-Governmental activities, as per above:	
Parking loans	(10,932,083)
Orlando Venues loans	(43,328,443)
Total Governmental activities debt (as per above)	<u>\$ 403,535,598</u>

CITY OF ORLANDO, FLORIDA
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September 30, 2016

c. Summary of Debt Service Requirements to Maturity - Annual Principal Requirements

Fiscal Year	Governmental Activities			
	Community Redevelopment Agency	Internal Service Funds		Capital Improvement
	CRA Tax Increment Bonds (1)	SSGFC Loans (2)	Capital Improvement 2011A & 2012A	2007B,2009B 2010B, 2010C 2014A,B,C,D 2015A & 2016A, B, C
2017	\$ 6,993,019	\$ 1,851,000	\$ -	\$ 9,870,000
2018	7,298,492	1,851,000	-	12,915,000
2019	7,584,300	1,851,000	-	13,190,000
2020	7,950,452	1,851,000	-	13,730,000
2021	8,271,953	1,851,000	-	14,235,000
2022-2026	43,865,111	5,553,000	6,695,000	69,470,000
2027-2031	27,420,000	-	9,475,000	34,600,000
2032-2036	35,445,000	-	2,795,000	30,345,000
2037-2041	35,725,000	-	-	17,520,000
2042-2046	-	-	-	12,450,000
2047-2051	-	-	-	2,875,000
Total	180,553,327	14,808,000	18,965,000	231,200,000
Less:				
Payable Within One Year	(6,993,019)	(1,851,000)	-	(9,870,000)
Total	173,560,308	12,957,000	18,965,000	221,330,000
Less:				
Bond (Discount) Premium	1,915,076	-	576,193	29,162,031
Long-Term Principal Due After One Year	\$ 175,475,384	\$ 12,957,000	\$ 19,541,193	\$ 250,492,031

d. Summary of Debt Service Requirements to Maturity - Annual Interest Requirements

2017	\$ 11,968,176	\$ 88,546	\$ 658,950	\$ 10,146,317
2018	11,669,104	75,897	455,550	9,989,026
2019	11,377,459	63,247	329,992	9,334,595
2020	11,019,409	50,598	329,992	8,661,595
2021	10,664,686	37,948	329,992	7,962,470
2022-2026	46,233,889	37,948	1,498,580	29,489,346
2027-2031	34,710,739	-	737,762	18,563,555
2032-2036	22,741,924	-	64,294	11,033,235
2037-2041	7,143,273	-	-	5,333,106
2042-2046	-	-	-	2,335,750
2047-2051	-	-	-	71,875
Total	\$ 167,528,659	\$ 354,184	\$ 4,405,112	\$ 112,920,870

e. Summary of Debt Service Requirements to Maturity - Annual Principal and Interest Requirements

2017	\$ 18,961,195	\$ 1,939,546	\$ 658,950	\$ 20,016,317
2018	18,967,596	1,926,897	455,550	22,904,026
2019	18,961,759	1,914,247	329,992	22,524,595
2020	18,969,861	1,901,598	329,992	22,391,595
2021	18,936,639	1,888,948	329,992	22,197,470
2022-2026	90,099,000	5,590,948	8,193,580	98,959,346
2027-2031	62,130,739	-	10,212,762	53,163,555
2032-2036	58,186,924	-	2,859,294	41,378,235
2037-2041	42,868,273	-	-	22,853,106
2042-2046	-	-	-	14,785,750
2047-2051	-	-	-	2,946,875
Total	\$ 348,081,986	\$ 15,162,184	\$ 23,370,112	\$ 344,120,870

Notes:

- (1) Includes Republic Drive (Universal Boulevard) Series 2012 and 2013, Conroy Road Series 2012, and Downtown Series 2009A, 2009C, 2010A, and 2010B.
- (2) The Commission loan is a multi-mode product and is presently in the weekly (or 7-day) mode.
The interest rate on September 30, 2016 of .15%, plus line of credit fees of .40%, and other charges of .13% for a total of .68% for the Series H Tax Exempt loan.

CITY OF ORLANDO, FLORIDA
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Total Principal Payments for Internal Service Funds	Capital Lease	State Infrastructure Bank (SIB) Loan	Total Principal Payments Governmental Activities
\$ 11,721,000	\$ 1,947,340	\$ 1,532,318	\$ 22,193,677
14,766,000	1,125,965	1,569,860	24,760,317
15,041,000	1,150,286	1,608,321	25,383,907
15,581,000	-	1,647,725	25,179,177
16,086,000	-	1,687,982	26,045,935
81,718,000	-	-	125,583,111
44,075,000	-	-	71,495,000
33,140,000	-	-	68,585,000
17,520,000	-	-	53,245,000
12,450,000	-	-	12,450,000
2,875,000	-	-	2,875,000
264,973,000	4,223,591	8,046,206	457,796,124
(11,721,000)	(1,947,340)	(1,532,318)	(22,193,677)
253,252,000	2,276,251	6,513,888	435,602,447
29,738,224	-	-	31,653,300
\$ 282,990,224	\$ 2,276,251	\$ 6,513,888	\$ 467,255,747
\$ 10,893,813	\$ 104,714	\$ 197,132	\$ 23,163,835
10,520,473	49,167	159,590	22,398,334
9,727,834	24,846	121,129	21,251,268
9,042,185	-	81,725	20,143,319
8,330,410	-	41,355	19,036,451
31,025,874	-	-	77,259,763
19,301,317	-	-	54,012,056
11,097,529	-	-	33,839,453
5,333,106	-	-	12,476,379
2,335,750	-	-	2,335,750
71,875	-	-	71,875
\$ 117,680,166	\$ 178,727	\$ 600,931	\$ 285,988,483
\$ 22,614,813	\$ 2,052,054	\$ 1,729,450	\$ 45,357,512
25,286,473	1,175,132	1,729,450	47,158,651
24,768,834	1,175,132	1,729,450	46,635,175
24,623,185	-	1,729,450	45,322,496
24,416,410	-	1,729,337	45,082,386
112,743,874	-	-	202,842,874
63,376,317	-	-	125,507,056
44,237,529	-	-	102,424,453
22,853,106	-	-	65,721,379
14,785,750	-	-	14,785,750
2,946,875	-	-	2,946,875
\$ 382,653,166	\$ 4,402,318	\$ 8,647,137	\$ 743,784,607

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2016

c. Summary of Debt Service Requirements to Maturity - Annual Principal Requirements

Fiscal Year	Business Type Activities			
	Wastewater State Revolving Fund	Wastewater Revenue Bonds	Tourist Dev. Tax Bonds	State Sales Tax Revenue Bonds
2017	\$ 3,677,060	\$ 1,370,000	\$ 6,060,000	\$ 865,000
2018	3,767,382	1,415,000	7,265,000	880,000
2019	3,859,956	1,470,000	8,485,000	910,000
2020	3,954,839	1,545,000	8,995,000	950,000
2021	4,052,088	1,620,000	9,570,000	985,000
2022-2026	21,806,274	9,250,000	60,200,000	5,435,000
2027-2031	12,015,216	11,550,000	79,000,000	6,745,000
2032-2036	3,568,358	5,390,000	102,105,000	8,440,000
2037-2041	-	-	186,905,000	2,880,000
2042-2046	-	-	57,195,000	-
2047-2051	-	-	-	-
Total	<u>56,701,173</u>	<u>33,610,000</u>	<u>525,780,000</u>	<u>28,090,000</u>
Less:				
Payable Within One Year	<u>(3,677,060)</u>	<u>(1,370,000)</u>	<u>(6,060,000)</u>	<u>(865,000)</u>
Total	53,024,113	32,240,000	519,720,000	27,225,000
Less:				
Bond (Discount) Premium	<u>-</u>	<u>5,034,211</u>	<u>16,113,126</u>	<u>4,554,141</u>
Long-Term Principal Due After One Year	<u>\$ 53,024,113</u>	<u>\$ 37,274,211</u>	<u>\$ 535,833,126</u>	<u>\$ 31,779,141</u>

d. Summary of Debt Service Requirements to Maturity - Annual Interest Requirements

2017	\$ 1,333,161	\$ 1,505,600	\$ 27,113,160	\$ 963,159
2018	1,242,839	1,456,750	26,831,510	1,117,450
2019	1,150,264	1,391,700	26,486,618	1,081,950
2020	1,055,382	1,316,325	26,082,031	1,045,150
2021	958,133	1,245,300	25,617,100	1,011,650
2022-2026	3,244,831	5,035,500	119,602,200	4,543,500
2027-2031	989,667	2,676,050	101,575,804	3,225,875
2032-2036	120,412	272,750	77,864,508	1,532,200
2037-2041	-	-	37,254,296	116,000
2042-2046	-	-	5,893,625	-
2047-2051	-	-	-	-
Total	<u>\$ 10,094,689</u>	<u>\$ 14,899,975</u>	<u>\$ 474,320,852</u>	<u>\$ 14,636,934</u>

e. Summary of Debt Service Requirements to Maturity - Annual Principal and Interest Requirements

2017	\$ 5,010,221	\$ 2,875,600	\$ 33,173,160	\$ 1,828,159
2018	5,010,221	2,871,750	34,096,510	1,997,450
2019	5,010,220	2,861,700	34,971,618	1,991,950
2020	5,010,221	2,861,325	35,077,031	1,995,150
2021	5,010,221	2,865,300	35,187,100	1,996,650
2022-2026	25,051,105	14,285,500	179,802,200	9,978,500
2027-2031	13,004,883	14,226,050	180,575,804	9,970,875
2032-2036	3,688,770	5,662,750	179,969,508	9,972,200
2037-2041	-	-	224,159,296	2,996,000
2042-2046	-	-	63,088,625	-
2047-2051	-	-	-	-
Total	<u>\$ 66,795,862</u>	<u>\$ 48,509,975</u>	<u>\$ 1,000,100,852</u>	<u>\$ 42,726,934</u>

Notes:

- (1) The Commission loan is a multi-mode product and is presently in the weekly (or 7-day) mode. The interest rate on September 30, 2016 of .14%, plus line of credit fees of .45%, and other charges of .15%, for a total of .73% for the Series H Tax-Exempt loans.

CITY OF ORLANDO, FLORIDA
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September 30, 2016

Capital Improvement Series 2009A, 2009C & 2016B	SSGFC Orlando Venues Loans (1)	Stormwater Capital Leases	Total Principal Payments Business Type Activities	Total Principal Payments Governmental & Business Type Activities
\$ 1,190,000	\$ -	\$ 284,726	\$ 13,446,786	\$ 35,640,463
1,245,000	-	-	14,572,382	39,332,699
1,300,000	-	-	16,024,956	41,408,863
1,365,000	-	-	16,809,839	41,989,016
1,325,000	-	-	17,552,088	43,598,023
7,920,000	27,000,000	-	131,611,274	257,194,385
10,060,000	45,000,000	-	164,370,216	235,865,216
12,570,000	18,000,000	-	150,073,358	218,658,358
12,310,000	-	-	202,095,000	255,340,000
-	-	-	57,195,000	69,645,000
-	-	-	-	2,875,000
49,285,000	90,000,000	284,726	783,750,899	1,241,547,023
(1,190,000)	-	(284,726)	(13,446,786)	(35,640,463)
48,095,000	90,000,000	-	770,304,113	1,205,906,560
796,107	-	-	26,497,585	58,150,885
\$ 48,891,107	\$ 90,000,000	\$ -	\$ 796,801,698	\$ 1,264,057,445
\$ 3,215,431	\$ 660,751	\$ 6,517	\$ 34,797,779	\$ 57,961,614
3,177,094	660,751	-	34,486,394	56,884,728
3,114,619	660,751	-	33,885,902	55,137,170
3,049,550	660,751	-	33,209,189	53,352,508
2,983,800	660,751	-	32,476,734	51,513,185
13,673,142	2,907,303	-	149,006,476	226,266,239
10,639,408	1,321,502	-	120,428,306	174,440,362
6,681,810	66,075	-	86,537,755	120,377,208
1,797,720	-	-	39,168,016	51,644,395
-	-	-	5,893,625	8,229,375
-	-	-	-	71,875
\$ 48,332,574	\$ 7,598,635	\$ 6,517	\$ 569,890,176	\$ 855,878,659
\$ 4,405,431	\$ 660,751	\$ 291,243	\$ 48,244,565	\$ 93,602,077
4,422,094	660,751	-	49,058,776	96,217,427
4,414,619	660,751	-	49,910,858	96,546,033
4,414,550	660,751	-	50,019,028	95,341,524
4,308,800	660,751	-	50,028,822	95,111,208
21,593,142	29,907,303	-	280,617,750	483,460,624
20,699,408	46,321,502	-	284,798,522	410,305,578
19,251,810	18,066,075	-	236,611,113	339,035,566
14,107,720	-	-	241,263,016	306,984,395
-	-	-	63,088,625	77,874,375
-	-	-	-	2,946,875
\$ 97,617,574	\$ 97,598,635	\$ 291,243	\$ 1,353,641,075	\$ 2,094,478,807

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2016

f. New Indebtedness and Refunding Debt Issued by the City:

On March 31, 2016, the City issued \$6,995,000 Capital Improvement Refunding Special Revenue Bonds, Series 2016A. Proceeds of the bonds were used to refund the City's outstanding Capital Improvement Special Revenue Bonds, Series 2007A, and the Capital Improvement Refunding Special revenue Bonds, Series 2010A.

On May 3, 2016, the City issued \$59,035,000 of Capital Improvement Refunding Special Revenue Bonds, Series 2016B, and \$26,425,000 of Capital Improvement Special Revenue Bonds, Series 2016C. Proceeds from the Series 2016B bonds were used to advance refund a portion of the City's outstanding Capital Improvement Special Revenue Bonds, Series 2007B, Capital Improvement Special Revenue Bonds, Series 2009A, and Capital Improvement Refunding Special Revenue Bonds, Series 2010C. Proceeds of the Series 2016C bonds are being used to finance the acquisition, construction, equipping, and installation of municipal capital improvements including a public safety computer-aided dispatch system and such other municipal capital projects as shall be approved by the City.

On September 28, 2016, the City issued \$28,090,000 of State Sales Tax Payments Refunding and Improvement Revenue Bonds, Series 2016. Proceeds of the bonds were used to advance refund the City's outstanding State Sales Tax Payments Revenue Bonds Series 2008 and to provide additional proceeds for the acquisition, construction, and/or equipping of various capital improvements to the Amway Center.

Covenant Debt	True Interest Cost	Average Coupon Rate	Maturity Date	Net Proceeds	Underwriter Discount and Cost of Issuance	Net Premium
Bond Series	Cost	Rate	Date	Proceeds	Issuance	Premium
2016A	1.900%	1.900%	10/1/2023	\$ 6,995,000	\$ 74,000	\$ -
2016B	2.711%	4.425%	10/1/2037	69,084,921	557,812	10,247,781
2016C	2.939%	4.540%	10/1/2036	30,679,454	265,992	4,344,870
Sales Tax Bonds	True Interest Cost	Average Coupon Rate	Maturity Date	Net Proceeds	Underwriter Discount and Cost of Issuance	Net Premium
Bond Series	Cost	Rate	Date	Proceeds	Issuance	Premium
2016	2.641%	4.197%	2/1/2038	\$ 32,537,190	\$ 319,282	\$ 4,554,141

g. Economic Reasoning for Refunding Bonds:

Refunding provides for an irrevocable deposit with an escrow agent (a third party banking institution) of sufficient funds to pay the principal and interest, when due, on the refunded bonds to the earliest call date. On the earliest call date, all bonds outstanding are redeemed, and interest subsequent to the refunding date will cease. Bonds are typically refunded for either economic gain to the governmental unit or to eliminate restrictive and antiquated covenants. The purpose of the Capital Improvement Refunding Special Revenue Bonds, Series 2016A bonds was not to provide an economic gain to the City. The Series 2016A bonds were issued to make principal payments on the portions of the City's Designated Maturity Debt, Series 2007A (\$3,530,000) and Series 2010A (\$4,160,000) maturing on April 1, 2016.

CITY OF ORLANDO, FLORIDA
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The economic rationale to initiate the current year refunding for the Capital Improvement Special Revenue bonds and State Sales Tax Payments Revenue bonds is shown in the following schedule:

		2015-2016 Bond Refunding Economic Reasoning		
		Capital Improvement Special Revenue Bonds Series 2007B	Capital Improvement Special Revenue Bonds Series 2009A	Capital Improvement Special Revenue Bonds Series 2010C
Bond Size				
Old Bonds (Outstanding)	\$	46,970,000	\$ 4,470,000	\$ 17,880,000
New Bonds (Series 2016B)		40,405,000	4,185,000	14,445,000
Economic Gain				
Percentage		11.47%	2.64%	5.11%
Dollars		5,388,276	117,953	914,201
Average Annual Savings		516,994	20,411	356,845
Future Value Savings		11,378,875	142,875	4,638,982
		State Sales Tax Payments Revenue Bonds Series 2008		
Bond Size				
Old Bonds (Outstanding)	\$	26,590,000		
New Bonds (Series 2016)		28,090,000		
Economic Gain				
Percentage		18.45%		
Dollars		4,904,713		
Average Annual Savings		291,265		
Future Value Savings		6,262,204		

The reacquisition price exceeded the net carrying amount of the Capital Improvement Special Revenue Bonds, Series 2007B, 2009A, and 2010C by \$5,158,909. This amount is recorded as a deferred outflow of resources and recognized as a component of interest expense over the life of the new debt, which is the same as the life of the old debt. The reacquisition price exceeded the net carrying amount of the State Sales Tax Payments Revenue Bonds, Series 2008 by \$2,086,900. This amount is recorded as a deferred outflow of resources and recognized as a component of interest expense over the life of the new debt, which is the same as the life of the old debt.

Advance Refunded Bonds

The following schedule reflects the advance refunded bonds outstanding as of September 30, 2016:

<u>Type</u>	<u>Series</u>	<u>Date Refunded</u>	<u>Final Payment/ Call Date</u>	<u>Outstanding as of Refunding</u>	<u>Outstanding as of 9/30/2016</u>
CISRB	2006A	11/20/2014	10/1/2015	\$ 16,205,000	\$ -
CISRB	2007B	5/3/2016	10/1/2017	46,970,000	46,970,000
CISRB	2009A	5/3/2016	10/1/2019	4,470,000	4,470,000
CISRB	2010C	5/3/2016	10/1/2020	17,880,000	17,880,000
Sales Tax	2008	9/28/2016	2/1/2038	26,590,000	26,590,000

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2016

h. Disclosure of Legal Debt Margin - The City has no legal debt margin requirements set forth by either State Statute or City Ordinance.

i. Synopsis of Revenue Bond Covenants, Revenue Bonds Debt Service and Transfer Requirements - Provisions of revenue bonds require either (1) monthly sinking fund contributions for current debt service of one-twelfth and one-sixth of the next maturing principal and interest payment, respectively, or (2) an annual bucket approach where all receipts are deposited into a sinking fund until the funds therein are sufficient to meet the maturing principal and interest payments. In addition, certain reserves for future debt service requirements (generally the largest principal and interest payment due in any succeeding year) must be maintained.

In addition to a debt service reserve account within the Wastewater System, a stabilization sub-account within the impact fee account is maintained equal to the expansion portion of the subsequent years' debt service requirement. Renewal and replacement reserves are also required for certain revenue bond issues.

PRIMARY GOVERNMENT:

Proprietary Funds:

Wastewater System Revenue Bonds:

The Wastewater System Refunding and Improvement Revenue Bonds, Series 2013 are secured by an irrevocable lien on the Pledged Revenues which consist of the Net Revenues of the System and the Pledged Utilities Services Tax. The lien of the Series 2013 Bonds on the Pledged Revenues is on a parity with the lien thereon of any Additional Parity Obligations that may be issued from time to time, and with the lien of any Parity Contract Obligations entered into by the City from time to time, on the Pledged Revenues but is prior to all other contractual liens or encumbrances on the Pledged Revenues, except as provided below. The pledge of and lien on the Pledged Utilities Services Tax component of the Pledged Revenues granted under the Bond Ordinance is junior and subordinate in all respects to the pledge of and lien on the Utilities Services Tax with respect to any Senior Lien Utilities Services Tax Obligations which the City may in the future incur in accordance with the Bond Ordinance.

The rate covenant commitment holds that the City will fix, establish, revise from time to time whenever necessary, maintain and collect always such fees, rates, rentals and other charges for the use of the products, services and facilities of the System which will always provide, Pledged Revenues in each Fiscal Year sufficient to pay one hundred twenty-five percent (125%) of the Bond Service Requirement on all Outstanding Bonds in the applicable Bond Year.

In addition to compliance with the paragraph above, Pledged Revenues in each Fiscal Year shall also be sufficient to provide one hundred percent (100%) of the Bond Service Requirement on all Outstanding Bonds in the applicable Bond Year, any amounts required by the terms hereof to be deposited into the Reserve Fund, the Renewal, Replacement and Improvement Fund and debt service on other obligations payable from the Net Revenues of the System, and other payments, and all allocations and applications of revenues herein required in such Fiscal Year. Net Revenues shall not be reduced so as to render them insufficient to provide revenues for the purposes provided in the Bond Ordinance.

The Wastewater bond covenants require that two separate debt service coverage tests be met (as discussed above). The City met both coverage tests for fiscal year 2016.

State of Florida Revolving Loan Program

The State of Florida Revolving Loan Program is junior and subordinate to the Wastewater Bonds Program. Proceeds from the loan program will be used to finance wastewater capital projects and currently the City has seven loans outstanding. The loan program operates on a reimbursement basis. When proceeds are remitted, the loans accrue interest based upon the rate approved by the State at the date of closing. The liability due to the State is the loan amount (as amended) plus accrued interest until six months prior to the date repayments commence, and a 2%

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service fee. At September 30, 2016 the City had total loans outstanding of \$56,701,173 payable to the State. The net revenues of the wastewater funds will be used to make the debt service payments.

The first loan (65001S) authorized in FY 2006 was for \$19,201,291 and subsequently amended to \$29,512,463, carries an interest rate of approximately 2.6%, and provides for semi-annual principal and interest payments of \$935,660 beginning in June 2007. As of September 30, 2016, the City's liability for this loan totaled \$17,096,980.

The second loan (65002P) authorized in FY 2006 was for \$1,467,889, carries an interest rate of 2.66%, and provides for semi-annual principal and interest payments of \$51,144 beginning in February 2009. As of September 30, 2016, the City's liability for this loan totaled \$1,044,943.

The third loan (65003P) authorized in FY 2006 was for \$1,468,043, carries an interest rate of 2.66%, and provides for semi-annual principal and interest payments of \$49,700 beginning in December 2011. As of September 30, 2016, the City's liability for this loan totaled \$930,602.

The fourth loan (650040) authorized in FY 2006 was for \$6,330,000 and subsequently amended to \$13,926,996, carries an interest rate of approximately 2.56% and provides for semi-annual principal and interest payments of \$243,638 beginning in December 2011. As of September 30, 2016, the City's liability for this loan totaled \$6,313,073.

The fifth loan (650060) authorized in FY 2008 was for \$22,300,000, carries an interest rate of 2.49%, and provides for semi-annual principal and interest payments of \$553,071 beginning in February 2009. As of September 30, 2016, the City's liability for this loan totaled \$11,413,365.

The sixth loan (480400) authorized in FY 2011 was for \$10,000,000 and subsequently amended to \$14,198,779, carries an interest rate of approximately 2.47% and provides for semi-annual principal and interest payments of \$474,475 beginning in January 2014. As of September 30, 2016, the City's liability for this loan totaled \$10,741,992.

The seventh loan (480410) authorized in FY 2012 was for \$9,951,961 and subsequently amended to \$4,850,187, carries an interest rate of 1.72%, and provides for semi-annual principal and interest payments of \$142,014 beginning in July 2015. As of September 30, 2016, the City's liability for this loan totaled \$4,484,207.

The eighth loan (480420) authorized in FY 2013 is for \$2,633,566, carries an interest rate of 1.59%, and provides for semi-annual principal and interest payments of \$79,846 beginning in July 2015. As of September 30, 2016, the City's liability for this loan totaled \$2,340,477.

The ninth loan (480430) authorized in FY 2013 was for \$3,462,524 and subsequently amended to \$2,855,923, carries an interest rate of 1.72%, and provides for semi-annual principal and interest payments of \$87,502 beginning in May 2015. As of September 30, 2016, the City's liability for this loan totaled \$2,335,534.

The SRF loan agreements provide for a rate coverage test. In each fiscal year, the Pledged Revenues are supposed to equal or exceed 1.15 times the sum of the semiannual loan payments due in such fiscal year. The City met the rate coverage test for fiscal year 2016.

Orlando Venues Revenue Bonds:

In March 2008, the City issued Senior, Second Lien, and Third Lien Tourist Development Tax (TDT) Revenue Bonds, 6th Cent Contract Payments, Series 2008, in the amount of \$310,885,000 for the purpose of acquiring, constructing, and equipping a new community events center designed to accommodate amateur and professional sports events, concerts, family shows, political conventions, and other not-for-profit and community events. These bonds are limited obligations of the City payable from the pledged TDT revenues noted below.

In the Interlocal Agreement between the City of Orlando and Orange County, the County agreed to contribute 6th Cent TDT revenues monthly to the City for the payment of the debt service on these bonds. These TDT revenues are

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collected countywide and remitted to a trustee who allocates these pledged funds according to a flow of funds. On the second business day of each month, the Orange County Comptroller's Office publishes a TDT press release on their website summarizing the most recent monthly tax collections.

Legal provisions of these revenue bonds require the City to maintain liquidity and debt service reserves based on the maximum annual debt service in accordance with the Flow of Funds described in the bond documents. If the debt service reserves are depleted, the bond insurer would then make the required debt service payments and this would qualify as a technical default.

For the fiscal year ended September 30, 2016, the total principal and interest paid was \$20.3 million and 6th Cent TDT revenue distributions received totaled \$22.7 million. Total principal and interest remaining on the bonds as of September 30, 2016 is \$545 million, with annual requirements ranging from \$19.0 million in fiscal year 2020, to \$104.9 million in fiscal year 2039, the final year. Management cannot predict the sufficiency of future TDT revenues to pay the annual debt service. While some use of reserves may be needed to meet future debt service payments, management does not anticipate that the City will deplete its debt service reserves within the 12 months following the end of fiscal year 2016.

In May 2014, the City issued Contract TDT Payments Revenue Bonds, Series 2014A, in the amount of \$236,290,000 for the purpose of acquiring, constructing, renovating, expanding and equipping the Performing Arts Center and the Orlando Citrus Bowl. These bonds are limited obligations of the City payable primarily from the pledged funds, which include Contract TDT Revenue Payments received from Orange County, Florida pursuant to the amended and restated Interlocal Agreement dated as of October 22, 2013.

The Interlocal Agreement requires the County Comptroller to deposit Contract TDT Revenues with the Trustee each January 15th until the earlier of (a) the date that the Contract TDT obligations are defeased or redeemed in full, or (b) December 31, 2046.

For the fiscal year ended September 30, 2016, the total principal and interest paid was \$11.9 million and the Contract TDT Revenues received totaled \$38.5 million. Total principal and interest remaining on the bonds as of September 30, 2016 is approximately \$455 million, with annual requirements ranging from \$12.9 million in fiscal year 2017, to \$16.0 million in fiscal year 2021.

See notes on page 130 regarding events subsequent to September 30, 2016 related to the Series 2014A bonds.

In September 2016, the City issued State Sales Tax Payments Refunding and Improvement Revenue Bonds, Series 2016, in the amount of \$28,090,000. The proceeds from these bonds were used to advance refund \$26,590,000 in outstanding State Sales Tax Payments Revenue Bonds, Series 2008 and to provide additional funding for capital improvements at the Amway Center.

For the fiscal year ended September 30, 2016, the total principal and interest paid on the Series 2008 bonds was \$1,997,982, and State sales tax revenue distributions received totaled \$2,000,004. Total principal and interest remaining on the Series 2016 bonds as of September 30, 2016 is \$42.7 million, with annual requirements of approximately \$2.0 million through FY 2038.

The City began receiving distributions from the State of Florida, derived from State sales tax revenues, in February 2008, in the amount of \$166,667 monthly, pursuant to Section 288.1162, Florida Statutes, and will continue to receive these distributions for 30 years, until January 2038. These distributions are pledged to pay the debt service on the bonds. As a condition before receiving these sales tax revenue payments, the State must certify the events center as a "facility for a professional sports franchise." The City received this certification for the Amway Center on November 30, 2007.

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Governmental Funds:

State Infrastructure Bank Loan Agreement (the SIB Loan):

In February 2007, the City approved the SIB Loan with the Florida Department of Transportation (FDOT). The purpose of the SIB Loan is to provide the City's local funding necessary for the final design of both Phases I and II, right-of-way and track acquisition, vehicle procurement, construction, testing, and start-up of the commuter rail service (SunRail). The SIB Loan provides for a total amount up to \$16.17 million at an interest rate of 2.45%. The loan will be repaid over a period of ten years. The City has agreed to budget and appropriate General Fund money to repay the obligation. The first loan repayment was made in October 2012. As of September 30, 2016, the outstanding loan balance is \$8,046,205.

Downtown CRA District:

Downtown CRA Tax Increment Revenue Bonds:

On September 3, 2009 the City issued \$14,475,000 in Community Redevelopment Agency Tax Increment Revenue Bonds (Downtown District), Series 2009A; \$5,975,000 in Community Redevelopment Agency Tax Increment Revenue Refunding Bonds (Downtown District), Series 2009B; and \$50,955,000 in Community Redevelopment Agency Taxable Tax Increment Revenue Bonds (Downtown District – Direct Subsidy Build America Bonds), Series 2009C. The Series 2009A bonds mature on September 1, 2022; the Series 2009B bonds mature on September 1, 2016; and the Series 2009C bonds mature on September 1, 2037. As of September 30, 2016, the outstanding balance on all three bonds is \$62,505,000.

On April 14, 2010 the City issued \$4,760,000 in Community Redevelopment Agency Tax Increment Revenue Bonds, Series 2010A (Downtown District) and \$71,415,000 in Community Redevelopment Agency Taxable Tax Increment Revenue Bonds, Series 2010B (Downtown District – Direct Subsidy Build America Bonds). The Series 2010A bonds mature on September 1, 2018 and the Series 2010B bonds mature on September 1, 2040. As of September 30, 2016, the outstanding balance on the bonds is \$74,140,000.

The tax increment revenue received by the CRA on property within the downtown Community Redevelopment area is pledged to secure the outstanding bonds of these issues. The operating costs of the CRA and other capital projects may be financed out of the excess, after the debt service is provided. Additional bonds may be issued only after a parity test of 125% has been met, given retrospective consideration to the assessed value and related millage rates (and thus the revised increment) for the New Year. Additionally, the CRA has incurred subordinate lien level obligations and any additional debt incurred would have to be addressed in addition to these obligations.

Republic Drive (Universal Boulevard) CRA District:

Republic Drive (Universal Boulevard) Tax Increment Revenue Refunding Bonds (Series 2012):

On February 23, 2012 the City issued \$29,430,000 in Republic Drive (Universal Boulevard) Tax Increment Revenue Refunding Bonds, Series 2012. The original Republic Drive (Universal Boulevard) bonds financed an I-4 interchange. The Series 2012 bonds mature on April 1, 2025. As of September 30, 2016, the outstanding balance on the bonds is \$21,940,000.

Republic Drive (Universal Boulevard) Tax Increment Revenue Bonds (Series 2013):

On April 30, 2013 the City issued \$9,000,000 in Republic Drive (Universal Boulevard) Tax Increment Revenue Bonds, Series 2013. Proceeds of the bonds are being used to fund capital improvements. The Series 2013 bonds mature on April 1, 2025. As of September 30, 2016, the outstanding balance on the bonds is \$7,003,327.

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Conroy Road CRA District:

Conroy Road Tax Increment Revenue Refunding Bonds (Series 2012:

On May 16, 2012 the City issued \$19,225,000 in Conroy Road Tax Increment Revenue Refunding bonds, Series 2012. The original Conroy Road bonds financed an I-4 interchange. The Series 2012 bonds mature on April 1, 2026. As of September 30, 2016, the outstanding balance on the bonds is \$14,965,000.

Internal Service Funds:

Internal Loan Fund:

The City's obligation is a covenant to budget and appropriate from non-ad valorem revenues (from the General Fund and/or Utilities Services Tax Fund) to pay the debt service. The covenant program does not have either a rate covenant or an additional bonds test, but does include a dilution test, which cannot be exceeded. Neither the variable rate loans nor the medium term bonds require debt amortization during the first two-thirds of the nominal life. The City is required to demonstrate, in its annual secondary market bond disclosure supplement, how its internal loans and external debt amortization match up to avoid any future balloon maturity issues.

Capital Improvement Special Revenue Bonds (Fixed Rate)

The City's Capital Improvement Bonds are the fixed rate portion of the program. The Covenant Debt Program is designed to include long-term fixed, rolling medium-term, and variable rate debt to produce a lower blended cost of money and other advantages to the City.

Medium-Term Notes

The 2007A, 2010A, 2011A, and 2012A rolling medium-term notes were designed to target the 1-15 year segment of the yield curve which is traditionally under-utilized in the tax-exempt market place. The anticipated amortization for both the medium-term notes and variable rate debt (level primarily over the last ten years of a nominal 30-year term) adds elasticity and interest rate savings to the internal loan program. Additionally, matching 10, 15 or 20-year amortizing loans with non-amortizing bonds provides significant relending opportunities.

Variable Rate Notes/Loans

SSGFC Series H Commercial Paper Program

The SSGFC created a separate City of Orlando only Commercial Paper series, which can be accessed for tax-exempt, alternative minimum tax (AMT), and taxable uses. In September 2004 the City borrowed \$21,630,000 in taxable commercial paper to finance economic development-related Special Assessment loans of which \$14,400,000 was repaid on December 6, 2006 and the remaining \$7,230,000 repaid on September 30, 2016. In December 2004 the City borrowed \$18,510,000 in tax-exempt commercial paper to refund City issued commercial paper initiated in 1994.

In March 2007, the City borrowed \$50,000,000 in tax-exempt commercial paper to finance land purchases for the Amway Center; \$10,000,000 of this was repaid on March 1, 2011. In fiscal year 2008, the City borrowed an additional \$60,000,000 in tax-exempt commercial paper as part of the overall financing plan for the construction of the three Community Venues; \$10,000,000 of this was repaid on March 1, 2011.

j. Internal Loan Fund Loans – The City created the Internal Loan Fund (as an Internal Service Fund) to provide interim or longer-term financing to other funds. The financing for the Fund's loan activities was provided through non-revenue specific and non-project specific loans from the Sunshine State Governmental Financing Commission, the Capital Improvement Revenue Bonds, Medium-Term Notes, and the Covenant Commercial Paper Program.

Internal loans receivable as of September 30, 2016 totaled \$262,113,397 as reported on page 178. Of this amount, \$54,260,526 was loaned to the City's proprietary funds. The loans to proprietary funds are reported as liabilities in

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each respective fund. Governmental internal loans payable totaled \$207,852,871 as shown on the reconciliation on page 29.

k. Variable Rate Debt - The City has one major program (Covenant debt), which has exposure to variable rate debt. GAAP requires that for variable rate programs, future debt service forecasts be based on the actual end of the year interest rates. The following schedule reflects the City's variable rate debt programs as of September 30, 2016.

Variable Rate Debt Program. Amounts outstanding are in thousands.

Program	Series	Outstanding Amount	Number of Modes	Present Mode
Internal Loan:				
SSGFC	2004	\$ 14,808	N/A	CP
SSGFC	2007	40,000	N/A	CP
SSGFC	2008	50,000	N/A	CP
Total		<u>\$ 104,808</u>		

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I. Variable Rate Debt (Reimbursement and Remarketing Agreements) – The City’s Internal Loan Fund financing program utilizes multi-modal variable rate debt; thus, requiring both reimbursement (letter or line of credit) and remarketing agreements. The schedule below reflects the principal elements of each program:

Internal Loan SSGFC Series H Commercial Paper Notes
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REIMBURSEMENT AGREEMENTS (1)

General:

Term	Commitment Expires 2/15/2019
Type	Line of Credit (liquidity only)
Initial Renewal	N/A
Subsequent Renewals	Negotiable
Renewal Window (2)	60 Days

Term-Out Agreement:

Term	3 years (3)
Installment	Quarterly

Fee Structure:

Annual Rate (4)	45 basis points
Base	Par Amount of notes outstanding
Effective Rate (4)	45 basis points
Tender Draw Rate	Base Rate (0-90 days) (5) Base Rate + 1.0% (91-120 days) (5) Base Rate + 2.0% (120+ days) (5)
Default Draw Rate	Base Rate + 4.0% (5)
Right to Accelerate	Yes (6)

Banks:

Name	JP Morgan Chase Bank, N.A.
Rating (LT/ST)	Aa3/P-1; A+/A-1; AA-/F1+ (7)

REMARKETING AGENT AGREEMENTS

Agent	JP Morgan Securities and Morgan Stanley
Base Fee	8 to 10 basis points
Performance Fee	None
Base	Notes outstanding

- (1) The liquidity facility agreement was entered into in January 2013 (and amended in November 2015 and December 2016).
- (2) Renewal window is the minimum time available for the City to secure a replacement for the credit facility in the event the Bank opts not to renew the current agreement.
- (3) Maturity date is 3 years after the end of the final revolving credit period as extended by the Bank.
- (4) Effective February 15, 2017 the rate is 47.5 basis points.
- (5) Base Rate is defined as the greater of the Prime Rate plus 150 basis points, the Federal Funds Rate plus 200 basis points, or 7.5% per annum.
- (6) The Commission's potential to default is minimal and a default on the part of a loan participant can only cause an acceleration of that particular loan. In other words, there is no cross default provision between stand alone programs or their individual participants.
- (7) Ratings based on Moody's, Standard & Poor's (S&P), and Fitch, respectively.

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C. Interfund Receivables and Payables

The following schedule represents interfund receivables and payables as of September 30, 2016:

	Interfund Receivables	Interfund Payables
Primary Government:		
Major Fund:		
General	\$ 2,371,000	\$ -
Non Major Governmental Funds:		
Grant Fund	-	1,469,000
HUD Grants Fund	-	187,000
Fiduciary Funds:		
Police Pension Fund	-	715,000
Total	\$ 2,371,000	\$ 2,371,000

All interfund transactions represent cash transfers for operating purposes. All amounts owed to the General Fund were repaid during October 2016.

D. Net Position

The government-wide and business-type fund financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted, and unrestricted.

Net Investment in Capital Assets – is intended to reflect the portion of net position which is associated with non-liquid capital assets less outstanding capital asset related debt. The related debt is the debt less the outstanding liquid assets.

The schedule on the next page demonstrates how the Net Investment in Capital Assets is calculated.

Restricted Net Position – are liquid assets (generated from revenues and not bond proceeds), which have third-party (statutory, bond covenant or granting agency) limitations on their use.

Unrestricted Net Position – typically represent unrestricted liquid assets. While City management may have categorized and segmented portions for various purposes, the City Council has the unrestricted authority to revisit or alter these managerial decisions.

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ANALYSIS OF NET INVESTMENT IN CAPITAL ASSETS

Issue	Amount Outstanding (1)	Reserve Funds	Relendable Proceeds	Unspent Proceeds	Net
Governmental Activities					
Capital Leases	\$ 4,223,591	\$ -	\$ -	\$ -	\$ 4,223,591
Internal Loan Fund (2)	211,719,576	6,801,112	16,999,742	44,224,088	143,694,634
Total Governmental Activities	<u>\$ 215,943,167</u>	<u>\$ 6,801,112</u>	<u>\$ 16,999,742</u>	<u>\$ 44,224,088</u>	<u>\$ 147,918,225</u>
Capital Assets					634,867,381
Net Investment in Capital Assets					<u>\$ 486,949,156</u>
Business-type Activities					
Wastewater Revenue Bonds	\$ 38,644,211	\$ 2,945,487	\$ -	\$ 10,426,868	\$ 25,271,856
Wastewater SRF Loans	56,701,173	-	-	-	56,701,173
Parking Internal Loans	10,932,083	-	-	-	10,932,083
Stormwater Utility Capital Leases	284,726	-	-	-	284,726
Orlando Venues Bonds and Loans	755,454,437	98,033,442	-	32,189,890	625,231,105
Total Business-type Activities	<u>\$ 862,016,630</u>	<u>\$ 100,978,929</u>	<u>\$ -</u>	<u>\$ 42,616,758</u>	<u>718,420,943</u>
Capital Assets					1,518,935,641
Net Investment in Capital Assets					<u>\$ 800,514,698</u>

(1) Amounts outstanding are net of applicable unamortized discounts, premiums, and capital-related deferred outflows of resources (deferred expense on refundings).

(2) The amount outstanding of \$211,719,576 in the internal loan fund (as shown above) represents the total internal loan fund debt of \$264,973,000 as shown on page 88, plus unamortized discounts, premiums, and deferred expense on refunding bonds (\$23,804,624), less the loans made to the proprietary funds (\$54,260,526), less loans to the governmental funds that are not related to capital asset acquisition (\$22,797,522) (e.g., loans for economic development incentives).

E. Fund Balance

The City has a formal minimum fund balance policy. This policy addresses various targeted reserve positions and the Office of Business and Financial Services calculates targets and actual balances to report the results annually to City Council.

The fund balance policy includes reserve ranges as follows:

- General Fund: 15% to 25% of the Budgeted Expenditures
- Other Funds: 0% to 20% of Budgeted Expenditures
- Risk Management Fund: 10% to 15% of the Outstanding Liability

A schedule of City fund balances is provided on the next page.

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	General Fund	Community Redevelopment Agency	Capital Improvement	Non Major Governmental Funds	Total
Fund Balances:					
Nonspendable:					
Inventory	\$ 451,482	\$ -	\$ -	\$ 48,336	\$ 499,818
Prepaid Items	262,279	-	-	-	262,279
Permanent Funds	-	-	-	1,000	1,000
Sub-total	<u>713,761</u>	<u>-</u>	<u>-</u>	<u>49,336</u>	<u>763,097</u>
Restricted for:					
Housing and Community Development	-	-	-	574,821	574,821
Law Enforcement	-	-	-	3,679,000	3,679,000
911 Services	352,119	-	-	-	352,119
Cemetery Trust Fund	753	-	-	-	753
Orlando Public Library	753	-	-	-	753
Families, Parks, and Recreation	752	-	-	-	752
Transportation Projects	-	-	-	54,644,964	54,644,964
Debt Service Reserve	-	14,792,346	-	-	14,792,346
Debt Service Principal and Interest	-	1,804,187	-	-	1,804,187
Community Redevelopment	-	14,593,290	-	-	14,593,290
Building Code Enforcement	-	-	-	16,977,847	16,977,847
Law Enforcement Training	342,567	-	-	-	342,567
Capital Projects	-	3,176,246	-	50,772,155	53,948,401
Leu Gardens	-	-	-	2,271	2,271
Street Tree Replacement	758,889	-	-	-	758,889
Renewal and Replacement	747,360	-	-	-	747,360
Science Center	88,673	-	-	-	88,673
Sub-total	<u>2,291,866</u>	<u>34,366,069</u>	<u>-</u>	<u>126,651,058</u>	<u>163,308,993</u>
Committed to:					
Low and Very-Low Income Housing	124,203	-	-	-	124,203
Economic Development	1,844,784	-	-	-	1,844,784
Neighborhood Improvement	-	-	-	952,433	952,433
Capital Projects	-	-	68,927,790	-	68,927,790
Cemetery Trust Fund	-	-	-	737,306	737,306
Sub-total	<u>1,968,987</u>	<u>-</u>	<u>68,927,790</u>	<u>1,689,739</u>	<u>72,586,516</u>
Assigned to:					
Code Enforcement Board	2,772,359	-	-	-	2,772,359
Human Resources	719,508	-	-	-	719,508
Families, Parks, and Recreation	976,549	-	-	-	976,549
Subsequent Years Expenditures	2,077,362	-	-	-	2,077,362
Retirement Plan Administration	393,560	-	-	-	393,560
General Fund Projects	92,600	-	-	-	92,600
Geotechnical Testing	287,667	-	-	-	287,667
Securities Lending	472,897	-	-	-	472,897
Debt Service	8,085,117	-	-	623,623	8,708,740
Economic Development	5,557,375	-	-	-	5,557,375
Orlando Police Department activities	70,490	-	-	28,360	98,850
School Crossing Guards	629,222	-	-	-	629,222
Emergency Medical Services	253,840	-	-	-	253,840
Special Assessments	-	-	-	2,682,318	2,682,318
Sub-total	<u>22,388,546</u>	<u>-</u>	<u>-</u>	<u>3,334,301</u>	<u>25,722,847</u>
Unassigned:	88,748,127	(1,103,536)	-	(30,362)	87,614,229
Total Fund Balances	<u>\$ 116,111,287</u>	<u>\$ 33,262,533</u>	<u>\$ 68,927,790</u>	<u>\$ 131,694,072</u>	<u>\$ 349,995,682</u>

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F. Interfund Transfers

Transfers are indicative of funding for capital projects, debt service, subsidies of various City operations and re-allocation of special revenues. The following schedule briefly summarizes significant City transfer activity:

<u>Transfer From</u>	<u>Transfer To</u>	<u>Amount</u>		<u>Purpose</u>
		<u>2016</u>	<u>2015</u>	
BETWEEN GOVERNMENTAL AND BUSINESS-TYPE COLUMNS:				
Operating or Debt Subsidy:				
General Fund	Orlando Venues Fund	\$ 2,130	\$ 2,130	Debt Service subsidy for City's portion of existing Arena financing
Community Redevelopment Agency General Fund	Orlando Venues Fund	2,924	1,564	Venue related items for debt service
General Fund	Orlando Venues Fund	729	729	Operating subsidy for Citrus Bowl Stadium
Capital Contributions:				
Capital Improvement Fund	Orlando Venues Fund	1,000	-	Camping World Stadium technology initiatives
Orlando Venues Fund	Capital Improvement Fund	-	1,920	Renewal and replacement funding for Performing Arts Center
Fleet Management Fund	Stormwater Utility Fund	-	1,503	Funding for leased Stormwater street sweeper vehicles
BETWEEN FUNDS WITHIN THE GOVERNMENTAL OR BUSINESS-TYPE COLUMNS: (1)				
Operating or Debt Subsidy:				
General Fund	Nonmajor Governmental Funds	\$ 1,522	\$ 1,530	Operating subsidy for H.P. Leu Gardens
General Fund	Internal Loan	2,500	2,500	Internal loan relendable proceeds
Forfeitures Act Fund	General Fund	-	2,500	Partial support of costs for School Resource Officers at city public middle and high schools
Building Code Enforcement Fund	General Fund	1,069	2,074	Cover the re-allocation of Code Enforcement overhead expenses
Capital Contributions:				
Risk Management Fund	Capital Improvement Fund	2,008	4,004	Project to strengthen security measures with goals to reduce City's exposure to liability claims
General Fund	Capital Improvement Fund	17,118	10,749	Annual funding for budgeted Capital projects
Revenue Allocation:				
Utilities Services Taxes (UST) Fund (2)	General Fund	-	28,900	Recurring allocation of special revenue

(1) These transfers are eliminated in the consolidation, by column, for the Governmental and Business-type Activities.

(2) UST Fund was combined into the General Fund for Financial Reporting purposes in FY 2016.

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G. Pensions and Other Employee Benefits

1. Pension Plans:

The City maintains three separate single employer defined benefit pension plans for firefighters, police officers and general employees (substantially all other full-time City employees, including Component Unit employees). Although the assets of the plans are often commingled for investment purposes, each plan's assets may be used only for the benefit of the members and beneficiaries of that plan in accordance with the terms of each plan document. The City does not issue separate financial statements or reports for the pension plans.

The Orlando City Council serves as the Retirement Board of the General Employees' Pension Plan. The Police Pension Plan and the Fire Pension Plan are each governed by independent Boards of Trustees consisting of two elected members of the Plan, two City appointees, and a fifth trustee elected by the other four trustees. The Boards of Trustees, in consultation with their actuaries, are responsible for setting the actuarial assumptions used to determine the future liabilities of the plan. These assumptions include, among other things, an assumption for the investment rate of return. This rate of return assumption is a key driver in the calculation of the City's required pension contributions. Other than the General Employees' Defined Benefit Plan, the City is not directly involved in setting these actuarial assumptions. If the Boards of Trustees for the Police and Fire Pension Plans decide to adopt new actuarial assumptions, the funded status and the City's required contribution amounts may be impacted. It is impossible at this time to predict whether the Boards of Trustees will make changes to the plans' actuarial assumptions, or to predict the magnitude of the impact to the City's annual required contribution should such changes be adopted.

The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

As of October 1, 1998, the City created a Defined Contribution (DC) plan within the General Employees' Pension Fund for all general employees hired on or after that date. At the same time, the existing Defined Benefit (DB) plan was closed to new participants. In addition, each employee in the DB plan could elect to stay in the DB plan or move the present value of his or her future benefits to the DC plan any time prior to October 1, 2001. Employees with ten years of service as of October 1, 1998 have until the end of their City career to make this choice. The City hired a third-party administrator (who offers numerous investment options including various model portfolios) to assist individual employees in the management of their individual DC accounts.

The Florida Constitution requires local governments to make the actuarially determined contributions to their DB plans. The Florida Division of Retirement reviews and approves each local government's actuarial report to ensure its appropriateness for funding purposes. Additionally, the State collects two locally authorized insurance premium surcharges (one for the Police Pension Plan on casualty insurance policies and one for the Firefighter Pension Plan on certain real and personal property insurance policies within the corporate limits) which can only be distributed after the State has ascertained that the local government has met their actuarial funding requirement for the most recently completed fiscal year. These on-behalf payments received from the State are recognized as revenue and expenditures in the General Fund, and are used to reimburse the General Fund for the City's contribution to the Police and Fire Pensions.

On October 18, 2010 the City Council of the City of Orlando approved adopting an ordinance amending Chapter 12, Article III (Firefighter Pension Fund) of the Charter of the City of Orlando to create a Share Program after prior approval of the Firefighter Pension Board and its members and their collective bargaining agent. The costs of the Share Program are fully covered by funds received from the State of Florida or by contributions from the participants' accounts if State revenues are not sufficient to cover the administrative costs. These funds are required by Chapter 175, Florida Statutes, to be used to provide additional pension benefits to Firefighters. Share Program assets are administered by a third party and are included in the Firefighters' Pension Fund financial statements.

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During the year ended September 30, 2016 there were no transfers from the Fire pension assets to the Share Program accounts for participants who separated prior to July 1, 2009. The Share Program incurred a net investment gain of \$983,397, and paid retirement benefits of \$446,188. At September 30, 2016, the Firefighters' Pension Fund included \$11,606,946 invested in participant Share Plan accounts and \$79,092 in cash for Share Program administrative expenses.

The police and fire pension plans each have Deferred Retirement Option Plan (DROP) benefits. The police pension plan has a back DROP benefit and the fire pension plan has forward and back DROP benefits. The DROP benefit allows eligible members of the plans to continue working without an increase in average monthly salary or years of credited pension service. The DROP participant shall be a retiree under the provisions of the pension plan that, upon termination of employment, will receive a lump-sum payment, or other payment in addition to a monthly pension payment.

At September 30, 2016, the fire pension plan balance included \$2,974,418 in principal and interest balances accumulated for forward DROP benefits.

Defined Contribution Plan. Total contributions to the DC plan for the fiscal year ended September 30, 2016, were \$2.7 million by the employees and \$7.6 million by the City. There were no forfeitures reflected in the City's contribution amount.

Net Pension Liability – GASB 68. The net pension liability is measured as the portion of the present value of projected benefit payments to be provided through the respective pension plan to current active and inactive employees that is attributed to those employees' past periods of service (total pension liability), less the amount of the pension plan's fiduciary net position.

GASB 68 allows the net pension liability to be measured as of a date no earlier than the end of the employer's prior fiscal year. Additionally, the total pension liability should be determined by (a) an actuarial valuation as of the measurement date, or (b) the use of update procedures to roll forward to the measurement date amounts from an actuarial valuation as of a date no more than 30 months and 1 day earlier than the employer's most recent fiscal year-end.

The City's pension liability recorded in the September 30, 2016 financial statements was measured using the following dates:

Pension Plan	Actuarial Date	Measurement Date
General Employees' Pension Fund	September 30, 2014	September 30, 2015
Firefighter Pension Fund	October 1, 2014	September 30, 2015
Police Pension Fund	October 1, 2014	September 30, 2015

The City's pension liability at September 30, 2016 will agree to the Change in Net Pension Liability schedule that is presented on pages 108 and 109. The respective plan's fiduciary net position used in the calculation is dated as of the measurement date of September 30, 2015 and will agree to the respective plan's financial statements as of September 30, 2015.

Employer contributions to the pension plan subsequent to the measurement date (i.e., the City's contributions made during the year ended September 30, 2016 and included in the respective pension plans) are reported as deferred outflows of resources.

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Actuarial Assumptions. The total pension liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	General Employees' Pension Fund	Firefighter Pension Fund	Police Pension Fund
Inflation	4.00%	4.00%	2.23%
Salary Increases	4.30% to 8.00%, including inflation	4.00% to 6.50%, including inflation	3.00%, plus service based scale of 0.00% to 7.00%
Investment Rate of Return	7.50%	8.00%	7.75%, including inflation, net of pension plan investment expense
Mortality Table	1994 Group Annuity Mortality Table. These tables do not contain a margin for future mortality improvement.	Healthy: RP-2000 Mortality Table projected to 2020 using scale AA. Disabled: RP-2000 Mortality Table for Disabled Lives projected to 2020 using scale AA.	Healthy and Disabled: RP-2000 Mortality Table, set forward one year.
Cost-of-living Adjustments	2% compounded annually, first beginning the later of: (1) one full year after retirement or (2) the earlier of age 64 and completion of 4 full years of retirement.	5% increase every three years after retirement with 20 or more years of service.	2%, beginning at age 55
Date of Last Experience Study	Last performed for the period October 1, 2004 to September 30, 2009.	Last performed for the period October 1, 2009 to September 30, 2014.	Last performed for the period October 1, 2004 to September 30, 2009.
Discount Rate:			
Single Discount Rate	8.00%	8.00%	7.75%
Long-Term Expected Rate of Return	8.00%	8.00%	7.75%
Long-Term Municipal Bond Rate	3.71%	N/A	N/A
Sensitivity of Net Pension Liability to the Single Discount Rate Assumption:			
1% Decrease	7.00% - \$55,942,545	7.00% - \$136,562,282	6.75% - \$178,942,677
Current Single Discount Rate Assumption	8.00% - \$ 33,742,699	8.00% - \$ 87,100,254	7.75% - \$ 109,072,857
1% Increase	9.00% - \$ 14,725,786	9.00% - \$ 42,937,729	8.75% - \$ 50,870,940

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

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of the September 30, 2015 measurement date are summarized on the next page.

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	General Employees’ Pension Fund	Firefighter Pension Fund	Police Pension Fund
Period of projected benefit payments	2115	2115	2135
<i>Asset Class and Long-Term Expected Real Rate of Return:</i>			
Domestic Equities	4.3% - Large Cap 4.5% - Small/Mid Cap	4.3%	6.7%
Asset Backed Securities	N/A	4.5%	N/A
International Equities	4.8%	4.8%	7.4%
Fixed income / Core Bonds	1.6%	1.6%	1.9%
Global Asset Allocation	3.7%	3.8%	N/A
Hedge Funds	3.5%	3.5%	3.6%
Real Estate	3.3%	3.3%	N/A
Private Equity	6.3%	6.3%	N/A
Short-Term / Cash	N/A	N/A	1.0%

Changes in Net Pension Liability. The net pension liability (calculated under the provisions of GASB 68) reported in the September 30, 2016 financial statements was measured as of September 30, 2015, and the total pension liability used to calculate the net pension liability was determined by actuarial valuations as of that date. Since the measurement date for the total pension liability and the actuarial valuation date are the same, no update procedures were used to roll forward the total pension liability from the measurement date to the actuarial valuation date. The following schedules present the change in the net pension liability for the year ended September 30, 2015.

	General Employees' Pension Fund		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Beginning Balance	\$ 230,454,285	\$ 208,014,644	\$ 22,439,641
Changes for the year:			
Service Cost	1,327,322	-	1,327,322
Interest on Total Pension Liability	17,823,431	-	17,823,431
Contributions - Employer	-	8,720,265	(8,720,265)
Contributions - Member	-	430,635	(430,635)
Net investment income	-	(909,267)	909,267
Benefits paid	(16,650,109)	(16,650,109)	-
Plan administrative expense	-	(88,832)	88,832
Other	-	(305,106)	305,106
Net changes	2,500,644	(8,802,414)	11,303,058
Ending Balance	<u>\$ 232,954,929</u>	<u>\$ 199,212,230</u>	<u>\$ 33,742,699</u>

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Firefighter Pension Fund	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a)-(b)
Beginning Balance	\$ 389,207,156	\$ 325,439,669	\$ 63,767,487
Changes for the year:			
Service Cost	12,955,537	-	12,955,537
Interest on Total Pension Liability	31,388,991	-	31,388,991
Difference between expected and actual experience of the Total Pension Liability	(1,767,517)	-	(1,767,517)
Contributions - Employer	-	13,350,348	(13,350,348)
Contributions - State Insurance	-	2,345,557	(2,345,557)
Contributions - Member	-	3,072,731	(3,072,731)
Net investment income	-	638,851	(638,851)
Benefits paid	(19,600,601)	(19,600,601)	-
Plan administrative expense	-	(163,243)	163,243
Net changes	<u>22,976,410</u>	<u>(356,357)</u>	<u>23,332,767</u>
Ending Balance	<u>\$ 412,183,566</u>	<u>\$ 325,083,312</u>	<u>\$ 87,100,254</u>

Police Pension Fund	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a)-(b)
Beginning Balance	\$ 541,005,802	\$ 481,089,272	\$ 59,916,530
Changes for the year:			
Service Cost	15,339,082	-	15,339,082
Interest on Total Pension Liability	41,991,432	-	41,991,432
Difference between expected and actual experience of the Total Pension Liability	549,461	-	549,461
Changes of Assumptions	19,464,186	-	19,464,186
Contributions - Employer	-	21,801,018	(21,801,018)
Contributions - State Insurance	-	2,155,329	(2,155,329)
Contributions - Member	-	4,323,405	(4,323,405)
Contributions - State Insurance Excess	-	435,601	(435,601)
Net investment income	-	(366,265)	366,265
Benefits paid	(32,225,798)	(32,225,798)	-
Plan administrative expense	-	(161,254)	161,254
Net changes	<u>45,118,363</u>	<u>(4,037,964)</u>	<u>49,156,327</u>
Ending Balance	<u>\$ 586,124,165</u>	<u>\$ 477,051,308</u>	<u>\$ 109,072,857</u>

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions.

For the fiscal year ended September 30, 2016, the City recognized pension expense under GASB 68 of \$5,927,460, \$24,380,090 and \$19,334,817 (and the City made contributions of \$7,858,415, \$24,274,548, and \$15,860,906) for the General Employees' Pension Fund, Police Pension Fund and Firefighter Pension Fund, respectively. At September 30, 2016, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

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	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 604,521	\$ (1,472,931)
Changes of Assumptions	16,220,155	-
Net difference between projected and actual earnings on pension plan investments	65,390,367	(5,868,458)
Employer's contributions to the plan subsequent to the measurement of the total pension liability	47,993,869	-
Total	\$ 130,208,912	\$ (7,341,389)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows (excluding the balance attributable to the employer's contribution to the plan in the current fiscal year and subsequent to the net pension liability measurement date):

Fiscal Year Ended September 30:	Amount
2017	\$ 17,461,788
2018	17,461,789
2019	17,461,787
2020	19,417,941
2021	3,070,349
Thereafter	-

Net Pension Liability – GASB 67. GASB 67 requires certain disclosures to be made for state and local governmental pension plans. Since the City does not issue separate financial statements for its pension plans, these disclosures are included in the City's footnotes to its financial statements.

GASB 67 requires the net pension liability to be measured as the total pension liability, less the amount of the pension plan's fiduciary net position. The total pension liability should be determined by (a) an actuarial valuation as of the measurement date, or (b) the use of update procedures to roll forward to the measurement date amounts from an actuarial valuation as of a date no more than 24 months prior to the pension plan's fiscal year-end.

The City's pension liability at September 30, 2016 was measured using the following dates:

Pension Plan	Actuarial Date	Measurement Date
General Employees' Pension Fund	September 30, 2015	September 30, 2016
Firefighter Pension Fund	October 1, 2015	September 30, 2016
Police Pension Fund	October 1, 2015	September 30, 2016

The City's pension liability presented under this section is for disclosure purposes based on the requirements of GASB 67. As previously noted, the City's net pension liability was recorded based on a measurement date of September 30, 2015.

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The components of the net pension liability of the City's pension plans (calculated under the provisions of GASB 67) at September 30, 2016 were as follows:

	General Employees' Pension Fund	Firefighter Pension Fund	Police Pension Fund
Total Pension Liability	\$ 258,162,267	\$ 449,094,409	\$ 611,715,985
Plan Fiduciary Net Position	206,001,244	346,924,613	(1) 511,863,840
Net Pension Liability	52,161,023	102,169,796	99,852,145
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	79.80%	77.25%	83.68%

(1) Plan Fiduciary Net Position does not include \$11,686,038 in Firefighter Share Plan cash and mutual funds as those funds are only available for eligible Share Plan participants and not necessarily all Firefighter Pension Fund participants.

Actuarial Assumptions. The total pension liability for the general, firefighter, and police pension plans were determined by actuarial valuations as of September 30, 2015. The total pension liability was rolled-forward from the valuation date to the plan year ended September 30, 2016 using generally accepted actuarial principles.

The following actuarial assumptions, applied to all prior periods, are included in the measurement:

Assumptions	General Employees' Pension Fund	Firefighter Pension Fund	Police Pension Fund
Inflation	3.75%	3.25%	2.35%
Salary Increases	4.05% to 7.75%, including inflation	3.25% to 5.75%, including inflation	3.00%, plus service based scale of 0.00% to 7.00%
Investment Rate of Return	8.00%	7.75%	7.75%, including inflation, net of pension plan investment expense
Mortality Table	Florida Retirement System (FRS) mortality tables. The FRS tables use versions of the RP-2000 tables and projection scale BB in a reasonable manner.	Healthy: RP-2000 Mortality Table projected to 2020 using scale AA. Disabled: RP-2000 Mortality Table for Disabled Lives projected to 2020 using scale AA.	Healthy and Disabled: RP-2000 Mortality Table, set forward one year.
Cost-of-living Adjustments	2% compounded annually, first beginning the later of: (1) one full year after retirement or (2) the earlier of age 64 and completion of 4 full years of retirement.	5% increase every three years after retirement with 20 or more years of service.	2%, beginning at age 55
Date of Last Experience Study	Last performed for the period October 1, 2004 to September 30, 2009.	Last performed for the period October 1, 2009 to September 30, 2014.	Last performed for the period October 1, 2004 to September 30, 2009.
Discount Rate:			
Single Discount Rate	7.50%	7.75%	7.75%
Long-Term Expected Rate of Return	7.50%	7.75%	7.75%
Long-Term Municipal Bond Rate	3.06%	N/A	N/A
Sensitivity of Net Pension Liability to the Single Discount Rate Assumption:			
1% Decrease	6.50% - \$79,082,297	6.75% - \$155,612,032	6.75% - \$172,025,130
Current Single Discount Rate Assumption	7.50% - \$52,161,023	7.75% - \$102,169,796	7.75% - \$ 99,852,145
1% Increase	8.50% - \$29,379,384	8.75% - \$ 54,410,874	8.75% - \$ 39,637,008

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

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The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2016 are summarized:

	General Employees' Pension Fund	Firefighter Pension Fund	Police Pension Fund
Period of projected benefit payments	2116	2116	2135
<i>Asset Class and Long-Term Expected Real Rate of Return:</i>			
Domestic Equities	7.5% - Large Cap 7.8% - Small/Mid Cap	4.3%	6.8%
Asset Backed Securities	N/A	4.5%	N/A
International Equities	7.8%	4.8%	7.5%
Fixed income / Core Bonds	4.0%	1.6%	1.8%
Global Asset Allocation	7.0%	3.8%	N/A
Hedge Funds	6.5%	3.5%	3.8%
Real Estate	6.5%	3.3%	4.6%
Private Equity	9.5%	6.3%	N/A
Short-Term / Cash	N/A	N/A	N/A

The schedule on the next page provides information on the City's three defined benefit pension plans. A separate column is provided for the defined contribution plan.

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	<u>General Employee</u>			
	<u>Defined Benefit (DB)</u>	<u>Defined Contribution (DC)</u>	<u>Firefighter</u>	<u>Police</u>
ACCOUNTING POLICIES AND PLAN ASSETS:				
Authority	City Ordinance	City Ordinance	Special Act Legislation	Special Act Legislation
Basis of Accounting	Accrual	Accrual	Accrual	Accrual
Assets Valuation:				
Reporting	Fair Value	Fair Value	Fair Value	Fair Value
Legal Reserves	None	N/A	None	None
Long-Term Receivable	None	N/A	None	None
Internal /Participant Loans (millions)	None	\$ 5.3	None	None
Non-governmental investment in excess of 5%	None	N/A	None	None
MEMBERS:				
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	823	N/A	455	680
Inactive Plan Members Entitled to but not yet Receiving Benefits	78	N/A	2	13
Active Plan Members	142	1,582 (1)	494	694
	<u>1,043</u>	<u>1,582</u>	<u>951</u>	<u>1,387</u>
NORMAL RETIREMENT BENEFITS:				
Age	65	59.5	N/A (2)	N/A (2)
Years of Service (minimum)	5 (3)	N/A	20	20
Accrual - Less than 20 Years	2.5%	N/A	2.0% (4)	2.0% (5)
20 Years	2.5%	N/A	3.4% (4)	3.5% (5)
Years Over 20 to 25	2.5%	N/A	3.4% (4)	2.0% (5)
25 Years of Service	62.5%	N/A	85.0% (4)	80.0% (5)
Maximum	75.0%	N/A	100.0% (4)	100.0% (5)
Years to vest	5	6 (6)	10	10
DISABILITY BENEFITS:				
Line of Duty	(7)	(7)	80%	80%
Non-Line of Duty (Maximum with 20 Yrs. Or less)	(7)	(7)	60%	60%
CONTRIBUTION RATES:				
Actuarial Rate				
City (8)	90.09% (8)	10.00% (9)	32.71% (8)	47.62% (8)
Participants	4.88%	3.00% (9)	7.49% (10)	8.47% (11)
CONDENSED FINANCIAL (In Millions):				
Cash, Receivables, and Investments	\$ 206.1	\$ 192.4	\$ 358.8	\$ 512.8
Security Lending Collateral	9.3	0.0	23.8	37.1
Participant Loans	0.0	5.3	0.0	0.0
Total Assets	<u>215.4</u>	<u>197.7</u>	<u>382.6</u>	<u>549.9</u>
Security Lending Obligation	9.3	0.0	23.8	37.1
Other	0.1	0.0	0.2	0.9
Total Liabilities	<u>9.4</u>	<u>0.0</u>	<u>24.0</u>	<u>38.0</u>
Net Position	<u>\$ 206.0</u>	<u>\$ 197.7</u>	<u>\$ 358.6</u>	<u>\$ 511.9</u>
Contributions	\$ 8.2	\$ 10.5	\$ 19.0	\$ 29.4
Net Investment Income (Loss)	16.4	15.6	27.8	39.5
Benefits and Refunds	(17.4)	(11.0)	(24.3)	(33.9)
Other operating expenses	(0.4)	0.0	(0.1)	(0.2)
Transfers in(out)	0.0	0.0	0.0	0.0

(1) For active plan members invested assets which are vested represent 96% and invested assets which are not vested represent 4%. An additional 575 former participants have terminated from the plan. For terminated plan members invested assets which are vested represent 97.03% and invested assets which are not vested represent 2.97%.

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- (2) Although "Normal" retirement for all three defined benefit plans is with 25 years service at any age, Firefighters and Police Officers may retire with 20 years at any age.
- (3) The General Employees' Defined Benefit Plan allows retirement after ten years of service if 55 or older with a 2% per year benefit penalty for each year before 65, 65 with five years of service, and retirement at any age with 25 years of service.
- (4) Effective July 1, 2009, the revised Firefighter Pension Plan's "Normal" retirement yields a 68% of "average monthly salary" pension benefit for 20 years of credited service (equals 3.4% per year), additional years up to a maximum of 5 years earn an additional 3.4% for a maximum of 85% with 25 years of credited service. The Firefighter Plan provides for 2% accruals which are retroactively adjusted as the participant reaches 20 years. Service over 42.5 years earns an additional 2% up to a maximum 100%. (Before July 1, 2009, 20 years of credited service yielded a 60% pension benefit (3% per year), additional years up to a maximum of 5 years earned an additional 4% for a maximum of 80% with 25 years. Service over 40 years earned an additional 2% up to a maximum 100%. Service less than 20 years earned 2% which was retroactively adjusted as the participant reached 20 years.
- (5) Effective July 1, 2003, the revised Police Pension Plans "Normal" retirement yields a 70% of "average monthly salary" pension benefit for 20 years of credited service (equals 3.5% per year), additional years up to a maximum of 5 years earn an additional 2% for a maximum of 80% with 25 years of credited service. The Police Plan provides for 2% accruals which are retroactively adjusted as the participant reaches 20 years. Service over 40 years credited service earns an additional 2% up to a maximum 100% at 50 year credited service.
- (6) A General Employee under the Defined Contribution Plan earns 25% vesting (in the employer's contribution) starting with three years of credited service and another 25% for each successive year of credited service through the sixth year of credited service.
- (7) The General Employees' Pension Plans have a separate Long-Term Disability program which provides varying benefits between the age at injury and normal retirement. The City Police and Firefighter Pension Plans include a specific disabilities provision within the respective pension plan programs.
- (8) The City rate and cost for Firefighter and Police Pension Plans include actuarially estimated contributions from the State; the contributions received from the State were \$2,379,840 and \$2,155,329, respectively (excluding excess contributions of \$435,601 for Police, which may not be used to offset the actuarially required amount).
For all three defined benefit pension plans, the City made an October 1, 2014 contribution based on the amounts supplied by the actuaries.
- (9) The employer pays 7% and matches the employee contribution (up to 3%).
- (10) Since January 2003, both Firefighter Management and Non-Management contribute 7.49%. Effective October 2004, District Chiefs contribute 6.99%.
- (11) This is the contribution for Non-management Police employees as presented in the actuarial report. Police Management contributes 8.47%.

2. Other Employee Benefits:

a. Deferred Compensation - The City offers its employees (including the component unit employees) two deferred compensation plans created in accordance with Internal Revenue Code Section 457. The City's main plan is offered to all employees. Effective May 1, 2005, a new International Association of Firefighters (IAFF) plan was opened as an additional plan that is only offered to Firefighters. The plans permit employees to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseen non-reimbursed emergency.

It is the opinion of the City's legal counsel that the City has no liability for losses under the plans, but does have the duty of due care that would be required of an ordinary prudent investor in overall program oversight.

Since the City has no control over these assets, other than periodically testing the market to retain or replace the 457 third-party administrator, the deferred compensation plan assets are not reflected in the City's financial statements.

b. Vacation and Sick Leave (Compensated Absences) - The City has a personal leave program for permanent non-bargaining employees, the police union, and contract employees. Under this program, in lieu of sick leave accrual (which was discontinued January 1, 1996) each employee's annual vacation/personal leave accrual increased by 56 hours (63 for the sworn police officers), while all accumulated sick leave balances were frozen. The sick leave balance can be accessed starting on the fourth consecutive workday (or a fifth aggregate day for same illness) for specified health-related absences. Upon retirement, employees with 20 years of service will be paid one-third of the sick leave balance, while employees with 25 years will be paid one-half, neither of which can exceed 700 hours. All accumulated personal leave will be payable at either termination or retirement.

Employees in the firefighter and Laborers' International Union of North America (L.I.U.) bargaining units are covered under negotiated contracts, which provide for both vacation and sick leave accruals. All vacation hours are available upon termination or retirement, but sick leave balances are available only upon retirement at rates dependent upon length of service and workday (shift or regular).

The City estimates the sick, vacation, and personal leave liability, which includes the City's obligation to pay associated employer payroll taxes.

Those funds presented under the full economic resources basis of accounting (the proprietary and government-wide statements) show a current portion (amount expected to be expended in the subsequent year) and non-current portion of the compensated absences liability.

c. Long-Term Disability - The City of Orlando Disability Income Plan (the LTD Plan) is a separate benefit trust for general employees. New employees are subject to a 3 month waiting period. Annually, employees may elect to

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purchase coverage with benefits ranging from 40% to 66-2/3% of monthly compensation using the City's cafeteria plan credits and through payroll deductions. The annual rates (established by City Council) for the LTD Plan vary based on age and coverage that is elected by the employee. Benefits are reduced by any other disability income such as Social Security or workers' compensation. Employees receiving disability benefits will be granted pensionable credited service at 1/2 of the normal rate for those periods covered by long-term disability payments.

On January 1, 2014, the City became fully insured for the LTD Plans. Premiums are remitted to a third party and claims incurred on or after January 1, 2014 are paid by the third party insurer. LTD claims incurred prior to January 1, 2014 are paid from assets in the Employees' Disability Fund.

The LTD Plan is a single employer plan accounted for in the Employees' Disability Fund and does not have any stand alone statements prepared. The financial statements of the LTD Plan are prepared using the accrual basis of accounting. Contributions are recognized as revenues in the period in which the contributions are due. Benefits are recognized as expenses when they are due and payable.

The City of Orlando administers the LTD Plan through the City Council and Long-Term Disability Review Committee. Plan assets of the LTD Plan are irrevocable and legally protected from creditors and dedicated to providing long-term disability coverage within the terms of the LTD Plan.

Civil Service employees, such as sworn fire and police department employees were not eligible to participate in this Disability Income Plan since they were already covered under the Police and Fire Pension Plans. Employees were eligible to receive benefits the first day of the month following 120 days from the date last worked.

Termination of benefits occur as follows:

- (a) The date of death of the Participant
- (b) The date as of which the Participant is deemed by the Administrator to no longer be incapacitated by the Disability.
- (c) After the following maximum benefit periods have incurred:

<u>Age at Disability</u>	<u>Maximum Benefit Period</u>
61 or younger	to age 65 (or 3 years, 6 months if longer)
62	42 months
63	36 months
64	30 months
65	24 months
66	21 months
67	18 months
68	15 months
69 and over	12 months

- (d) The date the participant fails to furnish proof of continuing disability.

At September 30, 2015, the date of the latest actuarial valuation, the LTD Plan had 54 employees receiving disability benefits.

At September 30, 2015, the most recent actuarial valuation date, the LTD Plan was 500% funded. The actuarial accrued liability for benefits was \$1,607,720 and the actuarial value of assets was \$8,049,407 resulting in a funding excess of \$6,441,687.

The LTD Plan annual OPEB cost and contributions are shown below.

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**ACTUARIAL DEVELOPMENT OF THE ANNUAL
LTD OPEB COST AND NET LTD OPEB ASSET**

	Fiscal Year Ended September 30, 2016	Fiscal Year Ended September 30, 2015	Fiscal Year Ended September 30, 2014
Annual Required Contribution (ARC)	\$ -	\$ -	\$ -
Interest on Net OPEB Asset	(4,599)	(4,994)	(5,079)
Adjustment to ARC	(7,018)	(7,208)	(7,199)
Annual OPEB cost (expense)	2,419	2,214	2,120
Total Employer Contributions	-	-	-
Decrease in Net OPEB Asset	(2,419)	(2,214)	(2,120)
Net OPEB Asset - Beginning of Year	<u>122,634</u>	<u>124,848</u>	<u>126,968</u>
Net OPEB Asset - End of Year	<u>\$ 120,215</u>	<u>\$ 122,634</u>	<u>\$ 124,848</u>

The City's annual LTD OPEB cost, the percentage of annual OPEB cost contributed to the LTD plan, and the net OPEB asset for the last three fiscal years is shown below.

Fiscal Year Ended	Annual OPEB Cost	Percentage of OPEB Cost Contributed	Net OPEB Asset
9/30/14	\$ 2,120	N/A (1)	\$ 124,848
9/30/15	2,214	N/A (1)	122,634
9/30/16	2,419	N/A (1)	120,215

(1) Due to the plan becoming fully insured effective January 1, 2014

The actuarial methods and assumptions used include:

Valuation date	September 30, 2015
Actuarial cost method	Individual entry-age normal
Amortization method	Level Dollar Closed
Remaining amortization periods	28 years
Asset valuation method	Market value
Actuarial assumptions:	
Discount rate	3.75%
Projected salary increase	3.75%
Inflation rate	N/A

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The required schedule of funding progress presented as required supplementary information provides multi-trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Projections of benefits are based on the substantive plan (the plan as understood by the employer and employees) and include the types of benefits in force at the valuation date and the pattern of sharing benefit costs between the City and the employees to that point. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

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Financial statements of the LTD Plan at September 30, 2016 and for the plan year then ended are as follows:

STATEMENT OF NET POSITION AT SEPTEMBER 30, 2016		STATEMENT OF CHANGES IN NET POSITION AT SEPTEMBER 30, 2016	
	Employees' Disability Fund		
		Employees' Disability Fund	
ASSETS		ADDITIONS	
Cash and Cash Equivalents	\$ 7,815,719	Investment Income	\$ 293,703
Cash with Fiscal Agents	150,000	DEDUCTIONS	
Total Assets	7,965,719	Long-term Disability Benefits	342,557
LIABILITIES		Administrative Expense	34,834
Liabilities	-	Total Deductions	377,391
NET POSITION		Decrease in Net Position	(83,688)
Restricted for OPEB Benefits	\$ 7,965,719	Net Position - Beginning of Year	8,049,407
		Net Position - End of Year	\$ 7,965,719

d. Other Post Employment Benefits (OPEB)

Plan Descriptions. The City of Orlando administers a single-employer defined benefit (DB) retiree healthcare plan and a single-employer defined contribution (DC) retirement health care expense reimbursement plan. The DB retiree healthcare plan provides healthcare benefits (hospitalization, medical, and prescription drug coverage) to eligible retired city employees. The DC retirement health care expense reimbursement plan provides reimbursement to eligible retirees for medical expenses (e.g., health insurance and prescription expenses) incurred by the retiree, their spouse, and/or eligible dependents.

The City also sponsors a retiree life insurance plan, a single-employer defined benefit life insurance plan that provides eligible retired city employees with a death benefit of \$1,000, \$2,500 or \$3,000, depending on date of retirement.

The City administers the DB retiree healthcare and life insurance plans through the City of Orlando OPEB Trust, an irrevocable trust. The trust fund is under the direction of a board of trustees, which consists of the City Council. Plan assets of the City of Orlando OPEB Trust Fund are irrevocable and legally protected from creditors and dedicated to providing postemployment health and life insurance coverage to current and eligible future retirees in accordance with the terms of the plans.

Benefit provisions for Police, Fire, and General Employees' within a bargaining group are established and amended through negotiations between the City and the respective unions. Section 808.51 of the City's policies and procedures manual (City Payment of Retiree Health Insurance) assigns the authority to establish benefit provisions for non-bargaining General Employees' to the city council.

The City negotiated with its general employee bargaining groups that all new employees hired on or after January 1, 2006 will not be eligible for any retiree health insurance coverage funded by the City, nor to any City contribution toward such coverage. In addition, non-bargaining General Employees, including Elected Officials, hired, or initially elected on or after January 1, 2006, will not be eligible for any retiree health insurance coverage funded by the City, nor to any City contribution toward such coverage.

The City negotiated with the International Association of Firefighters to establish a DC retirement health care expense reimbursement plan, effective December 31, 2006 (also known as a Retirement Health Savings (RHS) Program). Employees hired after July 31, 2006 are no longer eligible to participate in the DB retiree healthcare plan. For employees hired after July 31, 2006, the City will contribute \$85 monthly to the RHS Program for each employee after completion of 90 days of employment. City contributions will vest 50% after completion of 10 years

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of credited pension service, 75% after completion of 15 years of credited pension service, and 100% upon completion of 20 years of credited pension service.

The City negotiated with the Fraternal Order of Police (FOP) to establish a DC retirement health care expense reimbursement plan, effective December 31, 2006 (also known as a Retirement Health Savings (RHS) Program). FOP employees hired on or after December 31, 2006 are no longer eligible to participate in the DB retiree healthcare plan. For employees hired on or after December 31, 2006, the City will contribute \$40 biweekly to the RHS Program for each employee after completion of 90 days of employment. City contributions will vest 50% after completion of 10 years of credited pension service, 75% after completion of 15 years of credited pension service, and 100% upon completion of 20 years of credited pension service.

During the 2016 fiscal year, the City contributed \$488,697 to the DC retirement health care expense reimbursement plans (RHS Programs), and plan members contributed \$0.00.

Membership in the Defined Benefit OPEB Plan consisted of the following at September 30, 2015, the date of the latest actuarial report:

	Defined Benefit OPEB Plan
Retirees and beneficiaries receiving benefits	1,832
Plan members entitled to, but not currently receiving benefits	293
Active plan members	<u>2,796</u>
Total	<u><u>4,921</u></u>

Funding Policy. For Police, Fire, and General Employees' within a bargaining group, contribution requirements of the plan members and the city are established and may be amended through negotiations between the city and the respective unions. For non-bargaining General Employees', the city council establishes and may amend the contribution requirements of plan members and the city. For the life insurance plan, contractual requirements for the city are established and may be amended by the city council.

Participants in the DB retiree healthcare plan are eligible to receive a portion of their post employment health insurance premiums paid by the city if they retire directly from employment. Eligibility conditions for retirement are:

General Employees under the Defined Benefit and Defined Contribution Pension Plans	Age 55 with 10 or more years of service, or any age with 25 or more years of service.
Police	Any age with 20 or more years of service
Fire	Any age with 20 or more years of service

Pursuant to Section 112.0801, Florida Statutes, the City is required to permit participation in the health insurance program by retirees and their eligible dependents at a cost to the retiree that is no greater than the cost at which coverage is available for active employees. The City will pay all or a portion of the eligible retiree's health insurance premiums as shown on the next page.

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	<u>Years of Service at Retirement</u>	<u>City Contribution</u>
General Employees under the Defined Benefit and Defined Contribution Pension Plans	Less than 10 10 to less than 15 15 to less than 20 20 or more	0% 50% 75% 100%
Police	The City contribution is 100% for employees hired before January 1, 2007 and retired on or after October 1, 2005. If retired prior to October 1, 2005, City contributions are capped at the amount being paid at retirement until age 55. Once the retiree attains age 55, the City contribution is 100%.	
Fire	The City contribution is 100% for employees hired before July 31, 2006 and retired on or after October 1, 2006. If retired prior to October 1, 2006, City contributions are capped at the amount being paid at retirement until age 55. Once the retiree attains age 55, the City contribution is 100%.	

Net OPEB Obligation and Annual OPEB Cost. The City's annual other postemployment benefit cost (expense) for the DB retiree healthcare plan is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize the unfunded actuarial liability over a period not to exceed thirty years. The City's annual OPEB cost for the fiscal year ended September 30, 2016 is shown below:

Annual required contribution	\$ 22,679,460
Contributions made	<u>(22,679,460)</u>
Increase in net OPEB Obligation	-
Net OPEB obligation - beginning of year	<u>-</u>
Net OPEB obligation - end of year	<u><u>\$ -</u></u>

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the last three fiscal years is shown below.

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
9/30/2014	\$ 21,270,298	100.0%	\$ -
9/30/2015	21,399,758	100.0%	-
9/30/2016	22,679,460	100.0%	-

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Funded Status and Funding Progress. The funded status of the DB retiree healthcare plan as of September 30, 2015, the date of the latest actuarial valuation, was as follows:

Actuarial accrued liability	\$	389,278,762
Actuarial value of plan assets		88,135,340
Unfunded actuarial accrued liability (UAAL)	\$	301,143,422
Funded ratio		22.6%
Covered payroll	\$	171,519,000
Unfunded actuarial accrued liability as a percentage of covered payroll		175.57%

Actuarial Methods and Assumptions. Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events in the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Actuarially determined amounts regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The required schedule of funding progress presented as required supplementary information provides multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Projections of benefits are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits in force at the valuation date and the pattern of sharing benefit costs between the city and the plan members to that point. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets. Significant actuarial methods and assumptions are shown below.

OPEB ACTUARIAL METHODS AND ASSUMPTIONS

	General Employees'	Police	Fire
ACTUARIAL VALUATION:			
Frequency	Annual	Annual	Annual
Basis for Fiscal Year 2016 Contribution	9/30/2014	9/30/2014	9/30/2014
Cost Method	Entry Age	Entry Age	Entry Age
UAAL AMORTIZATION:			
Method	Level % of Payroll	Level % of Payroll	Level % of Payroll
Open/Closed	Open	Open	Open
Remaining Amortization Period	30 years	30 years	30 years
ASSET VALUATION METHOD (1):			
	Market Value with four year smoothing	Market Value with four year smoothing	Market Value with four year smoothing
ACTUARIAL ASSUMPTIONS (1):			
Investment Earnings	8.00%	8.00%	8.00%
Salary Increases:			
Inflation and Other	4.00%	4.00%	4.00%
Merit, Longevity, etc.	(2)	(2)	(2)
Mortality Table	GAM94	RP2000 (3)	RP2000 (4)
Healthcare Inflation Rate	8% initial 4% ultimate	8% initial 4% ultimate	8% initial 4% ultimate

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- (1) The Asset Valuation Methods and Assumptions stated here are the ones used for calculating the plan contributions for the Fiscal Year ended September 30, 2016.
- (2) For the General Employees and Firefighters, the merit and longevity component assumptions reflect a gradation based on age, higher at younger ages, decreasing to a minimum amount near retirement. These ranges are 4.0% at age 20 decreasing to 0.3% at age 60 for General Employees', and 2.5% at age 20 decreasing to 0.0% at age 60 for Firefighters'. For Police the merit and longevity component assumptions reflect a gradation based on service. With zero service, the merit and longevity component start at 7.25% and it decreases to 2.25% with five years of service. It remains at 2.25% until ten years of service.
- (3) For Police (Healthy and Disabled), the Rates of Mortality are taken from The Combined RP 2000 Annuity Mortality Table set forward 1 year for men and women.
- (4) For Fire (Healthy and Disabled), the Rates of Mortality are taken from The Combined RP 2000 Annuity Mortality Table projected forward 20 years for men and women.

Financial Statements. Separate financial reports for the DB and DC retirement healthcare plans are not prepared. The financial statements at September 30, 2016 are as follows:

	STATEMENT OF NET POSITION AT SEPTEMBER 30, 2016	STATEMENT OF CHANGES IN NET POSITION AT SEPTEMBER 30, 2016	
	OPEB Trust Fund		OPEB Trust Fund
ASSETS		ADDITIONS	
Cash and Cash Equivalents	\$ 4,147,190	Employer Contributions	\$ 22,679,549
Investments, at Fair Value	<u>93,540,275</u>	Net Investment Gain	<u>9,164,981</u>
Total Assets	97,687,465	Total Additions	<u>31,844,530</u>
LIABILITIES		DEDUCTIONS	
Accounts Payable	<u>10,761</u>	Retiree Healthcare Benefits	16,112,626
NET POSITION		Administrative Expense	<u>106,090</u>
Restricted for OPEB Benefits	<u>\$ 97,676,704</u>	Total Deductions	<u>16,218,716</u>
		Increase in Net Position	<u>15,625,814</u>
		Net Position - Beginning of Year	<u>82,050,890</u>
		Net Position - End of Year	<u>\$ 97,676,704</u>

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NOTE IV. COMPONENT UNIT

A. Downtown Development Board (DDB)

By referendum, the DDB was formed on December 19, 1972 and provided with a millage cap of 1 mill on all non-homestead property within its downtown district. With the creation of the CRA and its initial downtown district in 1982, the growth in property value and related incremental revenue (at the 1 mill cap) is annually transferred from the DDB to the CRA. Given the complementary nature of the two organizations, they have, from the CRA inception, shared staff and the CRA reimburses the DDB for an allocable portion of DDB personnel. The DDB does not and is not anticipated to ever have any outstanding bonded debt.

B. Capital Assets

Capital asset activity for the year ended September 30, 2016 for the Downtown Development Board is shown below.

	Component Unit Capital Asset Activity			
	Beginning Balance 10/1/2015	Additions	Transfers and Retirements	Ending Balance 9/30/2016
Depreciable Assets:				
Improvements	\$ 6,303	\$ -	\$ -	\$ 6,303
Equipment	<u>26,223</u>	<u>30,744</u>	<u>5,186</u>	<u>62,153</u>
Totals at historical cost	<u>32,526</u>	<u>30,744</u>	<u>5,186</u>	<u>68,456</u>
Less accumulated depreciation for:				
Improvements	(5,547)	(252)	-	(5,799)
Equipment	<u>(21,362)</u>	<u>(6,642)</u>	<u>1,434</u>	<u>(26,570)</u>
Total accumulated depreciation	<u>(26,909)</u>	<u>(6,894)</u>	<u>1,434</u>	<u>(32,369)</u>
Component unit capital assets, net	<u>\$ 5,617</u>	<u>\$ 23,850</u>	<u>\$ 6,620</u>	<u>\$ 36,087</u>

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NOTE V. JOINT VENTURE

A joint venture is a legal entity or other organization that results from a contractual agreement and that is owned, operated or governed by two or more participants as a separate and specific activity subject to joint control in which the participants retain (a) an on-going financial interest or (b) an on-going financial responsibility. The City participates in the following joint venture:

A. Central Florida Fire Consortium

The Central Florida Emergency Services Institute (CFESI) was created by an ordinance on June 6, 1977, in an effort to coordinate the firefighter training activities of the City and Orange County. On June 12, 2001, the Board of Trustees voted to change the name to the Central Florida Fire Academy (CFFA). In May 2014, the CFFA changed its name to the Central Florida Fire Consortium (CFFC) and altered its purpose from operating a state certified education and training program in fire and emergency services to that of managing, operating, and maintaining the former CFFA facility in support of the Central Florida Fire Institute at Valencia, which was created by Valencia College to operate a state certified education and training program in fire and emergency services in its service district of Orange and Osceola counties. The Board of Trustees which oversees the CFFC is made up of the Fire Chief of each member entity. Currently there are ten member entities.

1. Dissolution:

If the joint venture were to be dissolved, all authorized debts would be paid, and any remaining assets would be distributed pro-rata based on the amount of funding contributed by each member entity during the five years preceding such dissolution.

2. City Share of Net Position:

The City's annual contribution is reflected as a Fire Department operating expense. Due to (a) a lack of a clear means of calculation, (b) the expectation that any residual equity would be transferred to a replacing entity, and (c) the immateriality of the City's share value, no asset has been reflected.

3. Stand-Alone Financial Statements:

The stand-alone financial statements for the CFFC can be obtained from the CFFC.

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NOTE VI. OTHER ORGANIZATIONS

A. Orlando Utilities Commission (OUC)

Annually, the OUC provides payments to the City from its revenues. These payments are divided into two elements: a franchise fee equivalent and a contribution (dividend) portion. The franchise fee equivalent is based upon 6% of OUC's gross electric and water revenues and 4% of chilled water revenues for retail customers within the corporate limits of the City. The City considers the franchise fee equivalent as compensation for the use of the City's rights of way. The dividend portion is a written agreement that normally provides for an annual payment of 60% of OUC's net income. Beginning in fiscal year 2006, fixed payments were agreed to by the City and OUC as to the total amount of revenue that was to be received for both the dividend payment and franchise fees. As of, and for the year-ended September 30, 2016, franchise fee and dividend revenues from OUC totaled \$84,399,996 (\$55,719,368 for the dividend payment and \$28,680,628 for the franchise fee equivalent) and \$2,755,103 was due from OUC and recorded in Due from Other Governments.

At September 30, 2016, the City owed OUC approximately \$182,361 for uncollectible customer billings that were remitted to the City (approximately \$38,159, \$22,202, and \$122,000 from the Wastewater, Solid Waste and General fund, respectively).

B. Greater Orlando Aviation Authority (GOAA)

On September 27, 1976, the City entered into a turnover agreement with GOAA, which authorized GOAA to use and operate Herndon Airport (Orlando Executive Airport) and Orlando International Airport for a term of 50 years commencing October 1, 1976. GOAA agreed to remit to the City \$2,000,000, in addition to other promises, as consideration for this agreement. GOAA agreed to pay the City in annual installments of \$250,000 including interest computed at 6% per annum. Annual installments (including interest) are not due to the City as long as the Phase III airport revenue bonds are outstanding. The balance owed to the City and the related deferred revenue of \$1,713,272 at September 30, 2016 are not presented in these financial statements because of the provisions in the agreement which abate annual installments (including interest) while the Phase III airport revenue bonds are outstanding. The last principal payment date on the bonds presently outstanding is October 1, 2018. It appears probable that these or additional Phase III revenue bonds will be outstanding during the entire term of the turnover agreement. The deferred revenue will be recognized as income as future installments, if any, are received from GOAA, which will coincide with the availability of funds for appropriation, by the City.

Through a separate agreement, the City provides security services to GOAA by assigning police officers from its own police department to patrol the airport. GOAA is charged monthly based on actual expenses incurred (less certain adjustments). A true-up calculation is made each year for any potential adjustments. During the year ended September 30, 2016, the revenue for these services was \$11,991,238. Additionally, the City also provides fire protection services for GOAA at the Orlando Executive Airport and in FY 2016 the revenue for these services was \$538,020.

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NOTE VII. SUMMARY DISCLOSURE OF SIGNIFICANT CONTINGENCIES

A. Litigation

During the ordinary course of its operation, the City is a party to various claims, legal actions and complaints. Most of these matters are covered by the City's Risk Management Program. (see Notes on pages 82 and 83). Those which are not covered are addressed by the City's Office of Legal Affairs and generally involve either construction contract claims/counterclaims or land use/zoning (inverse condemnation) actions.

In the opinion of the City's management and legal counsel, these matters are not anticipated to have a material financial impact on the City.

B. Federally Assisted Programs - Compliance Audits

The City participates in a number of Federally assisted programs, primarily from the Environmental Protection Agency, Federal Transit Administration, Department of Justice, and Department of Housing and Urban Development. These programs are subject to audit and adjustments under the requirements of the Uniform Guidance for which a separate report is issued. The amount, if any, of disallowed claims (which could include revenue already received by the City) cannot be determined at this time, although the City expects such disallowed claims, if any, to be immaterial.

C. Environmental Matters

The City accounts for its pollution remediation obligations in accordance with Governmental Accounting Standards Board Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations* (GASB 49). GASB 49 provides guidance in estimating and reporting the potential costs of pollution remediation. While GASB 49 does not require the City to search for pollution, it does require the City to reasonably estimate and report a remediation liability when any of the following obligating events has occurred:

- Pollution poses an imminent danger to the public and the City is compelled to take action,
- The City is found in violation of a pollution related permit or license,
- The City is named, or has evidence that it will be named as a responsible party by a regulator,
- The City is named, or has evidence that it will be named in a lawsuit to enforce a cleanup, or
- The City commences or legally obligates itself to conduct remediation activities.

The City recorded a pollution remediation liability as of September 30, 2016 of approximately \$6.1 million using the expected cash flow technique. Under this technique, the City estimated a reasonable range of potential outlays and multiplied those outlays by their probability of occurring. This liability could change over time due to changes in costs of goods and service, changes in remediation technology, or changes in laws and regulations governing the remediation efforts.

During the fiscal year, the City had the following activity related to pollution remediation:

	Governmental Activities	Business-type Activities	Primary Government Total
Environmental remediation liability, beginning of year	\$ 6,485,000	\$ 101,394	\$ 6,586,394
Expected additional future outlays, increase in liability estimates	3,537,488	25,763	3,563,251
Fiscal year 2016 outlays for environmental remediation	(1,059,712)	10,831	(1,048,881)
Reduction in liability estimates	(1,271,431)	-	(1,271,431)
Estimated recoveries from third parties or tax credits	(1,624,400)	(55,195)	(1,679,595)
Environmental remediation liability, end of year	<u>\$ 6,066,945</u>	<u>\$ 82,793</u>	<u>\$ 6,149,738</u>

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2016

On October 6, 2008 the City approved two agreements related to the cleanup of groundwater contamination at the former Spellman Engineering site. The agreements included (1) an Agreement and Order on Consent for Remedial Action by Contiguous Property Owner between the City and the United States Environmental Protection Agency (EPA), and (2) a Guaranteed Remediation Program Agreement between the City and ARCADIS U.S., Inc. (ARCADIS).

Pursuant to the Agreement and Order on Consent for Remedial Action by Contiguous Property Owner the City agreed to perform the cleanup of the Site, which consists of the former Spellman Engineering Company property and the surrounding area overlying a contaminated groundwater plume (altogether approximately 40 acres). The property has been contaminated with Trichloroethylene (TCE) which was commonly used as an industrial solvent or degreaser. TCE has been designated a hazardous waste and hazardous waste constituent by the EPA.

Pursuant to the Guaranteed Remediation Program Agreement, ARCADIS will perform the work necessary to implement an EPA issued Record of Decision, and to achieve at least 90% reduction in dissolved-phase contaminants of concern concentrations in groundwater associated with the Spellman site. As of September 30, 2016, the cleanup is on-going. Once ARCADIS reaches the 90% reduction, the City will be responsible for whatever remaining cleanup and monitoring is required by the EPA and/or the Florida Department of Environmental Protection. The estimated remaining remediation obligation, which includes potential remaining assessment, cleanup, and monitoring costs, is \$1,225,000.

The City has identified a remediation obligation for the former Orlando Coal Gasification Plant (MGP) site in the 400-600 block of W. Robinson Street. The City has negotiated a cleanup participation agreement with the other potentially responsible parties (PRPs), and has agreed to pay 2% of cleanup costs for Operable Unit 1 (upper soils and surficial aquifer) and 10% of the cleanup costs for Operable Unit 2 (upper Floridian Aquifer). As of September 30, 2016, the City's estimated remediation obligation for this site is \$3,110,000. The remediation design is underway for Operable Unit 1. Studies are still on-going for Operable Unit 2.

The City has identified a remediation obligation for the proposed Creative Village site in downtown Orlando that will require soil assessments. As of September 30, 2016, the estimated remediation obligation for this site is \$1,000,000.

The City has identified a remediation obligation for the new Fire Station No. 2 that will require soil remediation. As of September 30, 2016, the estimated remediation obligation for this site is \$545,345.

The City has identified a remediation obligation for the soccer stadium site in downtown Orlando that will require soil and groundwater assessments. As of September 30, 2016, the estimated remediation obligation for this site is \$186,600.

The City has a remediation obligation for ground water monitoring at the Amway Center property. As of September 30, 2016, the estimated remediation obligation for this site is \$82,793.

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2016

NOTE VIII. CRA TRUST FUNDS

The CRA has responsibility for three separate tax increment districts. Pursuant to Section 163.387, Florida Statutes, a Redevelopment Trust Fund was established for each of the three tax increment districts. The schedules on pages 127 and 128 show the amount and source of deposits into, and the amount and purpose of withdrawals from, the trust funds during the fiscal year ended September 30, 2016, as well as principal and interest paid during the year on the debt which is pledged with tax increment revenues. The balance of the debt remaining for each district is shown on page 86.

Downtown District Trust Fund

Source of Deposits	<u>Date</u>	<u>Amount</u>
City of Orlando	12/31/2015	\$ 12,873,047
Orange County	12/30/2015	8,584,676
Downtown Development Board	12/31/2015	1,758,108
Build America Bond Subsidy	2/9/2016	1,538,087
Build America Bond Subsidy	8/9/2016	1,538,087
Income on Investments	Monthly	732,711
Total Deposits		<u>\$ 27,024,716</u>

Purpose of Withdrawals	<u>Date</u>	<u>Amount</u>
Transfer to Debt Service Account - Series 2009 Bonds	12/31/2015	\$ 6,295,810
Transfer to Debt Service Account - Series 2010 Bonds	12/31/2015	6,862,344
Transfer to Debt Service Account - Internal Loans	12/31/2015	4,641,262
Transfer to Debt Service Account - SIB Loan (Sun Rail)	12/31/2015	750,000
Transfer to Debt Service Account - Events Center	Monthly	1,039,004
Transfer to Debt Service Account - Performing Arts Center	Monthly	159,316
Transfer to Debt Service Account - Citrus Bowl	Monthly	88,495
Transfer to Downtown CRA Operating Fund	12/31/2015	2,223,545
Transfer to Downtown CRA Operating Fund	9/30/2016	3,536,618
Other Debt Services	Various	2,514
Total Withdrawals		<u>\$ 25,598,908</u>

Principal and Interest on Indebtedness	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Series 2009A Bonds	\$ 520,000	\$ 598,692	\$ 1,118,692
Series 2009B Bonds	1,120,000	38,500	1,158,500
Series 2009C Bonds	-	4,013,385	4,013,385
Series 2010A Bonds	1,285,000	156,116	1,441,116
Series 2010B Bonds	-	5,416,944	5,416,944
Internal Loans	2,748,554	209,099	2,957,653
Totals	<u>\$ 5,673,554</u>	<u>\$ 10,432,736</u>	<u>\$ 16,106,290</u>

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2016

Republic Drive (Universal Blvd.) Trust Fund

Source of Deposits	<u>Date</u>	<u>Amount</u>
City of Orlando	12/31/2015	\$ 8,127,163
Orange County	12/30/2015	5,419,780
Transfer from Debt Service Account	1/31/2016	32,383
Income on Investments	Monthly	19,173
Total Deposits		<u>\$ 13,598,499</u>

Purpose of Withdrawals	<u>Date</u>	<u>Amount</u>
Transfer to Debt Service Account - Series 2012 Bonds	12/31/2015	\$ 2,968,600
Transfer to Debt Service Account - Series 2013 Bonds	12/31/2015	857,420
Surplus Increment Revenue to Orange County	1/28/2016	3,915,469
Surplus Increment Revenue to City of Orlando	1/31/2016	5,871,423
Total Withdrawals		<u>\$ 13,612,912</u>

Principal and Interest on Indebtedness	<u>Principal</u>	<u>Interest</u>	<u>Other</u>	<u>Total</u>
Series 2012 Bonds	\$ 1,980,000	\$ 988,597	\$ 2,000	\$ 2,970,597
Series 2013 Bonds	697,876	159,544	2,000	859,420
Total Debt Service	<u>\$ 2,677,876</u>	<u>\$ 1,148,141</u>	<u>\$ 4,000</u>	<u>\$ 3,830,017</u>

Conroy Road Trust Fund

Source of Deposits	<u>Date</u>	<u>Amount</u>
City of Orlando	12/31/2015	\$ 2,807,650
Orange County	12/30/2015	1,872,343
Transfer in from Debt Service Account	1/31/2016	20,067
Income on Investments	Monthly	5,480
Total Deposits		<u>\$ 4,705,540</u>

Purpose of Withdrawals	<u>Date</u>	<u>Amount</u>
Transfer to Debt Service Account - Series 2012 Bonds	12/31/2015	\$ 1,902,850
Surplus Increment Revenue to Orange County	1/28/2016	1,124,546
Surplus Increment Revenue to City of Orlando	1/31/2016	1,686,308
Total Withdrawals		<u>\$ 4,713,704</u>

Principal and Interest on Indebtedness	<u>Principal</u>	<u>Interest</u>	<u>Other</u>	<u>Total</u>
Series 2012 Bonds	\$ 1,130,000	\$ 770,310	\$ 2,000	\$ 1,902,310

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2016

NOTE IX. DOWNTOWN SOUTH NEIGHBORHOOD IMPROVEMENT DISTRICT (NID)

As of September 30, 2016, the Downtown South NID's Balance Sheet was comprised of:

Cash	\$ 951,635
Accounts Receivable	814
Current Liabilities	<u>(16)</u>
Fund Balance	<u><u>\$ 952,433</u></u>

For the year-ended September 30, 2016, the Downtown South NID's Statement of Revenues, Expenditures, and Changes in Fund Balance was comprised of:

Property Taxes	\$ 388,738
Other Revenues	151,667
Income on Investments	<u>36,268</u>
Total Revenues	576,673
Business Incentives	(57,110)
Operating Supplies	(12,815)
Other	<u>(1,041)</u>
Increase in Fund Balance	<u><u>\$ 505,707</u></u>

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2016

NOTE X. SUBSEQUENT EVENTS

Contract Tourist Development Tax (TDT) Payments Revenue Bonds, Series 2014A - On November 14, 2016 the City Council approved a Joinder of City of Orlando to Escrow Deposit Agreement. The Escrow Deposit Agreement (between Orange County and Wells Fargo, as Escrow Agent) is required in order to fully defease the City's Contract TDT Obligations and release the County from their obligation to send Contract TDT Revenues to the City. The Joinder to the Escrow Deposit Agreement establishes the City's consent to the defeasance of the City's Contract TDT Obligations. On December 21, 2016 Orange County issued \$202,745,000 in Tourist Development Tax Refunding Revenue Bonds, Series 2016B to advance refund the Contract Tourist Development Tax Payments Revenue Bonds, Series 2014A. The Series 2014A Bonds are deemed paid and are no longer outstanding.

Lake Nona - Amended and Restated Developer's Agreement - On December 12, 2016 the City Council approved an Amended and Restated Agreement with the developer's of Lake Nona. Subsequent to the approval of the original and amended agreement, the interchange at Lake Nona Boulevard and State Road 417 was completed. The amended and restated developer's agreement modifies the original funding formula to ensure that the City's funding contribution (reduced from \$14 million to \$13.5 million) is made to Lake Nona within a reasonable and fair timeframe, while also modifying Lake Nona's park obligation from 1 community park to 2 community parks.

City of Orlando, Capital Improvement Refunding Special Revenue Bonds, Series 2017A - On February 27, 2017 the City Council approved a resolution authorizing the issuance of Capital Improvement Refunding Special Revenue Bonds, Series 2017A. The resolution authorizes the issuance of up to \$8.3 million in bonds to refund \$9 million in outstanding Capital Improvement Special Revenue Bonds, Series 2011A. The resolution also provides for paying the transaction's financing costs.

Police Pension Share Plan - On December 5, 2016, City Council approved a new collective bargaining agreement (CBA) with the Fraternal Order of Police. The CBA included a provision to create a share plan to be funded by funds received from the State of Florida



Downtown Orlando is a premiere destination featuring a wide array of amenities, including the best in sports and entertainment. With many options to choose from including cultural events, museums, a multitude of nightlife options, and walking around our Main Streets, Downtown Orlando offers something for residents and visitors alike. The area's world-class venues continue to attract high profile events, top-tier performances and high energy sports that provide guests with unique experiences.

REQUIRED SUPPLEMENTARY INFORMATION

The following supplementary schedules present trend information regarding the retirement plans for the City's General Employees, Municipal Police and Municipal Firemen, and trend information regarding other postemployment benefits. This information is necessary for a fair presentation in conformity with generally accepted accounting principles.

CITY OF ORLANDO, FLORIDA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

BUDGETARY COMPLIANCE

The original budget includes the carry forward appropriation (for unexpended projects and grants) as authorized in the annual budget resolution.

Carry forward appropriations are used in grant accounting to enable revenue and expenditure budgets to be established prior to revenue recognition criteria being realized. The results of operations on a GAAP basis do not recognize the fund balance allocation as revenue as it represents prior periods' excess of revenues over expenditures.

1. Budgetary Basis Expenditures

To compare the actual expenditures to the final budget, encumbrances are added to the actual expenditures to reflect budgetary basis expenditures.

2. Governmental Funds – Budget to Actual Comparison

The General and Major Special Revenue Funds' budget comparisons are presented in the Other Required Supplementary Information section. The non-Major Fund budget comparisons are presented in the Combining Statements section. On the bottom of each budget comparison schedule is the adjustment necessary to reconcile the revenues and expenditures per GAAP.

**CITY OF ORLANDO, FLORIDA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016**

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final	(Budgetary Basis)	
Resources (inflows):				
Taxes:				
Property	\$ 146,137,113	\$ 146,512,113	\$ 144,711,644	\$ (1,800,469)
Communication Services	13,300,000	13,701,260	13,708,950	7,690
Local Business	8,215,000	9,715,000	9,741,683	26,683
Utilities Services	29,322,400	29,322,400	31,524,912	2,202,512
Intergovernmental:				
Orlando Utilities Commission Contribution	55,700,000	55,700,000	55,719,368	19,368
State Sales Tax	38,400,000	39,173,740	39,428,960	255,220
Other Intergovernmental	17,848,219	18,355,022	18,997,820	642,798
Franchise Fees	30,900,000	31,625,000	31,852,013	227,013
Permits and Fees	4,803,000	6,533,763	7,117,041	583,278
Charges for Services	55,272,503	57,814,619	60,470,852	2,656,233
Fines and Forfeitures	2,568,400	3,541,262	3,828,773	287,511
Income on Investments	1,051,461	4,087,954	5,327,207	1,239,253
Special Assessments	10,000	10,000	48,371	38,371
Other Revenues	7,422,384	7,857,767	7,954,181	96,414
Issuance of Debt	4,244,653	4,244,653	4,244,653	-
Transfers from Other Funds	1,803,187	2,989,755	2,989,755	-
Amounts available for appropriation	416,998,320	431,184,308	437,666,183	6,481,875
Charges to Appropriations (outflows):				
Executive Offices	22,044,784	23,040,941	21,231,782	1,809,159
Housing and Community Development	505,979	498,269	505,434	(7,165)
Economic Development	20,275,738	20,103,649	15,085,390	5,018,259
Public Works	20,334,654	21,874,354	19,003,928	2,870,426
Families, Parks, and Recreation	31,711,975	33,082,563	32,191,191	891,372
Police	132,236,305	135,656,703	135,081,658	575,045
Fire	107,307,741	108,604,937	111,841,273	(3,236,336)
Business and Financial Services	29,643,183	33,972,796	28,702,005	5,270,791
Orlando Venues	508,977	600,397	464,591	135,806
Non-departmental:				
Other Expenditures	22,410,115	16,881,148	16,039,482	841,666
Debt Service	15,299,438	20,172,334	19,382,341	789,993
Transfers to Other Funds	17,163,590	24,824,037	24,834,152	(10,115)
Total	419,442,479	439,312,128	424,363,227	14,948,901
Excess (Deficiency) of Resources Over Charges to Appropriations	(2,444,159)	(8,127,820)	13,302,956	21,430,776
Fund Balance Allocation	2,444,159	8,127,820	-	(8,127,820)
Excess (Deficiency) of Resources Over Charges to Appropriations-Restated	\$ -	\$ -	\$ 13,302,956	\$ 13,302,956
Explanation of Differences between Budgetary Inflows and Outflows and GAAP				
Revenues and Expenditures				
Sources/inflows of resources				
Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.			\$ 437,666,183	
Differences - budget to GAAP:				
Securities Lending Income is not budgeted as a source of resources			419,789	
Issuance of Debt are inflows of budgetary resources but are not revenues for financial reporting purposes.			(4,244,653)	
Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes.			(2,989,755)	
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.			\$ 430,851,564	
Uses/outflows of resources				
Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.			\$ 424,363,227	
Differences - budget to GAAP:				
Securities Lending expenditures are not budgeted as a use of resources			356,364	
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is place for budgetary purposes, but in the year the supplies are received for financial reporting purposes.			(2,365,029)	
Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes			(24,834,152)	
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances-governmental funds.			\$ 397,520,410	

**CITY OF ORLANDO, FLORIDA
BUDGETARY COMPARISON SCHEDULE
COMMUNITY REDEVELOPMENT AGENCY
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance With Final Budget Positive (Negative)
	Original	Final		
Resources (inflows):				
Other Intergovernmental	\$ 41,373,226	\$ 41,758,022	\$ 40,616,677	\$ (1,141,345)
Charges for Services	-	-	17,624	17,624
Income on Investments	284,584	341,082	1,492,183	1,151,101
Other	3,300,615	3,300,615	3,133,229	(167,386)
Sale of Land	-	2,000,000	2,022,302	22,302
Amounts available for appropriation	44,958,425	47,399,719	47,282,015	(117,704)
Charges to Appropriations (outflows):				
Community Redevelopment Agency	18,353,975	29,537,799	18,197,299	11,340,500
Capital Improvements	160,000	4,134,105	3,457,336	676,769
Debt Service	24,276,286	24,282,334	22,588,617	1,693,717
Transfers to Other Funds	4,077,813	4,077,813	4,182,977	(105,164)
Total	46,868,074	62,032,051	48,426,229	13,605,822
Excess (Deficiency) of Resources Over Charges to Appropriations	(1,909,649)	(14,632,332)	(1,144,214)	13,488,118
Fund Balance Allocation	1,909,649	14,632,332	-	(14,632,332)
Excess (Deficiency) of Resources Over Charges to Appropriations	\$ -	\$ -	\$ (1,144,214)	\$ (1,144,214)

Explanation of Differences between Budgetary Inflows and Outflows and GAAP

Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule. \$ 47,282,015

Differences - budget to GAAP:

Sale of land proceeds are inflows of budgetary resources but are not revenues for financial reporting purposes. (2,022,302)

Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds. **\$ 45,259,713**

Uses/outflows of resources

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule. \$ 48,426,229

Differences - budget to GAAP:

Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes. (123,969)

Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes. (4,182,977)

Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances-governmental funds. **\$ 44,119,283**



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**CITY OF ORLANDO, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016**

**SCHEDULE OF FUNDING PROGRESS
OTHER POST EMPLOYMENT BENEFITS
DEFINED BENEFIT RETIREE HEALTHCARE PLAN**
(Dollar amounts in millions)

Actuarial Valuation Date (1)	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a / b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b - a) / c)
9/30/10	\$ 33.37	\$ 270.51	\$ 237.14	12.3%	\$ 167.82	141.31%
9/30/11	43.85	292.40	248.55	15.0%	164.24	151.33%
9/30/12	51.86	290.36	238.50	17.9%	163.36	146.00%
9/30/13	64.03	305.90	241.87	20.9%	167.55	144.36%
9/30/14	76.45	336.87	260.42	22.7%	169.91	153.27%
9/30/15	88.14	389.28	301.14	22.6%	171.52	175.57%

(1) In 2015, the City adopted a 2-year prospective valuation methodology. As such, the actuarial valuation report dated 9/30/2014 was used for both years ended September 30, 2015 and 2014.

**SCHEDULE OF FUNDING PROGRESS
OTHER POST EMPLOYMENT BENEFITS
LONG-TERM DISABILITY PLAN**
(Dollar amounts in thousands)

Actuarial Valuation Date (2)	Actuarial Value of Assets (3) (a)	Actuarial Accrued Liability (AAL) (b)	AAL Funding Excess (a - b)	Ratio (a / b)	Covered Payroll (c)	AAL Funding Excess as a Percentage of Covered Payroll ((a - b) / c)
9/30/09	\$ 7,142.0	\$ 4,331.3	\$ 2,810.7	164.9%	\$ 87,031.5	3.2%
9/30/10	7,708.8	4,683.5	3,025.3	164.6%	81,575.4	3.7%
9/30/11	7,913.0	4,140.4	3,772.6	191.1%	77,586.7	4.9%
9/30/13	8,383.6	2,849.7	5,533.9	294.2%	N/A (5)	N/A (5)
9/30/15	8,049.4	1,607.7	6,441.7	500.7%	N/A (5)	N/A (5)

(2) In 2015, the City adopted a 2-year prospective valuation methodology. As such, the actuarial valuation report dated 9/30/2015 is used for both years ended September 30, 2017 and 2016.

(3) Based on fair value as of actuarial valuation date.

(4) Projected using 9/30/2010 data.

(5) Due to the plan becoming fully insured effective January 1, 2014.

**SCHEDULE OF EMPLOYER CONTRIBUTIONS (6)
OTHER POST EMPLOYMENT BENEFITS
DEFINED BENEFIT RETIREE HEALTHCARE PLAN**
(Dollar amounts in millions)

Year Ended 9/30	Annual Required Contribution	Percentage Contributed
2011	\$ 20.89	100.0%
2012	21.77	100.0%
2013	22.74	100.0%
2014	21.27	100.0%
2015	21.40	100.0%
2016	22.70	100.0%

(6) For information regarding contribution percentage rates see Notes on page 116. For actuarial methods and assumptions see Notes on page 117.

**CITY OF ORLANDO, FLORIDA
 REQUIRED SUPPLEMENTARY INFORMATION
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016**

**SCHEDULE OF EMPLOYER CONTRIBUTIONS (1)
 OTHER POST EMPLOYMENT BENEFITS
 LONG-TERM DISABILITY PLAN**

(Dollar amounts in thousands)

Year Ended 9/30	Annual Required Contribution	Percentage Contributed
2011	\$ 111.2	108.1%
2012	123.2	99.0%
2013	128.1	96.5%
2014	N/A (2)	N/A (2)
2015	N/A (2)	N/A (2)
2016	N/A (2)	N/A (2)

(1) For information regarding contribution percentage rates and actuarial methods and assumptions, see Notes on pages 111 through 116.

(2) Due to the plan becoming fully insured effective January 1, 2014.

CITY OF ORLANDO, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY
GENERAL EMPLOYEES' PENSION FUND
(Dollar amounts in thousands)

Measurement Date:	<u>9/30/2016</u>	<u>9/30/2015</u>	<u>9/30/2014</u>
Total Pension Liability			
Service Cost	\$ 1,091	\$ 1,327	\$ 1,417
Interest on the total pension liability	17,972	17,862	17,585
Differences between expected and actual experience	1,743	(520)	-
Changes of Assumptions	22,107	-	-
Benefit payments, including refunds on member contributions	(17,440)	(16,650)	(14,335)
Other Deductions	(266)	-	-
Net change in total pension liability	<u>25,207</u>	<u>2,019</u>	<u>4,667</u>
Total pension liability - beginning	232,955	230,936	226,269
Total pension liability - ending (a)	<u>\$ 258,162</u>	<u>\$ 232,955</u>	<u>\$ 230,936</u>
Plan fiduciary net position			
Contributions - employer	\$ 7,858	\$ 8,720	\$ 9,057
Contributions - member	384	431	508
Net investment income	16,354	(909)	17,016
Benefit payments, including refunds on member contributions	(17,440)	(16,650)	(14,335)
Administrative expenses	(134)	(89)	(111)
Other	(233)	(305)	-
Net change in plan fiduciary net position	<u>6,789</u>	<u>(8,802)</u>	<u>12,135</u>
Plan fiduciary net position - beginning	199,212	208,014	195,879
Plan fiduciary net position - ending (b)	<u>\$ 206,001</u>	<u>\$ 199,212</u>	<u>\$ 208,014</u>
Net pension liability - ending (a) - (b)	<u>\$ 52,161</u>	<u>\$ 33,743</u>	<u>\$ 22,922</u>

NOTE: Three years of data is available for GASB 67 and GASB 68.

Notes to Schedule:

The following assumption changes are included in the 9/30/2016 disclosure:

Florida Retirement System (FRS) mortality tables are being used. The FRS tables use versions of the RP-2000 tables and projection scale BB in a reasonable manner. These mortality rates produce life expectancies that are longer for males and females than the mortality rates used previously.

The assumed rate of investment return and wage inflation were changed from 8.00% to 7.50%, and 4.00% to 3.75%, respectively, in order to be considered reasonable.

CITY OF ORLANDO, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY
POLICE PENSION FUND
(Dollar amounts in thousands)

Measurement Date:	<u>9/30/2016</u>	<u>9/30/2015</u>	<u>9/30/2014</u>
Total Pension Liability			
Service Cost	\$ 14,859	\$ 15,339	\$ 15,244
Interest on the total pension liability	44,111	41,992	40,086
Differences between expected and actual experience	520	549	-
Changes of assumptions	-	19,464	-
Benefit payments, including refunds on member contributions	<u>(33,898)</u>	<u>(32,226)</u>	<u>(30,804)</u>
Net change in total pension liability	25,592	45,118	24,526
Total pension liability - beginning	<u>586,124</u>	<u>541,006</u>	<u>516,480</u>
Total pension liability - ending (a)	<u>\$ 611,716</u>	<u>\$ 586,124</u>	<u>\$ 541,006</u>
Plan fiduciary net position			
Contributions - employer	\$ 24,274	\$ 23,956	\$ 21,535
Contributions - member	4,424	4,323	4,399
Contributions - state insurance excess	721	436	249
Net investment income	39,482	(366)	40,857
Benefit payments, including refunds on member contributions	(33,898)	(32,226)	(30,804)
Administrative expenses	<u>(190)</u>	<u>(161)</u>	<u>(179)</u>
Net change in plan fiduciary net position	34,813	(4,038)	36,057
Plan fiduciary net position - beginning	<u>477,051</u>	<u>481,089</u>	<u>445,032</u>
Plan fiduciary net position - ending (b)	<u>\$ 511,864</u>	<u>\$ 477,051</u>	<u>\$ 481,089</u>
Net pension liability - ending (a) - (b)	<u>\$ 99,852</u>	<u>\$ 109,073</u>	<u>\$ 59,917</u>

NOTE: Three years of data is available for GASB 67 and GASB 68.

See assumptions used in footnotes on pages 113 and 114.

CITY OF ORLANDO, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY
FIREFIGHTER PENSION FUND

(Dollar amounts in thousands)

Measurement Date:	<u>9/30/2016</u>	<u>9/30/2015</u>	<u>9/30/2014</u>
Total Pension Liability			
Service Cost	\$ 13,512	\$ 12,956	\$ 12,949
Interest on the total pension liability	33,103	31,389	29,568
Differences between expected and actual experience	419	(1,767)	205
Changes of assumptions	13,698	-	-
Benefit payments, including refunds on member contributions	<u>(23,822)</u>	<u>(19,601)</u>	<u>(20,338)</u>
Net change in total pension liability	36,910	22,977	22,384
Total pension liability - beginning	412,184	389,207	366,823
Total pension liability - ending (a)	<u>\$ 449,094</u>	<u>\$ 412,184</u>	<u>\$ 389,207</u>
Plan fiduciary net position			
Contributions - employer	\$ 13,481	\$ 13,350	\$ 12,939
Contributions - nonemployer contributing member	2,380	2,346	2,410
Contributions - member	3,097	3,073	3,123
Net investment income	26,855	639	27,157
Benefit payments, including refunds on member contributions	(23,822)	(19,601)	(20,339)
Administrative expenses	<u>(150)</u>	<u>(163)</u>	<u>(121)</u>
Net change in plan fiduciary net position	21,841	(356)	25,169
Plan fiduciary net position - beginning (1)	<u>325,084</u>	<u>325,440</u>	<u>300,271</u>
Plan fiduciary net position - ending (b) (1)	<u>\$ 346,925</u>	<u>\$ 325,084</u>	<u>\$ 325,440</u>
Net pension liability - ending (a) - (b)	<u>\$ 102,169</u>	<u>\$ 87,100</u>	<u>\$ 63,767</u>

NOTE: Three years of data is available for GASB 67 and GASB 68.

(1) Does not include Fire Share Plan Assets.

Notes to Schedule:

The following assumption changes are included in the 9/30/2016 disclosure:

The assumed rate of investment return was changed from 8.00% to 7.75%.

The retirement rates after completion of 20 years of credited service were modified for the 20 to 25 year period. Current assumptions are 20-23 years, 10%; 24 years, 20%; and 25 years, 40%. Previous assumptions were 20 years, 10%; 21-24 years, 3%; and 25 years 60%.

**CITY OF ORLANDO, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016**

**SCHEDULE OF CONTRIBUTIONS
GENERAL EMPLOYEES' DEFINED BENEFIT PENSION PLAN
(Dollar amounts in millions)**

Fiscal Year Ended	Actuarially Determined Contribution (a)	Contribution in Relation to the Actuarially Determined Contributions (b)	Contribution Deficiency (a - b)	Covered Employee Payroll (c)	Contributions as a Percentage of Covered Employee Payroll (b / c)
9/30/16	\$ 7.86	\$ 7.86	\$ -	\$ 8.15	96.4%
9/30/15	8.72	8.72	-	9.80	89.0%
9/30/14	9.06	9.06	-	10.49	86.4%
9/30/13	10.19	10.19	-	10.49	97.1%
9/30/12	9.67	9.67	-	11.83	81.7%
9/30/11	8.95	8.95	-	12.72	70.4%
9/30/10	9.29	9.29	-	13.61	68.3%
9/30/09	5.61	5.61	-	16.60	33.8%
9/30/08	3.85	3.85	-	18.36	21.0%
9/30/07	4.27	4.27	-	19.14	22.3%

NOTES TO SCHEDULE

Valuation Date: September 30, 2015
Actuarially determined contribution rates are calculated as of September 30, which is 12 months prior to the beginning of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Aggregate
Amortization Method	Level Dollar, Closed
Remaining Amortization Period	4 years
Asset Valuation Method	4-Year smoothed market
Wage Inflation	4.00%
Salary Increases	4.05% to 7.75% including inflation
Investment Rate of Return	8.00%
Municipal Bond Rate	3.06%
Retirement Age	Age and experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2010 valuation.
Mortality	The 1994 Group Annuity Mortality Table. These tables do not contain a margin for future mortality improvement.

Other Information:

Notes: There were no benefit changes reflected in the Total Pension Liability as of September 30, 2015.

Cost-of-Living Adjustments: 2% compounded annually, first beginning the late of (1) one full year after retirement, or (2) the earlier of attainment of age 64 and the completion of four full years of retirement.

**CITY OF ORLANDO, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016**

**SCHEDULE OF CONTRIBUTIONS
POLICE DEFINED BENEFIT PENSION PLAN
(Dollar amounts in millions)**

Fiscal Year Ended	Actuarially Determined Contribution (a)	Contribution in Relation to the Actuarially Determined Contributions (b)	Contribution Deficiency (a - b)	Covered Employee Payroll (c)	Contributions as a Percentage of Covered Employee Payroll (b / c)
9/30/16	\$ 24.27	\$ 24.27	\$ -	\$ 54.92	44.2%
9/30/15	23.96	23.96	-	50.41	47.5%
9/30/14	21.54	21.54	-	49.19	43.8%
9/30/13	18.53	18.53	-	48.94	37.9%
9/30/12	17.10	17.10	-	48.58	35.2%
9/30/11	15.30	15.30	-	47.59	32.1%
9/30/10	13.82	13.82	-	48.42	28.5%
9/30/09	13.58	13.58	-	47.34	28.7%
9/30/08	11.67	11.67	-	46.07	25.3%
9/30/07	11.14	11.14	-	44.81	24.9%

NOTES TO SCHEDULE

Valuation Date: October 1, 2015
Actuarially determined contribution is calculated using an October valuation dated as of the beginning of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level percent of payroll, using 2.35% annual increases
Remaining Amortization Period	Effective period of 7 years remaining as of October 1, 2015
Asset Valuation Method	Market value of assets
Wage Inflation	3.00%
Salary Increases	3.00% (plus service based scale of 0.00% to 7.00%)
Investment Rate of Return	7.75% including inflation, net of pension plan investment expense
Municipal Bond Rate	N/A
Retirement Rates	Service based rates ranging from 20 to 30 years, with 100% retirement at 30 years or age 65, if earlier
Mortality	Healthy: RP-2000 Combined Healthy Mortality Table, set forward one year Disabled: RP-2000 Combined Healthy Mortality Table, set forward one year

Other Information:

Notes: There were no benefit changes or actuarial assumption changes reflected in the Actuarially Determined Contribution as of September 30, 2016.
Cost of Living Adjustments: 2.00%, beginning at age 55

**CITY OF ORLANDO, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016**

**SCHEDULE OF CONTRIBUTIONS
FIREFIGHTER DEFINED BENEFIT PENSION PLAN**

(Dollar amounts in millions)

Fiscal Year Ended	Actuarially Determined Contribution (a)	Contribution in Relation to the Actuarially Determined Contributions (b)	Contribution Deficiency (a - b)	Covered Employee Payroll (c)	Contributions as a Percentage of Covered Employee Payroll (b / c)
9/30/16	\$ 15.86	\$ 15.86	\$ -	\$ 40.38	39.3%
9/30/15	15.70	15.70	-	39.03	40.2%
9/30/14	15.35	15.35	-	38.75	39.6%
9/30/13	14.96	14.96	-	36.28	41.2%
9/30/12	14.31	14.31	-	36.51	39.2%
9/30/11	12.75	12.75	-	36.67	34.8%
9/30/10	11.31	11.31	-	35.66	31.7%
9/30/09	9.96	9.96	-	34.18	29.1%
9/30/08	8.55	8.55	-	31.28	27.3%
9/30/07	7.88	7.88	-	28.28	27.9%

NOTES TO SCHEDULE

Valuation Date: October 1, 2015

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age
Amortization Method	Fresh Start of UAAL amortization over 20 years as of 9/30/2006. All new bases are to be amortized over a 20-year closed period with a 4.0% payroll assumption.
Asset Valuation Method	20% write-up method. Expected actuarial value of assets, adjusted by 20% of the difference between expected actuarial value and actual market value.
Wage Inflation	3.75%
Salary Increases	3.75% to 6.25% including inflation
Investment Rate of Return	7.75% net of investment expenses
Municipal Bond Rate	N/A
Retirement Rates	After completion of 20 years of credited service with the following rates (20-23 years of service - 10%; 24 years of service - 20%; 25 years of service - 40%; 26-28 years of service - (30%; 29 years of service - 70%; 30+ years of service - 100%)
Mortality	Healthy: RP-2000 Mortality Table projected to 2020 using Scale AA Disabled: RP-2000 Mortality Table for Disabled Lives projected to 2020 using Scale AA

Other Information:

Changes Since Prior Report	Disability rates, retirement rates, and the salary scale were updated based on the recent Experience Study. CPI decreased to 3.25% and the interest rate decreased to 7.75% based on the same study.
Cost-of-Living Adjustments	All members retiring with 20 or more years of service are assumed to receive a 5% cost-of-living increase every 3 years.

**CITY OF ORLANDO, FLORIDA
 REQUIRED SUPPLEMENTARY INFORMATION
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016**

**SCHEDULE OF INVESTMENT RETURNS
 DEFINED BENEFIT PENSION PLANS**

Fiscal Year Ended	Annual Money Weighted Rate of Return, Net of Investment Expense
General Employees' Pension Fund	
9/30/16	8.98%
9/30/15	-0.52%
9/30/14	8.67%
Firefighter Pension Fund	
9/30/16	8.70%
9/30/15	0.39%
9/30/14	9.02%
Police Pension Fund	
9/30/16	8.65%
9/30/15	0.06%
9/30/14	9.12%

NOTE: Three year's of data is available for GASB 67.

**CITY OF ORLANDO, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016**

**SCHEDULE OF NET PENSION LIABILITY
DEFINED BENEFIT PENSION PLANS
(Dollar amounts in millions)**

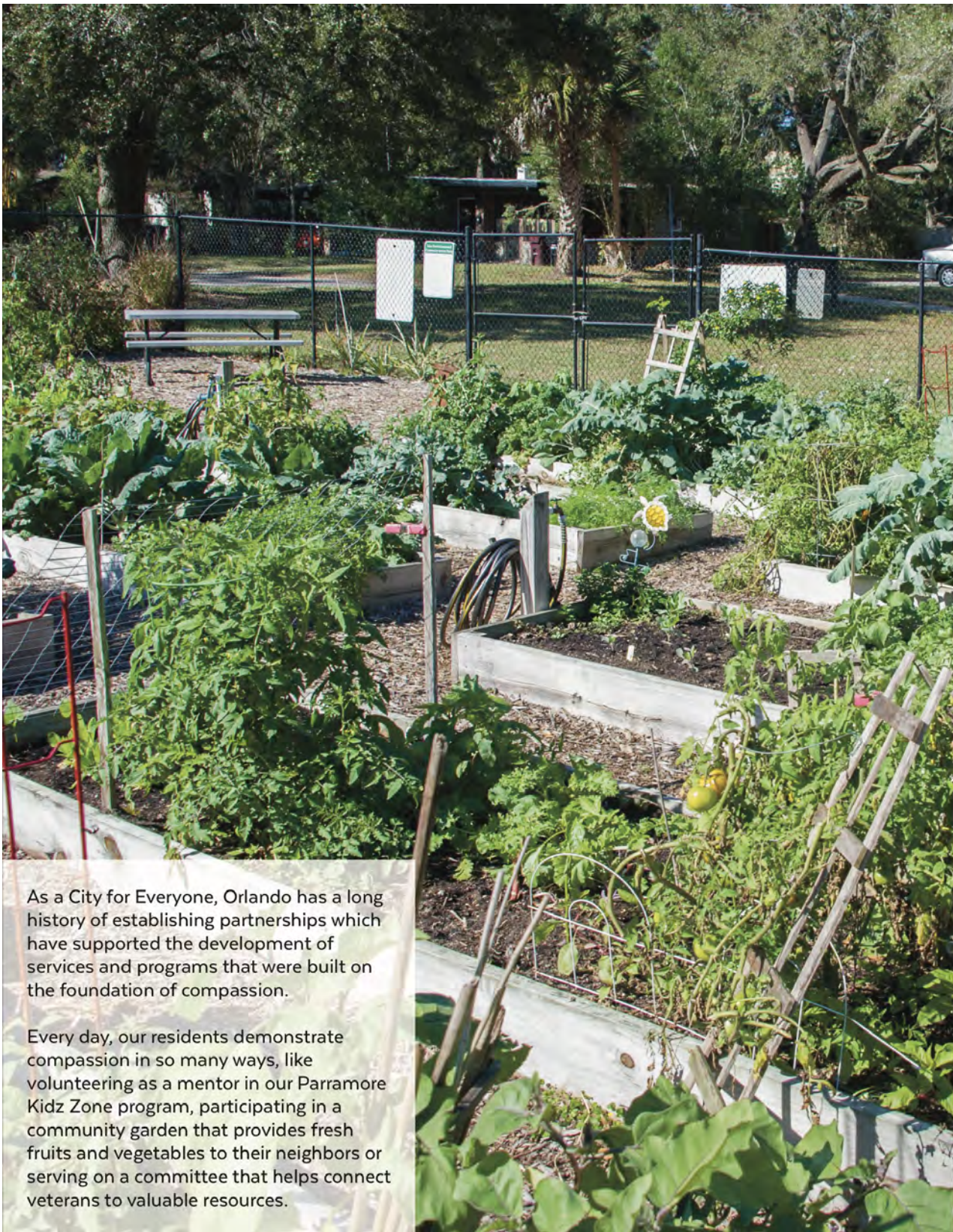
Measurement Date	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Plan Net Pension Liability (a - b)	Plan Fiduciary Net Position as a Percentage of Total Pension Liability (b / a)	Covered Payroll (c)	Plan Net Pension Liability as a Percentage of Covered Payroll ((a - b) / c)
General Employees' Pension Fund						
9/30/16	\$ 258.16	\$ 206.00	\$ 52.16	79.8%	\$ 8.15	640.0%
9/30/15	232.95	199.21	33.74	85.5%	9.80	344.3%
9/30/14	230.94	208.01	22.93	90.1%	10.49	218.6%
Firefighter Pension Fund (1)						
9/30/16	\$ 449.09	\$ 346.92	\$ 102.17	77.2%	\$ 40.38	253.0%
9/30/15	412.18	325.08	87.10	78.9%	39.03	223.2%
9/30/14	389.21	325.44	63.77	83.6%	40.68	156.8%
Police Pension Fund						
9/30/16	\$ 611.71	\$ 511.86	\$ 99.85	83.7%	\$ 54.92	181.8%
9/30/15	586.12	477.05	109.07	81.4%	50.41	216.4%
9/30/14	541.01	481.09	59.92	88.9%	49.19	121.8%

(1) The Firefighter Pension Fund does not include Fire Share Plan assets in its Plan Fiduciary Net Position.

NOTE: Three year's of data is available for GASB 67 and GASB 68.



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As a City for Everyone, Orlando has a long history of establishing partnerships which have supported the development of services and programs that were built on the foundation of compassion.

Every day, our residents demonstrate compassion in so many ways, like volunteering as a mentor in our Parramore Kidz Zone program, participating in a community garden that provides fresh fruits and vegetables to their neighbors or serving on a committee that helps connect veterans to valuable resources.

COMMUNITY REDEVELOPMENT AGENCY FUNDS (CRA)

The City Council serves as the CRA board. Although legally separate, the CRA is blended as a governmental fund component unit into the primary government because the structure of the CRA meets the GASB Statement 61 criteria for blending. The criteria assessed and determined to result in blending are: (a) the boards of the CRA and the City are the same, and (b) management of the City has operational responsibility for the CRA. The CRA has responsibility for three separate tax increment districts (which have district specific debt obligations and related revenues). The operations of the CRA are reported as a Major Governmental Fund. Separate financial reports for the CRA are not prepared.

CRA DOWNTOWN DISTRICT

Trust Fund Accounts for the Tax Increment Revenue received from the City of Orlando, Orange County, and the Downtown Development Board. Also accounts for the operational expenditures of the Downtown CRA (including salaries, contractual services, and economic development incentives).

Debt Service Accounts for the debt service (principal and interest payments) for the District's outstanding bonds and internal loans.

CRA REPUBLIC DRIVE (UNIVERSAL BOULEVARD) DISTRICT

Trust Fund Accounts for the Tax Increment Revenue received from the City of Orlando and Orange County.

Debt Service Accounts for the debt service (principal and interest payments) for the District's outstanding bond.

Construction Accounts for the bond proceeds, which are being used for capital improvements.

CRA CONROY ROAD DISTRICT

Revenue Funds Accounts for the Tax Increment Revenue received from the City of Orlando and Orange County, as well as the Transportation Impact Fees received from construction activity in the Conroy Road District.

Debt Service Accounts for the debt service (principal and interest payments) for the District's outstanding bond.

**CITY OF ORLANDO, FLORIDA
COMMUNITY REDEVELOPMENT AGENCY FUNDS
COMBINING BALANCE SHEET
SEPTEMBER 30, 2016**

	<u>Downtown Trust Fund</u>	<u>Downtown Debt Service</u>	<u>Republic Drive Trust Fund</u>	<u>Republic Drive Debt Service</u>	<u>Republic Drive Construction</u>
ASSETS					
Current Cash and Cash Equivalents	\$ 14,830,410	\$ -	\$ 19,166	\$ -	\$ 3,176,246
Restricted Cash and Cash Equivalents	-	2,509,836	-	640,765	-
Restricted Investments	-	9,877,653	-	3,009,176	-
Total Assets	<u>\$ 14,830,410</u>	<u>\$ 12,387,489</u>	<u>\$ 19,166</u>	<u>\$ 3,649,941</u>	<u>\$ 3,176,246</u>
LIABILITIES					
Accounts Payable	\$ 215,088	\$ -	\$ 1,122,702	\$ -	\$ -
Accrued Liabilities	27,352	-	-	-	-
Advance Payments	158	-	-	-	-
Accrued Interest Payable	-	843,246	-	550,486	-
Total Liabilities	<u>242,598</u>	<u>843,246</u>	<u>1,122,702</u>	<u>550,486</u>	<u>-</u>
FUND BALANCES					
Restricted	14,587,812	11,544,243	-	3,099,455	3,176,246
Unassigned	-	-	(1,103,536)	-	-
Total Fund Balances	<u>14,587,812</u>	<u>11,544,243</u>	<u>(1,103,536)</u>	<u>3,099,455</u>	<u>3,176,246</u>
Total Liabilities and Fund Balances	<u>\$ 14,830,410</u>	<u>\$ 12,387,489</u>	<u>\$ 19,166</u>	<u>\$ 3,649,941</u>	<u>\$ 3,176,246</u>

Conroy Road Revenue Funds	Conroy Road Debt Service	Total CRA Funds
\$ 5,478	\$ -	\$ 18,031,300
-	421,443	3,572,044
-	1,905,517	14,792,346
<u>\$ 5,478</u>	<u>\$ 2,326,960</u>	<u>\$ 36,395,690</u>
\$ -	\$ -	\$ 1,337,790
-	-	27,352
-	-	158
-	374,125	1,767,857
<u>-</u>	<u>374,125</u>	<u>3,133,157</u>
5,478	1,952,835	34,366,069
-	-	(1,103,536)
<u>5,478</u>	<u>1,952,835</u>	<u>33,262,533</u>
<u>\$ 5,478</u>	<u>\$ 2,326,960</u>	<u>\$ 36,395,690</u>

**CITY OF ORLANDO, FLORIDA
COMMUNITY REDEVELOPMENT AGENCY FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016**

	<u>Downtown Trust Fund</u>	<u>Downtown Debt Service</u>	<u>Republic Drive Trust Fund</u>	<u>Republic Drive Debt Service</u>	<u>Republic Drive Construction</u>
REVENUES					
Other Intergovernmental	\$ 23,349,686	\$ -	\$ 12,579,214	\$ -	\$ -
Charges for Services	17,624	-	-	-	-
Income on Investments	1,197,846	13,709	19,173	89,930	117,101
Other Revenues	3,133,229	-	-	-	-
Total Revenues	<u>27,698,385</u>	<u>13,709</u>	<u>12,598,387</u>	<u>89,930</u>	<u>117,101</u>
EXPENDITURES					
Community Redevelopment Agency	5,475,584	-	9,786,892	-	-
Capital Improvements	3,457,336	-	-	-	-
Principal Payments	-	6,423,554	-	2,677,876	-
Interest and Other	-	10,432,736	-	1,152,141	-
Total Expenditures	<u>8,932,920</u>	<u>16,856,290</u>	<u>9,786,892</u>	<u>3,830,017</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>18,765,465</u>	<u>(16,842,581)</u>	<u>2,811,495</u>	<u>(3,740,087)</u>	<u>117,101</u>
OTHER FINANCING SOURCES (USES)					
Transfers In	-	18,549,416	32,383	3,826,020	-
Transfers Out	(21,471,174)	(1,261,219)	(3,826,020)	(32,383)	-
Sale of Land	2,022,302	-	-	-	-
Total Other Financing Sources (Uses)	<u>(19,448,872)</u>	<u>17,288,197</u>	<u>(3,793,637)</u>	<u>3,793,637</u>	<u>-</u>
Net change in fund balances	(683,407)	445,616	(982,142)	53,550	117,101
Fund balances - beginning	<u>15,271,219</u>	<u>11,098,627</u>	<u>(121,394)</u>	<u>3,045,905</u>	<u>3,059,145</u>
Fund balances - ending	<u>\$ 14,587,812</u>	<u>\$ 11,544,243</u>	<u>\$ (1,103,536)</u>	<u>\$ 3,099,455</u>	<u>\$ 3,176,246</u>

Conroy Road Revenue Funds	Conroy Road Debt Service	Total CRA Funds
\$ 4,687,777	\$ -	\$ 40,616,677
-	-	17,624
5,480	48,944	1,492,183
-	-	3,133,229
<u>4,693,257</u>	<u>48,944</u>	<u>45,259,713</u>
2,810,854	-	18,073,330
-	-	3,457,336
-	1,130,000	10,231,430
-	772,310	12,357,187
<u>2,810,854</u>	<u>1,902,310</u>	<u>44,119,283</u>
<u>1,882,403</u>	<u>(1,853,366)</u>	<u>1,140,430</u>
20,067	1,902,850	24,330,736
(1,902,850)	(20,067)	(28,513,713)
-	-	2,022,302
<u>(1,882,783)</u>	<u>1,882,783</u>	<u>(2,160,675)</u>
(380)	29,417	(1,020,245)
5,858	1,923,418	34,282,778
<u>\$ 5,478</u>	<u>\$ 1,952,835</u>	<u>\$ 33,262,533</u>



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NON-MAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Housing & Urban Development Grants	Accounts for the receipts and disbursements of U.S. Department of Housing and Urban Development Grants, Community Development Block Grants, Home Investment Partnership Program Grants, Housing Opportunities for Persons With Aids Grants, and Rental Rehabilitation Program Grants administered by the Office of Community Planning and Development.
State Housing Partnership Fund	Accounts for the receipts and disbursements of the State of Florida grant under the State Housing Partnership Fund.
Grant Fund	Accounts for the receipts and disbursements of various State Federal grants.
Forfeitures Act	Accounts for receipts of money or property confiscated from illegal activities. Disbursements can only be used for law enforcement purposes.
Special Assessment	Accounts for the costs and revenue of projects/incentives that are funded through the imposition of a special assessment on the benefited properties.
Downtown South Neighborhood Improvement District	Accounts for the receipts and disbursements of this dependent special district, which was created by an ordinance of the City Council.
H.P. Leu Gardens	Accounts for revenue, expenditures, and specific contributions made to the botanical gardens.
Cemetery	Accounts for the operation of the City owned Greenwood Cemetery.
Building Code Enforcement	Accounts for the revenue and expenditures associated with the City's enforcement of the State building code.
GOAA Police	Accounts for the revenue and expenditures related to the City providing law enforcement support to the Greater Orlando Aviation Authority (GOAA) Security Program for the safety of persons and property on Orlando International Airport property.
Gas Tax	Accounts for the revenue and expenditures related to the City's allowable uses of gas tax funds for public streets and highways, public mass transit guideways, and their related public facilities
Transportation Impact Fees	Accounts for the receipt and disbursement of transportation impact fees, used exclusively for transportation related capital projects (or related debt services).

CAPITAL PROJECTS FUNDS

Capital Projects Funds account for the accumulation of resources for, major capital construction projects, which includes Narcoossee Road and Public Safety construction projects.

**CITY OF ORLANDO, FLORIDA
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2016**

	Special Revenue Funds				
	Housing & Urban Development Grants	State Housing Partnership Fund	Grant Fund	Forfeitures Act	Special Assessments
ASSETS					
Current Cash and Cash Equivalents	\$ 420,110	\$ 1,302,620	\$ 638	\$ 3,756,829	\$ 3,305,941
Receivables (Net)					
Accounts	-	-	-	-	-
Taxes	-	-	-	-	-
Special Assessments	-	-	-	-	30,889
Due from Other Governments	2,355,831	-	2,063,639	-	-
Inventories	-	-	-	-	-
Total Assets	<u>\$ 2,775,941</u>	<u>\$ 1,302,620</u>	<u>\$ 2,064,277</u>	<u>\$ 3,756,829</u>	<u>\$ 3,336,830</u>
LIABILITIES AND FUND BALANCES					
BALANCES					
Liabilities:					
Accounts Payable	\$ 1,633,146	\$ 19,850	\$ 544,263	\$ 77,829	\$ -
Accrued Liabilities	14,677	-	-	-	-
Advance Payments	-	-	-	-	-
Due to Other Funds	187,000	-	1,469,000	-	-
Due to Other Governments	-	-	-	-	-
Unearned Revenue	367,069	1,281,998	81,376	-	30,889
Total Liabilities	<u>2,201,892</u>	<u>1,301,848</u>	<u>2,094,639</u>	<u>77,829</u>	<u>30,889</u>
Fund Balances:					
Nonspendable	-	-	-	-	-
Restricted	574,049	772	-	3,679,000	-
Committed	-	-	-	-	-
Assigned	-	-	-	-	3,305,941
Unassigned	-	-	(30,362)	-	-
Total Fund Balances	<u>574,049</u>	<u>772</u>	<u>(30,362)</u>	<u>3,679,000</u>	<u>3,305,941</u>
Total Liabilities and Fund Balances	<u>\$ 2,775,941</u>	<u>\$ 1,302,620</u>	<u>\$ 2,064,277</u>	<u>\$ 3,756,829</u>	<u>\$ 3,336,830</u>

Special Revenue Funds

Downtown South Neighborhood Improvement District	H.P. Leu Gardens	Cemetery	Building Code Enforcement	GOAA Police	Gas Tax
\$ 951,635	\$ 61,746	\$ 1,410,011	\$ 17,858,334	\$ 400,790	\$ 16,499,205
-	-	9,725	-	-	-
814	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	1,887,404	1,488,972
-	48,336	-	-	-	-
<u>\$ 952,449</u>	<u>\$ 110,082</u>	<u>\$ 1,419,736</u>	<u>\$ 17,858,334</u>	<u>\$ 2,288,194</u>	<u>\$ 17,988,177</u>
\$ 16	\$ 11,075	\$ 403	\$ 765,195	\$ 2,099,137	\$ 326,074
-	25,353	4,619	115,292	160,697	-
-	21,079	-	-	-	-
-	-	-	-	-	-
-	1,968	15	-	-	-
-	-	676,393	-	-	-
<u>16</u>	<u>59,475</u>	<u>681,430</u>	<u>880,487</u>	<u>2,259,834</u>	<u>326,074</u>
-	48,336	1,000	-	-	-
-	2,271	-	16,977,847	-	17,662,103
952,433	-	737,306	-	-	-
-	-	-	-	28,360	-
-	-	-	-	-	-
<u>952,433</u>	<u>50,607</u>	<u>738,306</u>	<u>16,977,847</u>	<u>28,360</u>	<u>17,662,103</u>
<u>\$ 952,449</u>	<u>\$ 110,082</u>	<u>\$ 1,419,736</u>	<u>\$ 17,858,334</u>	<u>\$ 2,288,194</u>	<u>\$ 17,988,177</u>

(Continued)

**CITY OF ORLANDO, FLORIDA
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2016**

	<u>Special Revenue Funds</u>		<u>Capital Projects Funds</u>		Total Non-Major Governmental Funds
	Transportation Impact Fees		Narcoossee Road Construction	Public Safety Construction	
ASSETS					
Current Cash and Cash Equivalents	\$ 40,073,032	\$ -	\$ 55,826,402	\$	141,867,293
Receivables (Net)					
Accounts	-	-	-		9,725
Taxes	-	-	-		814
Special Assessments	-	-	-		30,889
Due from Other Governments	1,008	-	-		7,796,854
Inventories	-	-	-		48,336
Total Assets	<u>\$ 40,074,040</u>	<u>\$ -</u>	<u>\$ 55,826,402</u>	<u>\$</u>	<u>149,753,911</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$ -	\$ -	\$ 5,054,247	\$	10,531,235
Accrued Liabilities	-	-	-		320,638
Advance Payments	3,091,179	-	-		3,112,258
Due to Other Funds	-	-	-		1,656,000
Due to Other Governments	-	-	-		1,983
Unearned Revenue	-	-	-		2,437,725
Total Liabilities	<u>3,091,179</u>	<u>-</u>	<u>5,054,247</u>	<u>\$</u>	<u>18,059,839</u>
Fund Balances:					
Nonspendable	-	-	-		49,336
Restricted	36,982,861	-	50,772,155		126,651,058
Committed	-	-	-		1,689,739
Assigned	-	-	-		3,334,301
Unassigned	-	-	-		(30,362)
Total Fund Balances	<u>36,982,861</u>	<u>-</u>	<u>50,772,155</u>	<u>\$</u>	<u>131,694,072</u>
Total Liabilities and Fund Balances	<u>\$ 40,074,040</u>	<u>\$ -</u>	<u>\$ 55,826,402</u>	<u>\$</u>	<u>149,753,911</u>



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**CITY OF ORLANDO, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016
(continued)**

	Special Revenue Funds				
	Housing & Urban Development Grants	State Housing Partnership Fund	Grant Fund	Forfeitures Act	Special Assessments
REVENUES					
Taxes:					
Property	\$ -	\$ -	\$ -	\$ -	\$ -
Local Option Fuel	-	-	-	-	-
Other Intergovernmental	7,693,216	1,128,274	7,887,710	583,128	-
Permits and Fees	-	-	-	-	-
Charges for Services	-	-	-	-	-
Income on Investments	15,471	26,116	-	147,758	219,170
Special Assessments	-	-	-	-	5,317,249
Other Revenues	72,423	13,500	39,206	2,274	-
Total Revenues	<u>7,781,110</u>	<u>1,167,890</u>	<u>7,926,916</u>	<u>733,160</u>	<u>5,536,419</u>
EXPENDITURES					
Current Operating:					
Executive Offices	-	-	142,727	-	-
Housing and Community Development	7,765,566	1,200,833	-	-	-
Economic Development	-	-	2,113,979	-	-
Public Works	-	-	2,376,732	-	-
Families, Parks, and Recreation	-	-	1,942,048	-	-
Police	-	-	1,058,418	924,462	-
Fire	-	-	307,626	-	-
Orlando Venues	-	-	71,143	-	-
Other Expenditures	-	-	-	-	30,224
Intergovernmental	-	-	-	-	-
Capital Improvements	-	-	-	-	-
Debt Service:					
Principal Payments	-	-	-	-	6,856,585
Interest and Other	-	-	-	-	112,709
Total Expenditures	<u>7,765,566</u>	<u>1,200,833</u>	<u>8,012,673</u>	<u>924,462</u>	<u>6,999,518</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>15,544</u>	<u>(32,943)</u>	<u>(85,757)</u>	<u>(191,302)</u>	<u>(1,463,099)</u>
OTHER FINANCING SOURCES AND (USES)					
Transfers In	-	-	-	-	12,174
Transfers Out	-	-	-	-	-
Issuance of Debt	-	-	-	-	-
Total Other Financing Sources and (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,174</u>
Net Change in Fund Balances	15,544	(32,943)	(85,757)	(191,302)	(1,450,925)
Fund Balances - Beginning	<u>558,505</u>	<u>33,715</u>	<u>55,395</u>	<u>3,870,302</u>	<u>4,756,866</u>
Fund Balances - Ending	<u>\$ 574,049</u>	<u>\$ 772</u>	<u>\$ (30,362)</u>	<u>\$ 3,679,000</u>	<u>\$ 3,305,941</u>

Special Revenue Funds

Downtown South Neighborhood Improvement District	H.P. Leu Gardens	Cemetery	Building Code Enforcement	GOAA Police	Gas Tax	Transportation Impact Fees
\$ 388,738	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	8,900,769	-
151,667	-	-	-	272,862	-	-
-	-	-	13,804,270	-	-	8,773,109
-	1,288,340	875,364	-	11,991,238	8,846	-
36,268	3,129	49,886	632,919	-	579,512	1,340,939
-	-	-	-	-	-	-
-	8,254	-	144,596	-	2,195,946	364,631
<u>576,673</u>	<u>1,299,723</u>	<u>925,250</u>	<u>14,581,785</u>	<u>12,264,100</u>	<u>11,685,073</u>	<u>10,478,679</u>
-	-	948,243	-	-	-	-
-	-	-	-	-	-	-
70,966	-	-	11,575,748	-	-	-
-	-	-	-	-	-	-
-	-	-	-	12,044,781	-	-
-	-	-	-	-	-	-
-	2,775,581	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	3,873,006	-
-	-	-	-	-	8,281,717	1,396,646
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>70,966</u>	<u>2,775,581</u>	<u>948,243</u>	<u>11,575,748</u>	<u>12,044,781</u>	<u>12,154,723</u>	<u>1,396,646</u>
<u>505,707</u>	<u>(1,475,858)</u>	<u>(22,993)</u>	<u>3,006,037</u>	<u>219,319</u>	<u>(469,650)</u>	<u>9,082,033</u>
-	1,522,000	109,173	-	-	-	996,776
-	(91,420)	-	(1,069,190)	-	-	-
-	-	-	-	-	-	-
-	<u>1,430,580</u>	<u>109,173</u>	<u>(1,069,190)</u>	<u>-</u>	<u>-</u>	<u>996,776</u>
505,707	(45,278)	86,180	1,936,847	219,319	(469,650)	10,078,809
446,726	95,885	652,126	15,041,000	(190,959)	18,131,753	26,904,052
<u>\$ 952,433</u>	<u>\$ 50,607</u>	<u>\$ 738,306</u>	<u>\$ 16,977,847</u>	<u>\$ 28,360</u>	<u>\$ 17,662,103</u>	<u>\$ 36,982,861</u>

(Continued)

CITY OF ORLANDO, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016
(continued)

	<u>Capital Projects Funds</u>		
	<u>Narcoossee Road Construction</u>	<u>Public Safety Construction</u>	<u>Total Non-Major Governmental Funds</u>
REVENUES			
Taxes:			
Property	\$ -	\$ -	\$ 388,738
Local Option Fuel	-	-	8,900,769
Other Intergovernmental	-	-	17,716,857
Permits and Fees	-	-	22,577,379
Charges for Services	-	-	14,163,788
Income on Investments	209	2,156,742	5,208,119
Special Assessments	-	-	5,317,249
Other Revenues	-	-	2,840,830
Total Revenues	<u>209</u>	<u>2,156,742</u>	<u>77,113,729</u>
EXPENDITURES			
Current Operating:			
Executive Offices	-	-	1,090,970
Housing and Community Development	-	-	8,966,399
Economic Development	-	-	13,760,693
Public Works	-	-	2,376,732
Families, Parks, and Recreation	-	-	1,942,048
Police	-	-	14,027,661
Fire	-	-	307,626
Orlando Venues	-	-	2,846,724
Other Expenditures	-	-	30,224
Intergovernmental	-	-	3,873,006
Capital Improvements	-	36,984,584	46,662,947
Debt Service:			
Principal Payments	-	-	6,856,585
Interest and Other	-	-	112,709
Total Expenditures	<u>-</u>	<u>36,984,584</u>	<u>102,854,324</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>209</u>	<u>(34,827,842)</u>	<u>(25,740,595)</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers In	-	-	2,640,123
Transfers Out	(996,776)	-	(2,157,386)
Issuance of Debt	-	30,000,000	30,000,000
Total Other Financing Sources and (Uses)	<u>(996,776)</u>	<u>30,000,000</u>	<u>30,482,737</u>
Net Change in Fund Balances	<u>(996,567)</u>	<u>(4,827,842)</u>	<u>4,742,142</u>
Fund Balances - Beginning	<u>996,567</u>	<u>55,599,997</u>	<u>126,951,930</u>
Fund Balances - Ending	<u>\$ -</u>	<u>\$ 50,772,155</u>	<u>\$ 131,694,072</u>

**CITY OF ORLANDO, FLORIDA
BUDGETARY COMPARISON SCHEDULE
CAPITAL IMPROVEMENT FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance With Final Budget Positive (Negative)
	Original	Final		
Resources (inflows):				
Permits and Fees	\$ -	\$ -	\$ 106,650	\$ 106,650
Charges for Services	-	1,000	231,919	230,919
Income on Investments	587,107	587,107	2,420,467	1,833,360
Other	-	322,122	641,221	319,099
Sale of Land	-	4,574,111	4,518,814	(55,297)
Transfers from Other Funds	10,230,692	19,206,732	19,209,076	2,344
Amounts available for appropriation	10,817,799	24,691,072	27,128,147	2,437,075
Charges to Appropriations (outflows):				
Capital Improvements:				
Executive Offices	-	2,554,813	114,975	2,439,838
Economic Development	-	9,537,650	1,655,886	7,881,764
Families, Parks, and Recreation	2,000,000	3,587,180	1,932,377	1,654,803
Business and Financial Services	2,639,342	35,891,587	11,235,331	24,656,256
Fire	1,000,000	2,829,313	139,018	2,690,295
Police	1,000,000	643,038	277,614	365,424
Public Works	1,700,000	14,791,804	2,748,049	12,043,755
Orlando Venues	1,891,350	4,852,492	1,483,888	3,368,604
Non-departmental:	-	-	-	-
Other Expenditures	940,190	6,780,903	1,072,876	5,708,027
Transfers to Other Funds	-	1,752,148	1,752,148	-
Total	11,170,882	83,220,928	22,412,162	(60,808,766)
Excess (Deficiency) of Resources Over				
Charges to Appropriations	(353,083)	(58,529,856)	4,715,985	63,245,841
Fund Balance Allocation	353,083	58,529,856	-	(58,529,856)
Excess (Deficiency) of Resources Over				
Charges to Appropriations	\$ -	\$ -	\$ 4,715,985	\$ 4,715,985

Explanation of Differences between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.	\$ 27,128,147
Differences - budget to GAAP:	
Sale of Land are inflows of budgetary resources but are not revenues for financial reporting purposes.	(4,518,814)
Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes.	(19,209,076)
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	\$ 3,400,257

Uses/outflows of resources

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.	\$ 22,412,162
Differences - budget to GAAP:	
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.	(2,547,671)
Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes.	(1,752,148)
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances-governmental funds.	\$ 18,112,343

**CITY OF ORLANDO, FLORIDA
BUDGETARY COMPARISON SCHEDULE
HOUSING AND URBAN DEVELOPMENT GRANTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016**

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Resources (inflows):				
Other Intergovernmental	\$ 6,069,933	\$ 6,069,933	\$ 7,693,216	\$ 1,623,283
Income on Investments	-	-	15,471	15,471
Other	-	72,423	72,423	-
Amounts available for appropriation	<u>6,069,933</u>	<u>6,142,356</u>	<u>7,781,110</u>	<u>1,638,754</u>
Charges to Appropriations (outflows):				
Current Operating:				
Housing and Community Development	6,069,933	12,899,814	7,774,345	5,125,469
Total	<u>6,069,933</u>	<u>12,899,814</u>	<u>7,774,345</u>	<u>5,125,469</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	<u>-</u>	<u>(6,757,458)</u>	<u>6,765</u>	<u>6,764,223</u>
Fund Balance Allocation	<u>-</u>	<u>6,757,458</u>	<u>-</u>	<u>(6,757,458)</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,765</u>	<u>\$ 6,765</u>

Explanation of Differences between Budgetary Inflows and Outflows and GAAP

Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.

\$ 7,781,110

Differences - budget to GAAP:

Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes.

-

Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.

\$ 7,781,110

Uses/outflows of resources

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.

\$ 7,774,345

Differences - budget to GAAP:

Encumbrances for goods and services ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year they are received for financial reporting purposes

(8,779)

Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes.

-

Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances-governmental funds.

\$ 7,765,566

**CITY OF ORLANDO, FLORIDA
BUDGETARY COMPARISON SCHEDULE
STATE HOUSING PARTNERSHIP
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016**

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Resources (inflows):				
Other Intergovernmental	\$ 1,228,168	\$ 1,247,369	\$ 1,128,274	\$ (119,095)
Income on Investments	-	52,975	26,116	(26,859)
Other	-	7,500	13,500	6,000
Amounts available for appropriation	<u>1,228,168</u>	<u>1,307,844</u>	<u>1,167,890</u>	<u>(139,954)</u>
Charges to Appropriations (outflows):				
Current Operating:				
Housing and Community Development	1,228,168	2,484,014	1,200,833	1,283,181
Total	<u>1,228,168</u>	<u>2,484,014</u>	<u>1,200,833</u>	<u>1,283,181</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	<u>-</u>	<u>(1,176,170)</u>	<u>(32,943)</u>	<u>1,143,227</u>
Fund Balance Allocation	<u>-</u>	<u>1,176,170</u>	<u>-</u>	<u>(1,176,170)</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (32,943)</u>	<u>\$ (32,943)</u>

Explanation of Differences between Budgetary Inflows and Outflows and GAAP

Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.

\$ 1,167,890

Differences - budget to GAAP:

Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes.

-

Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.

\$ 1,167,890

Uses/outflows of resources

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.

\$ 1,200,833

Differences - budget to GAAP:

Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes.

-

Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances-governmental funds.

\$ 1,200,833

**CITY OF ORLANDO, FLORIDA
BUDGETARY COMPARISON SCHEDULE
GRANT FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance With Final Budget Positive (Negative)
	Original	Final		
Resources (inflows):				
Other Intergovernmental	\$ -	\$ 7,164,149	\$ 7,887,710	\$ 723,561
Other	-	-	39,206	39,206
Amounts available for appropriation	-	7,164,149	7,926,916	762,767
Charges to Appropriations (outflows):				
Current Operating:				
Executive Offices	-	117,025	142,727	(25,702)
Housing and Community Development	-	-	-	-
Economic Development	-	2,568,663	2,152,194	416,469
Public Works	-	5,208,518	5,781,355	(572,837)
Families, Parks, and Recreation	-	4,411,375	1,942,048	2,469,327
Police	-	1,958,027	1,101,561	856,466
Fire	-	395,799	323,887	71,912
Orlando Venues	-	153,000	71,143	81,857
Transportation	-	14,286,291	1,409,717	12,876,574
Total	-	29,098,698	12,924,632	16,174,066
Excess (Deficiency) of Resources Over Charges to Appropriations	-	(21,934,549)	(4,997,716)	16,936,833
Fund Balance Allocation	-	21,934,549	-	(21,934,549)
Excess (Deficiency) of Resources Over Charges to Appropriations	\$ -	\$ -	\$ (4,997,716)	\$ (4,997,716)

Explanation of Differences between Budgetary Inflows and Outflows and GAAP

Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.

\$ 7,926,916

Differences - budget to GAAP:

Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes.

-

Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.

\$ 7,926,916

Uses/outflows of resources

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.

\$ 12,924,632

Differences - budget to GAAP:

Encumbrances for goods and services ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year they are received for financial reporting purposes

(4,911,959)

Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes.

-

Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances-governmental funds.

\$ 8,012,673

**CITY OF ORLANDO, FLORIDA
BUDGETARY COMPARISON SCHEDULE
FORFEITURES ACT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance With Final Budget Positive (Negative)
	Original	Final		
Resources (inflows):				
Other Intergovernmental	\$ -	\$ -	\$ 583,128	\$ 583,128
Income (Loss) on Investments	-	-	147,758	147,758
Other	-	-	2,274	2,274
Amounts available for appropriation	-	-	733,160	733,160
Charges to Appropriations (outflows):				
Current Operating:				
Police	1,750,000	2,060,876	1,308,101	752,775
Total	1,750,000	2,060,876	1,308,101	752,775
Excess (Deficiency) of Resources Over Charges to Appropriations	(1,750,000)	(2,060,876)	(574,941)	1,485,935
Fund Balance Allocation	1,750,000	2,060,876	-	(2,060,876)
Excess (Deficiency) of Resources Over Charges to Appropriations	\$ -	\$ -	\$ (574,941)	\$ (574,941)

Explanation of Differences between Budgetary Inflows and Outflows and GAAP

Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.

\$ 733,160

Differences - budget to GAAP:

Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes.

-

Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.

\$ 733,160

Uses/outflows of resources

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.

\$ 1,308,101

Differences - budget to GAAP:

Encumbrances for goods and services ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year they are received for financial reporting purposes

(383,639)

Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes.

-

Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances-governmental funds.

\$ 924,462

**CITY OF ORLANDO, FLORIDA
BUDGETARY COMPARISON SCHEDULE
SPECIAL ASSESSMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016**

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Resources (inflows):				
Income on Investments	-	-	219,170	219,170
Special Assessments	1,502,569	1,502,569	5,317,249	3,814,680
Transfers from Other Funds	12,174	12,174	12,174	-
Amounts available for appropriation	<u>1,514,743</u>	<u>1,514,743</u>	<u>5,548,593</u>	<u>4,033,850</u>
Charges to Appropriations (outflows):				
Current Operating:				
Other Expenditures	12,174	12,174	30,224	(18,050)
Debt Service	1,502,569	1,502,569	6,969,294	(5,466,725)
Total	<u>1,514,743</u>	<u>1,514,743</u>	<u>6,999,518</u>	<u>(5,484,775)</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	<u>-</u>	<u>-</u>	<u>(1,450,925)</u>	<u>(1,450,925)</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,450,925)</u>	<u>\$ (1,450,925)</u>

Explanation of Differences between Budgetary Inflows and Outflows and GAAP

Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.

\$ 5,548,593

Differences - budget to GAAP:

Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes.

(12,174)

Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.

\$ 5,536,419

Uses/outflows of resources

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.

\$ 6,999,518

Differences - budget to GAAP:

Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes.

-

Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances-governmental funds.

\$ 6,999,518

**CITY OF ORLANDO, FLORIDA
BUDGETARY COMPARISON SCHEDULE
DOWNTOWN SOUTH NEIGHBORHOOD
IMPROVEMENT DISTRICT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance With Final Budget Positive (Negative)
	Original	Final		
Resources (inflows):				
Taxes:				
Property	\$ 383,595	\$ 383,595	\$ 388,738	\$ 5,143
Income on Investments	-	-	36,268	36,268
Other	-	-	151,667	151,667
Amounts available for appropriation	383,595	383,595	576,673	193,078
Charges to Appropriations (outflows):				
Current Operating:				
Economic Development	383,595	383,595	70,966	312,629
Total	383,595	383,595	70,966	312,629
Excess (Deficiency) of Resources Over Charges to Appropriations	-	-	505,707	505,707
Excess (Deficiency) of Resources Over Charges to Appropriations	\$ -	\$ -	\$ 505,707	\$ 505,707

Explanation of Differences between Budgetary Inflows and Outflows and GAAP

Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis) "available for appropriation"
from the budgetary comparison schedule.

\$ 576,673

Differences - budget to GAAP:

Transfers from other funds are inflows of budgetary resources
but are not revenues for financial reporting purposes.

-

**Total revenues as reported on the statement of revenues,
expenditures, and changes in fund balances - governmental
funds.**

\$ 576,673

Uses/outflows of resources

Actual amounts (budgetary basis) "total charges to appropriations"
from the budgetary comparison schedule.

\$ 70,966

Differences - budget to GAAP:

Transfers to other funds are outflows of budgetary resources
but are not expenditures for financial reporting purposes.

-

**Total expenditures as reported on the statement of revenues,
expenditures, and changes in fund balances-governmental
funds.**

\$ 70,966

**CITY OF ORLANDO, FLORIDA
BUDGETARY COMPARISON SCHEDULE
H.P. LEU GARDENS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance With Final Budget Positive (Negative)
	Original	Final		
Resources (inflows):				
Charges for Services	\$ 1,163,500	\$ 1,163,500	\$ 1,288,340	\$ 124,840
Income on Investments	-	-	3,129	3,129
Other	9,000	9,000	8,254	(746)
Transfers from Other Funds	1,522,000	1,522,000	1,522,000	-
Amounts available for appropriation	<u>2,694,500</u>	<u>2,694,500</u>	<u>2,821,723</u>	<u>127,223</u>
Charges to Appropriations (outflows):				
Current Operating:				
Orlando Venues	2,694,500	2,621,424	2,783,515	(162,091)
Transfers to Other Funds	-	91,420	91,420	-
Total	<u>2,694,500</u>	<u>2,712,844</u>	<u>2,874,935</u>	<u>(162,091)</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	<u>-</u>	<u>(18,344)</u>	<u>(53,212)</u>	<u>(34,868)</u>
Fund Balance Allocation	<u>-</u>	<u>18,344</u>	<u>-</u>	<u>(18,344)</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (53,212)</u>	<u>\$ (53,212)</u>

Explanation of Differences between Budgetary Inflows and Outflows and GAAP

Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.

\$ 2,821,723

Differences - budget to GAAP:

Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes.

(1,522,000)

Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.

\$ 1,299,723

Uses/outflows of resources

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.

\$ 2,874,935

Differences - budget to GAAP:

Encumbrances for goods and services ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year they are received for financial reporting purposes

(7,934)

Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes.

(91,420)

Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances-governmental funds.

\$ 2,775,581

**CITY OF ORLANDO, FLORIDA
BUDGETARY COMPARISON SCHEDULE
CEMETERY FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance With Final Budget Positive (Negative)
	Original	Final		
Resources (inflows):				
Charges for Services	\$ 650,000	\$ 650,000	\$ 875,364	\$ 225,364
Income on Investments	10,054	10,054	49,886	39,832
Transfers from Other Funds	109,173	109,173	109,173	-
Amounts available for appropriation	<u>769,227</u>	<u>769,227</u>	<u>1,034,423</u>	<u>265,196</u>
Charges to Appropriations (outflows):				
Current Operating:				
Executive Offices	769,227	769,227	962,063	(192,836)
Transfers to Other Funds	-	-	-	-
Total	<u>769,227</u>	<u>769,227</u>	<u>962,063</u>	<u>(192,836)</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	-	-	72,360	72,360
Excess (Deficiency) of Resources Over Charges to Appropriations-Restated	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 72,360</u>	<u>\$ 72,360</u>

Explanation of Differences between Budgetary Inflows and Outflows and GAAP

Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.

\$ 1,034,423

Differences - budget to GAAP:

Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes.

(109,173)

Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.

\$ 925,250

Uses/outflows of resources

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.

\$ 962,063

Differences - budget to GAAP:

Encumbrances for goods and services ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year they are received for financial reporting purposes

(13,820)

Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes.

-

Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances-governmental funds.

\$ 948,243

**CITY OF ORLANDO, FLORIDA
BUDGETARY COMPARISON SCHEDULE
BUILDING CODE ENFORCEMENT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance With Final Budget Positive (Negative)
	Original	Final		
Resources (inflows):				
Permits and Fees	\$ 9,000,000	\$ 9,000,000	\$ 13,804,270	\$ 4,804,270
Income on Investments	143,303	143,303	632,919	489,616
Other	-	-	144,596	144,596
Amounts available for appropriation	<u>9,143,303</u>	<u>9,143,303</u>	<u>14,581,785</u>	<u>5,438,482</u>
Charges to Appropriations (outflows):				
Current Operating:				
Economic Development	9,432,860	18,916,592	11,607,475	7,309,117
Transfers to Other Funds	1,069,190	1,069,190	1,069,190	-
Total	<u>10,502,050</u>	<u>19,985,782</u>	<u>12,676,665</u>	<u>7,309,117</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	<u>(1,358,747)</u>	<u>(10,842,479)</u>	<u>1,905,120</u>	<u>12,747,599</u>
Fund Balance Allocation	<u>1,358,747</u>	<u>10,842,479</u>	<u>-</u>	<u>(10,842,479)</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,905,120</u>	<u>\$ 1,905,120</u>

Explanation of Differences between Budgetary Inflows and Outflows and GAAP

Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.

\$ 14,581,785

Differences - budget to GAAP:

Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes.

-

Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.

\$ 14,581,785

Uses/outflows of resources

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.

\$ 12,676,665

Differences - budget to GAAP:

Encumbrances for goods and services ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year they are received for financial reporting purposes

(31,727)

Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes.

(1,069,190)

Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances-governmental funds.

\$ 11,575,748

**CITY OF ORLANDO, FLORIDA
BUDGETARY COMPARISON SCHEDULE
GOAA POLICE FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance With Final Budget Positive (Negative)
	Original	Final		
Resources (inflows):				
Intergovernmental	\$ 11,954,780	\$ 11,954,780	\$ 12,264,100	\$ 309,320
Amounts available for appropriation	<u>11,954,780</u>	<u>11,954,780</u>	<u>12,264,100</u>	<u>309,320</u>
Charges to Appropriations (outflows):				
Current Operating:				
Police	11,954,780	11,954,780	12,044,781	(90,001)
Total	<u>11,954,780</u>	<u>11,954,780</u>	<u>12,044,781</u>	<u>(90,001)</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	<u>-</u>	<u>-</u>	<u>219,319</u>	<u>219,319</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 219,319</u>	<u>\$ 219,319</u>

**Explanation of Differences between Budgetary Inflows and Outflows and GAAP
Revenues and Expenditures**

Sources/inflows of resources

Actual amounts (budgetary basis) "available for appropriation"
from the budgetary comparison schedule.

\$ 12,264,100

Differences - budget to GAAP:

Transfers from other funds are inflows of budgetary resources
but are not revenues for financial reporting purposes.

-

**Total revenues as reported on the statement of revenues,
expenditures, and changes in fund balances - governmental
funds.**

\$ 12,264,100

Uses/outflows of resources

Actual amounts (budgetary basis) "total charges to appropriations"
from the budgetary comparison schedule.

\$ 12,044,781

Differences - budget to GAAP:

Encumbrances for goods and services ordered but not
received is reported in the year the order is placed
for budgetary purposes, but in the year they are received
for financial reporting purposes

-

Transfers to other funds are outflows of budgetary resources
but are not expenditures for financial reporting purposes.

-

**Total expenditures as reported on the statement of revenues,
expenditures, and changes in fund balances-governmental
funds.**

\$ 12,044,781

**CITY OF ORLANDO, FLORIDA
BUDGETARY COMPARISON SCHEDULE
GAS TAX FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance With Final Budget Positive (Negative)
	Original	Final		
Resources (inflows):				
Taxes:				
Local Option Fuel	\$ 8,000,000	\$ 8,000,000	\$ 8,900,769	\$ 900,769
Charges for Services	-	-	8,846	8,846
Income on Investments	226,198	226,198	579,512	353,314
Other	-	-	2,195,946	2,195,946
Amounts available for appropriation	<u>8,226,198</u>	<u>8,226,198</u>	<u>11,685,073</u>	<u>3,458,875</u>
Charges to Appropriations (outflows):				
Intergovernmental	-	-	3,873,006	(3,873,006)
Capital Improvements	5,276,198	20,439,806	9,723,697	10,716,109
Total	<u>5,276,198</u>	<u>20,439,806</u>	<u>13,596,703</u>	<u>6,843,103</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	<u>2,950,000</u>	<u>(12,213,608)</u>	<u>(1,911,630)</u>	<u>10,301,978</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	<u>\$ 2,950,000</u>	<u>\$ (12,213,608)</u>	<u>\$ (1,911,630)</u>	<u>\$ 10,301,978</u>

Explanation of Differences between Budgetary Inflows and Outflows and GAAP

Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.

\$ 11,685,073

Differences - budget to GAAP:

 Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes.

-

Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.

\$ 11,685,073

Uses/outflows of resources

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.

\$ 13,596,703

Differences - budget to GAAP:

 Encumbrances for goods and services ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year they are received for financial reporting purposes

(1,441,980)

 Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes.

-

Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances-governmental funds.

\$ 12,154,723

**CITY OF ORLANDO, FLORIDA
BUDGETARY COMPARISON SCHEDULE
TRANSPORTATION IMPACT FEES FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance With Final Budget Positive (Negative)
	Original	Final		
Resources (inflows):				
Permits and Fees	\$ 4,000,000	\$ 4,000,000	\$ 8,773,109	\$ 4,773,109
Income (Loss) on Investments	354,936	354,936	1,340,939	986,003
Contributions, Donations and Grants	-	100,981	-	(100,981)
Other	-	-	364,631	364,631
Transfers from Other Funds	-	996,776	996,776	-
Amounts available for appropriation	<u>4,354,936</u>	<u>5,452,693</u>	<u>11,475,455</u>	<u>6,022,762</u>
Charges to Appropriations (outflows):				
Capital Improvements	4,363,115	20,040,528	1,684,785	18,355,743
Total	<u>4,363,115</u>	<u>20,040,528</u>	<u>1,684,785</u>	<u>18,355,743</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	<u>(8,179)</u>	<u>(14,587,835)</u>	<u>9,790,670</u>	<u>24,378,505</u>
Fund Balance Allocation	<u>8,179</u>	<u>14,587,835</u>	<u>-</u>	<u>(14,587,835)</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,790,670</u>	<u>\$ 9,790,670</u>

Explanation of Differences between Budgetary Inflows and Outflows and GAAP

Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.

\$ 11,475,455

Differences - budget to GAAP:

Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes.

(996,776)

Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.

\$ 10,478,679

Uses/outflows of resources

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.

\$ 1,684,785

Differences - budget to GAAP:

Encumbrances for goods and services ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year they are received for financial reporting purposes

(288,139)

Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes.

-

Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances-governmental funds.

\$ 1,396,646

**CITY OF ORLANDO, FLORIDA
BUDGETARY COMPARISON SCHEDULE
NARCOOSSEE ROAD CONSTRUCTION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance With Final Budget Positive (Negative)
	Original	Final		
Resources (inflows):				
Income on Investments	\$ -	\$ -	\$ 209	\$ 209
Amounts available for appropriation	-	-	209	209
Charges to Appropriations (outflows):				
Capital Improvements:				
Transfers to Other Funds	-	996,776	996,776	-
Total	-	996,776	996,776	-
Excess (Deficiency) of Resources Over Charges to Appropriations	-	(996,776)	(996,567)	209
Fund Balance Allocation	-	996,776	-	(996,776)
Excess (Deficiency) of Resources Over Charges to Appropriations	\$ -	\$ -	\$ (996,567)	\$ (996,567)

Explanation of Differences between Budgetary Inflows and Outflows and GAAP

Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.

\$ 209

Differences - budget to GAAP:

Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes.

-

Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.

\$ 209

Uses/outflows of resources

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.

\$ 996,776

Differences - budget to GAAP:

Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes.

(996,776)

Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances-governmental funds.

\$ -

**CITY OF ORLANDO, FLORIDA
BUDGETARY COMPARISON SCHEDULE
PUBLIC SAFETY CONSTRUCTION FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance With Final Budget Positive (Negative)
	Original	Final		
Resources (inflows):				
Income on Investments	\$ -	\$ 283,887	\$ 2,156,742	\$ 1,872,855
Issuance of Debt	-	30,000,000	30,000,000	-
Amounts available for appropriation	-	30,283,887	32,156,742	1,872,855
Charges to Appropriations (outflows):				
Capital Improvements:				
Business and Financial Services	-	30,735,684	6,377,126	24,358,558
Public Works	-	52,683,337	44,227,090	8,456,247
Police	-	1,840,000	-	1,840,000
Fire	-	171,372	69,891	101,481
Total	-	85,430,393	50,674,107	34,756,286
Excess (Deficiency) of Resources Over Charges to Appropriations	-	(55,146,506)	(18,517,365)	36,629,141
Fund Balance Allocation	-	55,146,506	-	55,146,506
Excess (Deficiency) of Resources Over Charges to Appropriations	\$ -	\$ -	\$ (18,517,365)	\$ 18,517,365

Explanation of Differences between Budgetary Inflows and Outflows and GAAP

Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.

\$ 32,156,742

Differences - budget to GAAP:

Bond and loan proceeds are inflows of budgetary resources but are not revenues for financial reporting purposes.

(30,000,000)

Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes.

-

Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.

\$ 2,156,742

Uses/outflows of resources

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.

\$ 50,674,107

Differences - budget to GAAP:

Encumbrances for goods and services ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year they are received for financial reporting purposes

(13,689,523)

Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes.

-

Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances-governmental funds.

\$ 36,984,584



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INTERNAL SERVICE FUNDS

Fleet Management	Accounts for the operation and intracity charges for all City owned vehicles.
Risk Management	Accounts for the City's risk management activity for worker's compensation, auto liability, property and contents loss, and general liability.
Internal Loan	Accounts for loans and bonds recorded in the City's Banking Fund which are loaned to other funds and component units to provide financing for capital projects. The funding for this program comes from the Sunshine State Governmental Financing Commission Loans and the Capital Improvement Special Revenue Bonds.
Construction Management	Accounts for the management and inspection services provided to other funds' construction projects.
Health Care	Accounts for health insurance payments for the City's employees' health plan.
Facilities Management	Accounts for the construction, remodeling, preventative maintenance, and general repairs to City facilities provided to other funds.

**CITY OF ORLANDO, FLORIDA
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
SEPTEMBER 30, 2016**

	Governmental Activities Internal Service Funds		
	Fleet Management	Risk Management	Internal Loan
ASSETS			
Current Assets:			
Current Cash and Cash Equivalents	\$ 58,750,510	\$ 51,236,645	\$ 37,433,366
Accounts Receivable (Net)	-	-	-
Due From Other Governments	2,502	-	-
Inventories	397,771	-	-
Prepaid Items	-	882,670	-
Total Current Assets	<u>59,150,783</u>	<u>52,119,315</u>	<u>37,433,366</u>
Non-Current Assets:			
Restricted:			
Investments	-	-	6,801,112
Loans Receivable from Other Funds	-	-	262,113,397
Capital Assets:			
Land	555,768	-	-
Buildings	8,294,954	-	-
Improvements Other Than Buildings	1,704,577	-	-
Equipment	4,463,217	285,290	-
Vehicles	104,292,693	-	-
Less Accumulated Depreciation	(70,549,786)	(207,876)	-
Total Non-Current Assets	<u>48,761,423</u>	<u>77,414</u>	<u>268,914,509</u>
Total Assets	<u>107,912,206</u>	<u>52,196,729</u>	<u>306,347,875</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Expense on Refunding Bonds	-	-	5,933,600
Deferred Outflows - Pension Related	519,343	128,115	-
Total Deferred Outflows	<u>519,343</u>	<u>128,115</u>	<u>5,933,600</u>
LIABILITIES			
Current Liabilities:			
Accounts Payable	1,322,560	1,226,489	10,938
Accrued Liabilities	51,363	14,107	-
Accrued Interest Payable	-	-	5,322,296
Compensated Absences	17,070	10,389	-
Current Portion of Loans/Leases Payable	-	-	1,851,000
Current Portion of Bonds Payable	-	-	9,870,000
Current Portion of Claims Liabilities	-	10,999,000	-
Total Current Liabilities	<u>1,390,993</u>	<u>12,249,985</u>	<u>17,054,234</u>
Non-Current Liabilities:			
Non-Current Compensated Absences	196,301	119,478	-
Net Pension Liability	810,521	201,127	-
Loans/Leases Due After One Year	-	-	12,957,000
Bonds Payable After One Year	-	-	270,033,224
Claims Liabilities After One Year	-	24,440,000	-
Total Non-Current Liabilities	<u>1,006,822</u>	<u>24,760,605</u>	<u>282,990,224</u>
Total Liabilities	<u>2,397,815</u>	<u>37,010,590</u>	<u>300,044,458</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows - Pension Related	22,269	5,608	-
NET POSITION			
Net Investment in Capital Assets	48,761,423	77,414	-
Restricted:			
Unrestricted	57,250,042	15,231,232	12,237,017
Total Net Position	<u>\$ 106,011,465</u>	<u>\$ 15,308,646</u>	<u>\$ 12,237,017</u>

**Governmental Activities
Internal Service Funds**

Construction Management	Health Care	Facilities Management	Total Internal Service Funds
\$ 190,189	\$ 23,395,741	\$ 1,935,857	\$ 172,942,308
-	1,377	-	1,377
-	-	25,000	27,502
-	-	-	397,771
-	1,481,871	-	2,364,541
<u>190,189</u>	<u>24,878,989</u>	<u>1,960,857</u>	<u>175,733,499</u>
-	-	-	6,801,112
-	-	-	262,113,397
-	-	-	555,768
-	-	13,199	8,308,153
-	-	498,333	2,202,910
-	-	3,004,818	7,753,325
-	-	-	104,292,693
-	-	(2,943,955)	(73,701,617)
-	-	<u>572,395</u>	<u>318,325,741</u>
<u>190,189</u>	<u>24,878,989</u>	<u>2,533,252</u>	<u>494,059,240</u>
-	-	-	5,933,600
<u>419,290</u>	<u>11,646</u>	<u>535,274</u>	<u>1,613,668</u>
<u>419,290</u>	<u>11,646</u>	<u>535,274</u>	<u>7,547,268</u>
269	4,006,000	1,666,022	8,232,278
86,543	2,261	54,305	208,579
-	-	-	5,322,296
37,990	568	22,199	88,216
-	-	-	1,851,000
-	-	-	9,870,000
-	-	-	10,999,000
124,802	4,008,829	1,742,526	36,571,369
436,890	6,527	255,295	1,014,491
658,236	18,284	816,354	2,504,522
-	-	-	12,957,000
-	-	-	270,033,224
-	-	-	24,440,000
<u>1,095,126</u>	<u>24,811</u>	<u>1,071,649</u>	<u>310,949,237</u>
<u>1,219,928</u>	<u>4,033,640</u>	<u>2,814,175</u>	<u>347,520,606</u>
<u>18,352</u>	<u>509</u>	<u>21,102</u>	<u>67,840</u>
-	-	572,395	49,411,232
(628,801)	20,856,486	(339,146)	104,606,830
<u>\$ (628,801)</u>	<u>\$ 20,856,486</u>	<u>\$ 233,249</u>	<u>\$ 154,018,062</u>

**CITY OF ORLANDO, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016**

	Governmental Activities Internal Service Funds		
	Fleet Management	Risk Management	Internal Loan
Operating Revenues			
User Charges	\$ 29,344,801	\$ 12,095,186	\$ 10,514,779
Other	1,324,204	4,011	-
Total Operating Revenues	<u>30,669,005</u>	<u>12,099,197</u>	<u>10,514,779</u>
Operating Expenses			
Salaries, Wages, and Employee Benefits	3,287,366	815,493	-
Services and Supplies	15,957,447	11,060,260	38,542
Depreciation Expense	9,429,546	18,882	-
Total Operating Expenses	<u>28,674,359</u>	<u>11,894,635</u>	<u>38,542</u>
Operating Income (Loss)	<u>1,994,646</u>	<u>204,562</u>	<u>10,476,237</u>
Non-Operating Revenues (Expenses)			
Income on Investments	2,203,161	1,961,272	953,255
Interest Expense	-	-	(9,276,650)
Gain (Loss) on Disposal of Capital Assets	(190,786)	131	-
Total Non-Operating Revenues (Expenses)	<u>2,012,375</u>	<u>1,961,403</u>	<u>(8,323,395)</u>
Income (Loss) Before Contributions and Transfers	<u>4,007,021</u>	<u>2,165,965</u>	<u>2,152,842</u>
Capital Contributions	3,383,185	82,707	-
Transfers In	-	-	2,500,000
Transfers Out	(307,478)	(2,007,697)	-
	<u>3,075,707</u>	<u>(1,924,990)</u>	<u>2,500,000</u>
Change in Net Position	7,082,728	240,975	4,652,842
Net Position - Beginning	98,928,737	15,067,671	7,584,175
Net Position - Ending	<u>\$ 106,011,465</u>	<u>\$ 15,308,646</u>	<u>\$ 12,237,017</u>

**Governmental Activities
Internal Service Funds**

Construction Management	Health Care	Facilities Management	Total Internal Service Funds
\$ 4,128,947	\$ 53,306,908	\$ 13,407,661	\$ 122,798,282
14,776	3,799,878	-	5,142,869
<u>4,143,723</u>	<u>57,106,786</u>	<u>13,407,661</u>	<u>127,941,151</u>
3,793,279	126,310	3,356,911	11,379,359
811,012	53,731,008	10,416,367	92,014,636
-	-	112,284	9,560,712
<u>4,604,291</u>	<u>53,857,318</u>	<u>13,885,562</u>	<u>112,954,707</u>
<u>(460,568)</u>	<u>3,249,468</u>	<u>(477,901)</u>	<u>14,986,444</u>
79	704,748	1,512	5,824,027
-	-	-	(9,276,650)
-	-	6,156	(184,499)
<u>79</u>	<u>704,748</u>	<u>7,668</u>	<u>(3,637,122)</u>
<u>(460,489)</u>	<u>3,954,216</u>	<u>(470,233)</u>	<u>11,349,322</u>
-	-	360,674	3,826,566
60,000	-	968,738	3,528,738
-	(125,000)	(13,961)	(2,454,136)
<u>60,000</u>	<u>(125,000)</u>	<u>1,315,451</u>	<u>4,901,168</u>
<u>(400,489)</u>	<u>3,829,216</u>	<u>845,218</u>	<u>16,250,490</u>
<u>(228,312)</u>	<u>17,027,270</u>	<u>(611,969)</u>	<u>137,767,572</u>
<u>\$ (628,801)</u>	<u>\$ 20,856,486</u>	<u>\$ 233,249</u>	<u>\$ 154,018,062</u>

**CITY OF ORLANDO, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016**

	Governmental Activities Internal Service Funds		
	Fleet Management	Risk Management	Internal Loan
Increase (Decrease) in Cash and Cash Equivalents:			
Cash Flows from Operating Activities:			
Receipts from Customers	\$ 30,666,502	\$ 12,099,197	\$ 10,514,779
Repayment of Loans from Other Funds	-	-	22,518,629
Loans to Other Funds	-	-	(35,707,916)
Payments to Suppliers	(14,738,740)	(11,997,604)	(42,948)
Payments to Employees	(2,001,413)	(535,423)	-
Payments to Internal Service Funds and Administrative Fees	(1,829,178)	(234,548)	-
Net Cash Flows Provided by (Used In) Operating Activities	<u>12,097,171</u>	<u>(668,378)</u>	<u>(2,717,456)</u>
Cash Flows from Noncapital Financing Activities:			
Transfers In	-	-	2,769,535
Transfers (Out)	(307,478)	(2,007,697)	(269,535)
Proceeds from Bonds and Loans	-	-	102,081,490
Inter Fund Services	-	-	-
Principal Paid on Bonds and Loans	-	-	(86,671,000)
Interest Paid on Bonds and Loans	-	-	(17,415,686)
Net Cash Flows Provided by (Used in) Noncapital Financing Activities	<u>(307,478)</u>	<u>(2,007,697)</u>	<u>494,804</u>
Cash Flows from Capital and Related Financing Activities:			
Additions to Capital Assets	(15,753,857)	(82,838)	-
Disposal of Capital Assets	(190,786)	82,838	-
Net Cash Flows Provided by (Used in) Capital and Related Financing Activities	<u>(15,944,643)</u>	<u>-</u>	<u>-</u>
Cash Flows from Investing Activities:			
Purchases of Investments	-	-	(6,258)
Proceeds from Sales and Maturities of Investments	-	-	7,050,599
Interest Income on Investments	2,203,161	1,961,272	953,255
Net Cash Flows Provided by Investing Activities	<u>2,203,161</u>	<u>1,961,272</u>	<u>7,997,596</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(1,951,789)	(714,803)	5,774,944
Cash and Cash Equivalents at Beginning of Year	<u>60,702,299</u>	<u>51,951,448</u>	<u>31,658,422</u>
Cash and Cash Equivalents at End of Year	<u>\$ 58,750,510</u>	<u>\$ 51,236,645</u>	<u>\$ 37,433,366</u>

Construction Management	Health Care	Facilities Management	Total Internal Service Funds
\$ 4,145,130	\$ 57,105,410	\$ 13,418,520	\$ 127,949,538
-	-	-	22,518,629
-	-	-	(35,707,916)
(1,161,956)	(53,903,668)	(9,861,404)	(91,706,320)
(2,377,832)	(87,903)	(2,022,139)	(7,024,710)
<u>(806,660)</u>	<u>(240,078)</u>	<u>(376,644)</u>	<u>(3,487,108)</u>
<u>(201,318)</u>	<u>2,873,761</u>	<u>1,158,333</u>	<u>12,542,113</u>
60,000	-	968,738	3,798,273
-	(125,000)	(13,961)	(2,723,671)
-	-	-	102,081,490
-	-	(136,000)	(136,000)
-	-	-	(86,671,000)
-	-	-	(17,415,686)
<u>60,000</u>	<u>(125,000)</u>	<u>818,777</u>	<u>(1,066,594)</u>
-	-	(404,507)	(16,241,202)
-	-	<u>360,674</u>	<u>252,726</u>
-	-	<u>(43,833)</u>	<u>(15,988,476)</u>
-	-	-	(6,258)
-	704,748	-	7,755,347
<u>79</u>	<u>-</u>	<u>1,512</u>	<u>5,119,279</u>
<u>79</u>	<u>704,748</u>	<u>1,512</u>	<u>12,868,368</u>
(141,239)	3,453,509	1,934,789	8,355,411
<u>331,428</u>	<u>19,942,232</u>	<u>1,068</u>	<u>164,586,897</u>
<u>\$ 190,189</u>	<u>\$ 23,395,741</u>	<u>\$ 1,935,857</u>	<u>\$ 172,942,308</u>

**CITY OF ORLANDO, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016
(continued)**

	Governmental Activities Internal Service Funds		
	Fleet Management	Risk Management	Internal Loan
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in)			
Operating Activities:			
Operating Income (Loss)	\$ 1,994,646	\$ 204,562	\$ 10,476,237
Adjustments Not Affecting Cash:			
Depreciation	9,429,546	18,882	-
(Increase) Decrease in Assets and Increase (Decrease) in Liabilities:			
Accounts Receivable	-	-	-
Inventory	(10,110)	-	-
Due from Government	(2,502)	-	-
Prepaid Items	25,201	(284,305)	-
Deferred Outflow	(309,561)	(75,669)	-
Loans to Other Funds	-	-	(13,189,287)
Accounts Payable	618,594	456,719	(4,406)
Accrued Liabilities	20,071	5,219	-
Compensated Absences	67,969	6,849	-
Pension Liability	270,695	66,169	-
Claims Payable	-	(1,065,000)	-
Deferred Inflow	(7,378)	(1,804)	-
Total Adjustments	<u>10,102,525</u>	<u>(872,940)</u>	<u>(13,193,693)</u>
Net Cash Provided by (Used In)			
Operating Activities	<u>\$ 12,097,171</u>	<u>\$ (668,378)</u>	<u>\$ (2,717,456)</u>
Noncash Investing, Capital, and Financing Activities:			
Capital asset donations received	\$ 3,383,182	\$ 82,707	\$ -

<u>Construction Management</u>	<u>Health Care</u>	<u>Facilities Management</u>	<u>Total Internal Service Funds</u>
\$ (460,568)	\$ 3,249,468	\$ (477,901)	\$ 14,986,444
-	-	112,284	9,560,712
1,407	(1,377)	10,858	10,888
-	-	-	(10,110)
-	-	-	(2,502)
-	8,717	-	(250,387)
(419,290)	(6,878)	(330,260)	(1,141,658)
-	-	-	(13,189,287)
(50,156)	(385,662)	1,374,601	2,009,690
45,774	978	24,648	96,690
4,927	2,665	163,179	245,589
658,236	6,015	288,795	1,289,910
-	-	-	(1,065,000)
18,352	(165)	(7,871)	1,134
<u>259,250</u>	<u>(375,707)</u>	<u>1,636,234</u>	<u>(2,444,331)</u>
<u>\$ (201,318)</u>	<u>\$ 2,873,761</u>	<u>\$ 1,158,333</u>	<u>\$ 12,542,113</u>
\$ -	\$ -	\$ 360,674	\$ 3,826,566



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FIDUCIARY FUNDS

Pension Trust Funds account for the activities of the firefighters' and police officers' and the general employees' pension funds, which accumulate resources for pension benefits and disability payments to qualified retirees.

Defined Contribution Plan Fund account for the activities of the General Employees 401(A) defined contribution plan.

Retiree Health Savings Fund account for the activities of the Retiree Health Saving Fund.

Employees' Disability Fund account for the activities in the employees' disability fund.

OPEB Trust Fund account for the funding of the City's OPEB Trust Fund.

**CITY OF ORLANDO, FLORIDA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2016**

	<u>Firefighters' Pension Funds</u>	<u>Police Pension Funds</u>	<u>General Employees' Pension Funds</u>
ASSETS			
Cash and Cash Equivalents	\$ 1,234,989	\$ 2,313	\$ 2,006,186
Cash with Fiscal Agents	-	-	-
Accounts Receivable	26,537	-	-
Prepaid Items	-	-	1,222,384
Investments, at Fair Value:			
Fixed Income	116,509,007	169,803,303	70,687,703
Equity	134,157,575	201,421,241	88,039,602
Real Estate	23,626,123	32,563,265	12,729,186
Global Commingled Investments	35,327,442	51,659,436	21,315,137
Hedge Fund of Funds	16,902,374	32,710,239	9,410,445
Private Equity	4,668,107	7,335,597	-
Private Debt	12,424,885	11,478,947	-
Other	2,284,206	5,789,854	670,685
Defined Contribution Mutual Funds	-	-	-
Firefighter Share Plan Mutual Funds	11,606,946	-	-
Retiree Health Savings Mutual Funds	-	-	-
Securities Lending Collateral	23,764,964	37,103,923	9,327,962
Participant Loans	-	-	-
Total Assets	<u>382,533,155</u>	<u>549,868,118</u>	<u>215,409,290</u>
LIABILITIES			
Obligations Under Security Lending	23,764,964	37,103,923	9,327,962
Accounts Payable	156,085	185,355	80,084
Accrued Liabilities	1,455	-	-
Due To Other Funds	-	715,000	-
Total Liabilities	<u>23,922,504</u>	<u>38,004,278</u>	<u>9,408,046</u>
NET POSITION			
Net Position - Restricted for Pension Benefits, OPEB, and Other Purposes	<u>\$ 358,610,651</u>	<u>\$ 511,863,840</u>	<u>\$ 206,001,244</u>

<u>Defined Contribution Plan Fund</u>	<u>Retiree Health Savings Fund</u>	<u>Employees' Disability Fund</u>	<u>OPEB Trust Fund</u>	<u>Total Employee Retirement Funds</u>
\$ -	\$ -	\$ 7,815,719	\$ 4,147,190	\$ 15,206,397
-	-	150,000	-	150,000
-	-	-	-	26,537
-	-	-	-	1,222,384
-	-	-	32,051,744	389,051,757
-	-	-	61,488,531	485,106,949
-	-	-	-	68,918,574
-	-	-	-	108,302,015
-	-	-	-	59,023,058
-	-	-	-	12,003,704
-	-	-	-	23,903,832
-	-	-	-	8,744,745
192,455,492	-	-	-	192,455,492
-	-	-	-	11,606,946
-	3,511,104	-	-	3,511,104
-	-	-	-	70,196,849
5,281,590	-	-	-	5,281,590
<u>197,737,082</u>	<u>3,511,104</u>	<u>7,965,719</u>	<u>97,687,465</u>	<u>1,454,711,933</u>
-	-	-	-	70,196,849
-	-	-	10,761	432,285
-	-	-	-	1,455
-	-	-	-	715,000
-	-	-	10,761	71,345,589
<u>\$ 197,737,082</u>	<u>\$ 3,511,104</u>	<u>\$ 7,965,719</u>	<u>\$ 97,676,704</u>	<u>\$ 1,383,366,344</u>

CITY OF ORLANDO, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

	Firefighters' Pension Funds	Police Pension Funds	General Employees' Pension Funds
ADDITIONS			
Contributions:			
Employer	\$ 13,450,900	\$ 22,119,219	\$ 7,858,415
State	2,379,840	2,155,329	-
State in Excess of 1997 Frozen Amounts	-	721,088	-
Plan Members	3,093,190	4,423,731	383,222
Plan Members State Shortfall	30,166	-	-
Plan Members Buyback	4,199	26,591	778
Transfers from the General Employee Pension Fund	-	-	-
Total Contributions	18,958,295	29,445,958	8,242,415
Investment Income:			
From Investment Activities			
Net Increase (Decrease) in Fair Value of Investments	24,695,825	34,246,178	15,534,105
Interest and Dividends	4,175,486	6,542,394	1,396,527
Net Investment Income	28,871,311	40,788,572	16,930,632
Investment Activity Expenses:			
Investment Management Fees	(1,048,920)	(1,299,853)	(521,616)
Custodian Fees	(56,743)	(113,714)	(54,925)
Total Investment Expenses	(1,105,663)	(1,413,567)	(576,541)
Net Income from Investing Activities	27,765,648	39,375,005	16,354,091
From Securities Lending Activities:			
Securities Lending Income	132,508	195,944	56,486
Security Lending Expenses:			
Interest and Agent Fees	(59,900)	(89,229)	(24,535)
Net Income from Securities Lending Activities	72,608	106,715	31,951
Total Net Investment Income	27,838,256	39,481,720	16,386,042
Total Additions, net	46,796,551	68,927,678	24,628,457
DEDUCTIONS			
Retirement Benefits	24,268,282	33,755,832	17,400,071
Retiree Healthcare Benefits	-	-	-
Long-Term Disability Benefits	-	-	-
Refunds of Contributions	-	168,994	39,598
Transfers to the Defined Contribution Plan	-	-	265,504
Administrative Expense	123,250	157,870	101,821
Salaries, Wages and Employee Benefits	26,510	32,450	32,449
Total Deductions	24,418,042	34,115,146	17,839,443
Net Increase (Decrease)	22,378,509	34,812,532	6,789,014
Net Position - Restricted for Pension Benefits, OPEB, and Other Purposes:			
Net position - Beginning of year	336,232,142	477,051,308	199,212,230
Net position - End of year	\$ 358,610,651	\$ 511,863,840	\$ 206,001,244

Defined Contribution Plan Fund	Retiree Health Savings Fund	Employees' Disability Fund	OPEB Trust Fund	Total Employee Retirement Funds
\$ 7,598,237	\$ 488,697	\$ -	\$ 22,679,549	\$ 74,195,017
-	-	-	-	4,535,169
-	-	-	-	721,088
2,674,110	-	-	-	10,574,253
-	-	-	-	30,166
-	-	-	-	31,568
265,504	-	-	-	265,504
<u>10,537,851</u>	<u>488,697</u>	<u>-</u>	<u>22,679,549</u>	<u>90,352,765</u>
15,578,456	303,479	-	8,432,561	98,790,604
55,128	-	293,703	822,261	13,285,499
<u>15,633,584</u>	<u>303,479</u>	<u>293,703</u>	<u>9,254,822</u>	<u>112,076,103</u>
-	-	-	(80,227)	(2,950,616)
-	-	-	(9,614)	(234,996)
-	-	-	(89,841)	(3,185,612)
<u>15,633,584</u>	<u>303,479</u>	<u>293,703</u>	<u>9,164,981</u>	<u>108,890,491</u>
-	-	-	-	384,938
-	-	-	-	(173,664)
-	-	-	-	211,274
<u>15,633,584</u>	<u>303,479</u>	<u>293,703</u>	<u>9,164,981</u>	<u>109,101,765</u>
<u>26,171,435</u>	<u>792,176</u>	<u>293,703</u>	<u>31,844,530</u>	<u>199,454,530</u>
11,023,765	-	-	-	86,447,950
-	3,474	-	16,112,626	16,116,100
-	-	342,557	-	342,557
-	-	-	-	208,592
-	-	-	-	265,504
-	-	34,834	106,090	523,865
-	-	-	-	91,409
<u>11,023,765</u>	<u>3,474</u>	<u>377,391</u>	<u>16,218,716</u>	<u>103,995,977</u>
<u>15,147,670</u>	<u>788,702</u>	<u>(83,688)</u>	<u>15,625,814</u>	<u>95,458,553</u>
182,589,412	2,722,402	8,049,407	82,050,890	1,287,907,791
<u>\$ 197,737,082</u>	<u>\$ 3,511,104</u>	<u>\$ 7,965,719</u>	<u>\$ 97,676,704</u>	<u>\$ 1,383,366,344</u>

**CITY OF ORLANDO, FLORIDA
 AGENCY FUND
 STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016**

School Impact Fee Fund

Cash and Cash Equivalents - Beginning Balance		\$	2,905,657
Add:			
Collections	14,265,456		
Income on Investments	103,250		
Administrative Fees	285,024		
Less:			
Reimbursable City Services	(388,274)		
Remittances to Orange School Board	<u>(9,500,813)</u>		<u>4,764,643</u>
Cash and Cash Equivalents - Ending Balance		\$	<u>7,670,300</u>

Accounts Payable - Beginning Balance		\$	2,905,657
Add:			
Collections	14,265,456		
Income on Investments	103,250		
Administrative Fees	285,024		
Less:			
Reimbursable City Services	(388,274)		
Remittances to Orange School Board	<u>(9,500,813)</u>		<u>4,764,643</u>
Accounts Payable - Ending Balance		\$	<u>7,670,300</u>



Keeping Orlando moving by providing multiple alternatives such as transit, bike and pedestrian forms of transportation will offer all those who live, work and play in Orlando options for getting around the City. This offers a variety of affordable alternatives to having a car and connects more of our residents with access to jobs and opportunity.

SUPPLEMENTAL INFORMATION

The following supplemental schedules present combining non-major fund statements and individual fund budgetary schedules.

Description of Schedules

Summary of Debt Service Requirements to Maturity

Statements of Bonded Debt and Interest

Primary Government:

Community Redevelopment Agency Bonds

Special Assessment Revenue Bonds

Capital Improvement Special Revenue Bonds

Wastewater System Bonds

Orlando Venues Revenue Bonds

**CITY OF ORLANDO, FLORIDA
SUMMARY OF DEBT SERVICE REQUIREMENTS TO MATURITY
ALL SERIES
2017-2047**

Primary Government				
Governmental Activities				
Fiscal Year	Community Redevelopment Agency Bonds	Conroy Road Tax Increment Revenue Ref. Bonds	Republic Drive Tax Increment Revenue Ref. Bonds	Capital Improvement Revenue Bonds
2017	\$ 13,158,954	\$ 1,928,250	\$ 3,873,991	\$ 20,675,267
2018	13,162,354	1,934,250	3,870,992	23,359,576
2019	13,158,567	1,932,000	3,871,192	22,854,587
2020	13,160,919	1,936,750	3,872,192	22,721,587
2021	13,125,898	1,938,000	3,872,741	22,527,462
2022	13,092,526	1,940,750	3,873,491	23,997,386
2023	13,055,884	1,939,750	3,873,241	25,572,152
2024	13,018,057	1,945,000	3,871,743	25,624,052
2025	12,913,819	1,946,000	3,873,742	16,713,823
2026	12,807,247	1,947,750	-	15,245,513
2027	12,686,559	-	-	13,622,163
2028	12,563,162	-	-	13,472,817
2029	12,435,921	-	-	13,332,818
2030	12,293,710	-	-	11,506,021
2031	12,151,387	-	-	11,442,498
2032	11,994,474	-	-	11,414,301
2033	11,826,662	-	-	8,891,327
2034	11,646,753	-	-	7,987,567
2035	11,458,563	-	-	7,980,642
2036	11,260,472	-	-	7,963,692
2037	11,055,908	-	-	7,972,826
2038	10,837,876	-	-	5,976,655
2039	10,605,668	-	-	2,974,250
2040	10,368,821	-	-	2,964,500
2041	-	-	-	2,964,875
2042	-	-	-	2,960,000
2043	-	-	-	2,964,500
2044	-	-	-	2,958,125
2045	-	-	-	2,950,875
2046	-	-	-	2,952,250
2047	-	-	-	2,946,875
	<u>\$ 293,840,161</u>	<u>\$ 19,388,500</u>	<u>\$ 34,853,325</u>	<u>\$ 367,490,982</u>

Notes:

- (1) This schedule represents only bonded indebtedness; therefore, the Sunshine State Governmental Financing Commission (SSGFC) loans, the State Infrastructure Bank (SIB) loan, and the Wastewater State Revolving Fund loans are not included in this schedule.
For information regarding the SSGFC loans, the SIB Loan, and the State Revolving Fund loans, see pages 88 through 91.

Business-type Activities

Wastewater Revenue Bonds	Orlando Venues Bonds	Total Principal & Interest Primary Government (1)
\$ 2,875,600	\$ 39,406,750	\$ 81,918,812
2,871,750	40,516,054	85,714,976
2,861,700	41,378,187	86,056,233
2,861,325	41,486,731	86,039,504
2,865,300	41,492,550	85,821,951
2,855,775	41,828,207	87,588,135
2,854,400	42,136,301	89,431,728
2,848,775	42,433,380	89,741,007
2,877,900	42,523,958	80,849,242
2,848,650	42,451,996	75,301,156
2,846,650	42,387,780	71,543,152
2,844,525	42,333,974	71,214,478
2,842,025	42,250,201	70,860,965
2,838,900	42,178,900	68,817,531
2,853,950	42,095,232	68,543,067
2,833,750	42,010,166	68,252,691
2,829,000	41,936,147	65,483,136
-	41,839,136	61,473,456
-	41,746,418	61,185,623
-	41,661,651	60,885,815
-	41,557,723	60,586,457
-	40,454,699	57,269,230
-	124,200,424	137,780,342
-	19,234,420	32,567,741
-	15,815,750	18,780,625
-	15,798,000	18,758,000
-	15,782,875	18,747,375
-	15,763,750	18,721,875
-	15,744,000	18,694,875
-	-	2,952,250
-	-	2,946,875
<u>\$ 48,509,975</u>	<u>\$ 1,140,445,360</u>	<u>\$ 1,904,528,303</u>

**CITY OF ORLANDO, FLORIDA
COMMUNITY REDEVELOPMENT AGENCY - DOWNTOWN DISTRICT
TAX INCREMENT REVENUE BONDS - SERIES 2009A
SCHEDULE OF BONDED DEBT AND INTEREST
SEPTEMBER 30, 2016**

<u>Year Ending September 30</u>	<u>Interest Rate - %</u>	<u>Interest</u>		<u>Principal Due September 1</u>	<u>Total Debt Service</u>
		<u>Due September 1</u>	<u>Due March 1</u>		
2017	4.000	\$ 289,813	\$ 289,812	\$ 1,705,000	\$ 2,284,625
2018	5.250	255,712	255,713	1,775,000	2,286,425
2019	5.250	209,119	209,119	1,865,000	2,283,238
2020	5.250	160,163	160,162	1,965,000	2,285,325
2021	5.250	108,581	108,581	2,065,000	2,282,162
2022	5.000	54,375	54,375	2,175,000	2,283,750
		<u>\$ 1,077,763</u>	<u>\$ 1,077,762</u>	<u>\$ 11,550,000</u>	<u>\$ 13,705,525</u>

**CITY OF ORLANDO, FLORIDA
COMMUNITY REDEVELOPMENT AGENCY - DOWNTOWN DISTRICT
TAXABLE TAX INCREMENT REVENUE BONDS - SERIES 2009C (BUILD AMERICA BONDS)
SCHEDULE OF BONDED DEBT AND INTEREST
SEPTEMBER 30, 2016**

Year Ending September 30	Interest Rate - %	Interest (2)		Principal Due September 1	Total Debt Service
		Due September 1	Due March 1		
2017	(1)	\$ 2,006,693	\$ 2,006,692	\$ -	\$ 4,013,385
2018	(1)	2,006,692	2,006,693	-	4,013,385
2019	(1)	2,006,693	2,006,692	-	4,013,385
2020	(1)	2,006,692	2,006,693	-	4,013,385
2021	(1)	2,006,693	2,006,692	-	4,013,385
2022	(1)	2,006,692	2,006,693	-	4,013,385
2023	7.500	2,006,693	2,006,692	2,285,000	6,298,385
2024	7.500	1,921,005	1,921,005	2,455,000	6,297,010
2025	7.500	1,828,942	1,828,943	2,580,000	6,237,885
2026	7.500	1,732,193	1,732,192	2,710,000	6,174,385
2027	7.500	1,630,567	1,630,568	2,845,000	6,106,135
2028	7.500	1,523,880	1,523,880	2,985,000	6,032,760
2029	7.500	1,411,943	1,411,942	3,135,000	5,958,885
2030	8.100	1,294,380	1,294,380	3,295,000	5,883,760
2031	8.100	1,160,932	1,160,933	3,475,000	5,796,865
2032	8.100	1,020,195	1,020,195	3,665,000	5,705,390
2033	8.100	871,763	871,762	3,865,000	5,608,525
2034	8.100	715,230	715,230	4,070,000	5,500,460
2035	8.100	550,395	550,395	4,295,000	5,395,790
2036	8.100	376,448	376,447	4,525,000	5,277,895
2037	8.100	193,185	193,185	4,770,000	5,156,370
		<u>\$ 30,277,906</u>	<u>\$ 30,277,904</u>	<u>\$ 50,955,000</u>	<u>\$ 111,510,810</u>

(1) Approximate interest rate is 7.880%.

(2) Interest is shown prior to application of the 35% Build America Bond interest rate subsidy.

**CITY OF ORLANDO, FLORIDA
COMMUNITY REDEVELOPMENT AGENCY - DOWNTOWN DISTRICT
TAX INCREMENT REVENUE BONDS - SERIES 2010A
SCHEDULE OF BONDED DEBT AND INTEREST
SEPTEMBER 30, 2016**

<u>Year Ending September 30</u>	<u>Interest Rate - %</u>	<u>Interest</u>		<u>Principal Due September 1</u>	<u>Total Debt Service</u>
		<u>Due September 1</u>	<u>Due March 1</u>		
2017	4.000	\$ 54,500	\$ 54,500	\$ 1,335,000	\$ 1,444,000
2018	4.000	27,800	27,800	1,390,000	1,445,600
		<u>\$ 82,300</u>	<u>\$ 82,300</u>	<u>\$ 2,725,000</u>	<u>\$ 2,889,600</u>

**CITY OF ORLANDO, FLORIDA
COMMUNITY REDEVELOPMENT AGENCY - DOWNTOWN DISTRICT
TAXABLE TAX INCREMENT REVENUE BONDS - SERIES 2010B (BUILD AMERICA BONDS)
SCHEDULE OF BONDED DEBT AND INTEREST
SEPTEMBER 30, 2016**

Year Ending September 30	Interest Rate - %	Interest (2)		Principal Due September 1	Total Debt Service
		Due September 1	Due March 1		
2017	(1)	\$ 2,708,472	\$ 2,708,472	\$ -	\$ 5,416,944
2018	(1)	2,708,472	2,708,472	-	5,416,944
2019	6.210	2,708,472	2,708,472	1,445,000	6,861,944
2020	6.310	2,663,605	2,663,604	1,535,000	6,862,209
2021	6.560	2,615,176	2,615,175	1,600,000	6,830,351
2022	6.760	2,562,696	2,562,695	1,670,000	6,795,391
2023	6.960	2,506,250	2,506,249	1,745,000	6,757,499
2024	7.110	2,445,524	2,445,523	1,830,000	6,721,047
2025	7.210	2,380,467	2,380,467	1,915,000	6,675,934
2026	7.584	2,311,431	2,311,431	2,010,000	6,632,862
2027	7.584	2,235,212	2,235,212	2,110,000	6,580,424
2028	7.584	2,155,201	2,155,201	2,220,000	6,530,402
2029	7.584	2,071,018	2,071,018	2,335,000	6,477,036
2030	7.584	1,982,475	1,982,475	2,445,000	6,409,950
2031	7.784	1,889,761	1,889,761	2,575,000	6,354,522
2032	7.784	1,789,542	1,789,542	2,710,000	6,289,084
2033	7.784	1,684,069	1,684,068	2,850,000	6,218,137
2034	7.784	1,573,147	1,573,146	3,000,000	6,146,293
2035	7.784	1,456,387	1,456,386	3,150,000	6,062,773
2036	7.784	1,333,789	1,333,788	3,315,000	5,982,577
2037	7.784	1,204,769	1,204,769	3,490,000	5,899,538
2038	7.784	1,068,938	1,068,938	8,700,000	10,837,876
2039	7.784	730,334	730,334	9,145,000	10,605,668
2040	7.784	374,411	374,410	9,620,000	10,368,821
		<u>\$ 47,159,618</u>	<u>\$ 47,159,608</u>	<u>\$ 71,415,000</u>	<u>\$ 165,734,226</u>

(1) Approximate interest rate is 7.59%.

(2) Interest is shown prior to application of the 35% Build America Bond interest rate subsidy.

**CITY OF ORLANDO, FLORIDA
REPUBLIC DRIVE (UNIVERSAL BOULEVARD)
TAX INCREMENT REVENUE REFUNDING BONDS - SERIES 2012
SCHEDULE OF BONDED DEBT AND INTEREST
SEPTEMBER 30, 2016**

<u>Year Ending September 30</u>	<u>Interest Rate - %</u>	<u>Interest</u>		<u>Principal Due April 1</u>	<u>Total Debt Service</u>
		<u>Due October 1</u>	<u>Due April 1</u>		
2017	5.000	\$ 474,500	\$ 474,500	\$ 2,060,000	\$ 3,009,000
2018	3.000	423,000	423,000	2,160,000	3,006,000
2019	4.000	390,600	390,600	2,225,000	3,006,200
2020	3.000	346,100	346,100	2,315,000	3,007,200
2021	5.000	311,375	311,375	2,385,000	3,007,750
2022	5.000	251,750	251,750	2,505,000	3,008,500
2023	5.000	189,125	189,125	2,630,000	3,008,250
2024	5.000	123,375	123,375	2,760,000	3,006,750
2025	3.750	54,375	54,375	2,900,000	3,008,750
		<u>\$ 2,564,200</u>	<u>\$ 2,564,200</u>	<u>\$ 21,940,000</u>	<u>\$ 27,068,400</u>

**CITY OF ORLANDO, FLORIDA
REPUBLIC DRIVE (UNIVERSAL BOULEVARD)
TAX INCREMENT REVENUE BONDS - SERIES 2013
SCHEDULE OF BONDED DEBT AND INTEREST
SEPTEMBER 30, 2016**

<u>Year Ending September 30</u>	<u>Interest Rate - %</u>	<u>Interest</u>		<u>Principal Due April 1</u>	<u>Total Debt Service</u>
		<u>Due October 1</u>	<u>Due April 1</u>		
2017	2.170	\$ 75,986	\$ 75,986	\$ 713,019	\$ 864,991
2018	2.170	68,250	68,250	728,492	864,992
2019	2.170	60,346	60,346	744,300	864,992
2020	2.170	52,270	52,270	760,452	864,992
2021	2.170	44,019	44,019	776,953	864,991
2022	2.170	35,589	35,589	793,813	864,991
2023	2.170	26,976	26,976	811,039	864,991
2024	2.170	18,177	18,177	828,639	864,993
2025	2.170	9,186	9,186	846,620	864,992
		<u>\$ 390,799</u>	<u>\$ 390,799</u>	<u>\$ 7,003,327</u>	<u>\$ 7,784,925</u>

**CITY OF ORLANDO, FLORIDA
CONROY ROAD TAX INCREMENT
REVENUE REFUNDING BONDS - SERIES 2012
SCHEDULE OF BONDED DEBT AND INTEREST
SEPTEMBER 30, 2016**

<u>Year Ending September 30</u>	<u>Interest Rate - %</u>	<u>Interest</u>		<u>Principal Due April 1</u>	<u>Total Debt Service</u>
		<u>Due October 1</u>	<u>Due April 1</u>		
2017	5.000	\$ 374,125	\$ 374,125	\$ 1,180,000	\$ 1,928,250
2018	5.000	344,625	344,625	1,245,000	1,934,250
2019	5.000	313,500	313,500	1,305,000	1,932,000
2020	5.000	280,875	280,875	1,375,000	1,936,750
2021	5.000	246,500	246,500	1,445,000	1,938,000
2022	5.000	210,375	210,375	1,520,000	1,940,750
2023	5.000	172,375	172,375	1,595,000	1,939,750
2024	5.000	132,500	132,500	1,680,000	1,945,000
2025	5.000	90,500	90,500	1,765,000	1,946,000
2026	5.000	46,375	46,375	1,855,000	1,947,750
		<u>\$ 2,211,750</u>	<u>\$ 2,211,750</u>	<u>\$ 14,965,000</u>	<u>\$ 19,388,500</u>

**CITY OF ORLANDO, FLORIDA
 CAPITAL IMPROVEMENT SPECIAL REVENUE BONDS-SERIES 2007B
 SCHEDULE OF BONDED DEBT AND INTEREST
 SEPTEMBER 30, 2016**

<u>Year Ending September 30</u>	<u>Interest Rate -%</u>	<u>Interest</u>		<u>Principal Due October 1</u>	<u>Total Debt Service</u>
		<u>Due October 1</u>	<u>Due April 1</u>		
2017	5.250	\$ 67,363	\$ 37,931	\$ 1,385,000	\$ 1,490,294
2018	4.250	37,931	-	1,445,000	1,482,931
		<u>\$ 105,294</u>	<u>\$ 37,931</u>	<u>\$ 2,830,000</u>	<u>\$ 2,973,225</u>

**CITY OF ORLANDO, FLORIDA
CAPITAL IMPROVEMENT SPECIAL REVENUE BONDS-SERIES 2009A
SCHEDULE OF BONDED DEBT AND INTEREST
SEPTEMBER 30, 2016**

<u>Year Ending September 30</u>	<u>Interest Rate -%</u>	<u>Interest</u>		<u>Principal Due October 1</u>	<u>Total Debt Service</u>
		<u>Due October 1</u>	<u>Due April 1</u>		
2017	4.520	(1) \$ 122,006	\$ 95,100	\$ 1,190,000	\$ 1,407,106
2018	4.820	(1) 95,100	65,069	1,245,000	1,405,169
2019	4.990	(1) 65,069	32,625	1,300,000	1,397,694
2020	4.780	(1) 32,625	-	1,365,000	1,397,625
		<u>\$ 314,800</u>	<u>\$ 192,794</u>	<u>\$ 5,100,000</u>	<u>\$ 5,607,594</u>

(1) Estimated interest rate.

**CITY OF ORLANDO, FLORIDA
 CAPITAL IMPROVEMENT REFUNDING SPECIAL REVENUE BONDS-SERIES 2009B
 SCHEDULE OF BONDED DEBT AND INTEREST
 SEPTEMBER 30, 2016**

<u>Year Ending September 30</u>	<u>Interest Rate -%</u>	<u>Interest</u>		<u>Principal Due October 1</u>	<u>Total Debt Service</u>
		<u>Due October 1</u>	<u>Due April 1</u>		
2017	5.000	\$ 399,125	\$ 399,125	\$ -	\$ 798,250
2018	5.000	399,125	272,500	5,065,000	5,736,625
2019	5.000	272,500	139,500	5,320,000	5,732,000
2020	5.000	139,500	-	5,580,000	5,719,500
		<u>\$ 1,210,250</u>	<u>\$ 811,125</u>	<u>\$ 15,965,000</u>	<u>\$ 17,986,375</u>

CITY OF ORLANDO, FLORIDA
TAXABLE CAPITAL IMPROVEMENT SPECIAL REVENUE BONDS - SERIES 2009C
BUILD AMERICA BONDS
SCHEDULE OF BONDED DEBT AND INTEREST
SEPTEMBER 30, 2016

Year Ending September 30	Interest Rate - %	Interest (2)		Principal Due October 1	Total Debt Service
		Due October 1	Due April 1		
2017	(1)	\$ 1,403,837	\$ 1,403,838	\$ -	\$ 2,807,675
2018	(1)	1,403,837	1,403,838	-	2,807,675
2019	(1)	1,403,837	1,403,838	-	2,807,675
2020	(1)	1,403,837	1,403,838	-	2,807,675
2021	(1)	1,403,837	1,403,838	-	2,807,675
2022	(1)	1,403,837	1,403,838	-	2,807,675
2023	(1)	1,403,837	1,403,838	-	2,807,675
2024	6.850	1,403,837	1,348,524	1,615,000	4,367,361
2025	6.850	1,348,524	1,290,812	1,685,000	4,324,336
2026	6.850	1,290,813	1,230,532	1,760,000	4,281,345
2027	6.850	1,230,533	1,167,512	1,840,000	4,238,045
2028	6.850	1,167,513	1,101,581	1,925,000	4,194,094
2029	6.850	1,101,581	1,032,739	2,010,000	4,144,320
2030	6.850	1,032,739	960,985	2,095,000	4,088,724
2031	7.100	960,985	883,240	2,190,000	4,034,225
2032	7.100	883,240	801,945	2,290,000	3,975,185
2033	7.100	801,945	716,745	2,400,000	3,918,690
2034	7.100	716,745	627,640	2,510,000	3,854,385
2035	7.100	627,640	534,452	2,625,000	3,787,092
2036	7.100	534,453	437,005	2,745,000	3,716,458
2037	7.100	437,005	335,120	2,870,000	3,642,125
2038	7.100	335,120	228,443	3,005,000	3,568,563
2039	7.100	228,442	116,795	3,145,000	3,490,237
2040	7.100	116,795	-	3,290,000	3,406,795
		<u>\$ 24,044,769</u>	<u>\$ 22,640,936</u>	<u>\$ 40,000,000</u>	<u>\$ 86,685,705</u>

(1) Approximate interest rate is 7.019%.

(2) Interest is shown prior to application of the 35% Build America Bond interest rate subsidy.

**CITY OF ORLANDO, FLORIDA
CAPITAL IMPROVEMENT REFUNDING SPECIAL REVENUE BONDS-SERIES 2010B
SCHEDULE OF BONDED DEBT AND INTEREST
SEPTEMBER 30, 2016**

<u>Year Ending September 30</u>	<u>Interest Rate -%</u>	<u>Interest</u>		<u>Principal Due October 1</u>	<u>Total Debt Service</u>
		<u>Due October 1</u>	<u>Due April 1</u>		
2017	5.000	\$ 436,875	\$ 435,875	\$ 40,000	\$ 912,750
2018	5.000	435,875	434,875	40,000	910,750
2019	5.000	434,875	433,750	45,000	913,625
2020	5.000	433,750	432,625	45,000	911,375
2021	5.000	432,625	286,750	5,835,000	6,554,375
2022	5.000	286,750	133,500	6,130,000	6,550,250
2023	5.000	133,500	-	5,340,000	5,473,500
		<u>\$ 2,594,250</u>	<u>\$ 2,157,375</u>	<u>\$ 17,475,000</u>	<u>\$ 22,226,625</u>

**CITY OF ORLANDO, FLORIDA
CAPITAL IMPROVEMENT REFUNDING SPECIAL REVENUE BONDS-SERIES 2010C
SCHEDULE OF BONDED DEBT AND INTEREST
SEPTEMBER 30, 2016**

<u>Year Ending September 30</u>	<u>Interest Rate -%</u>	<u>Interest</u>		<u>Principal Due October 1</u>	<u>Total Debt Service</u>
		<u>Due October 1</u>	<u>Due April 1</u>		
2017	5.000	\$ 279,500	\$ 223,500	\$ 2,240,000	\$ 2,743,000
2018	5.000	223,500	167,625	2,235,000	2,626,125
2019	5.000	167,625	111,750	2,235,000	2,514,375
2020	5.000	111,750	55,875	2,235,000	2,402,625
2021	5.000	55,875	-	2,235,000	2,290,875
		<u>\$ 838,250</u>	<u>\$ 558,750</u>	<u>\$ 11,180,000</u>	<u>\$ 12,577,000</u>

CITY OF ORLANDO, FLORIDA
CAPITAL IMPROVEMENT REFUNDING SPECIAL REVENUE BONDS-SERIES 2011A
SCHEDULE OF BONDED DEBT AND INTEREST
SEPTEMBER 30, 2016

Year Ending September 30	Interest Rate -%	Interest		Principal Due April 1	Total Debt Service
		Due October 1	Due April 1		
2017	(1)	\$ 180,000	\$ 180,000	\$ -	\$ 360,000
2018	(1)	100,350	100,350	-	200,700
2019	(1)	100,350	100,350	-	200,700
2020	(1)	100,350	100,350	-	200,700
2021	(1)	100,350	100,350	-	200,700
2022	(1)	100,350	100,350	-	200,700
2023	(1)	100,350	100,350	-	200,700
2024	(1)	100,350	100,350	900,000	1,100,700
2025	(1)	90,315	90,315	900,000	1,080,630
2026	(1)	80,280	80,280	900,000	1,060,560
2027	(1)	70,245	70,245	900,000	1,040,490
2028	(1)	60,210	60,210	900,000	1,020,420
2029	(1)	50,175	50,175	900,000	1,000,350
2030	(1)	40,140	40,140	900,000	980,280
2031	(1)	30,105	30,105	900,000	960,210
2032	(1)	20,070	20,070	900,000	940,140
2033	(1)	10,035	10,035	900,000	920,070
		<u>\$ 1,334,025</u>	<u>\$ 1,334,025</u>	<u>\$ 9,000,000</u>	<u>\$ 11,668,050</u>

(1) The Series 2011A Bonds are Designated Maturity Debt under the Covenant Ordinance. There is one initial maturity (2017) which is anticipated to be rolled over, with final maturities in the years shown above. The initial maturity bears interest at 4%. The interest rates for all subsequent maturities is estimated at 2.23%, which is based upon the yield of the 10-year general obligation note rated "AA" as published by the Municipal Market Data, as of September 30, 2015.

CITY OF ORLANDO, FLORIDA
CAPITAL IMPROVEMENT REFUNDING SPECIAL REVENUE BONDS-SERIES 2012A
SCHEDULE OF BONDED DEBT AND INTEREST
SEPTEMBER 30, 2016

Year Ending September 30	Interest Rate -%	Interest		Principal Due April 1	Total Debt Service
		Due October 1	Due April 1		
2017	(1)	\$ 149,475	\$ 149,475	\$ -	\$ 298,950
2018	(1)	149,475	149,475	-	298,950
2019	(1)	86,696	86,696	-	173,392
2020	(1)	86,696	86,696	-	173,392
2021	(1)	86,696	86,696	-	173,392
2022	(1)	86,696	86,696	-	173,392
2023	(1)	86,696	86,696	1,000,000	1,173,392
2024	(1)	77,996	77,996	1,000,000	1,155,992
2025	(1)	69,296	69,296	1,000,000	1,138,592
2026	(1)	60,596	60,596	995,000	1,116,192
2027	(1)	51,939	51,939	995,000	1,098,878
2028	(1)	43,283	43,283	995,000	1,081,566
2029	(1)	34,626	34,626	995,000	1,064,252
2030	(1)	25,970	25,970	995,000	1,046,940
2031	(1)	17,313	17,313	995,000	1,029,626
2032	(1)	8,657	8,657	995,000	1,012,314
		<u>\$ 1,122,106</u>	<u>\$ 1,122,106</u>	<u>\$ 9,965,000</u>	<u>\$ 12,209,212</u>

(1) The Series 2012A Bonds are Designated Maturity Debt under the Covenant Ordinance. There is one initial maturity (2018) which is anticipated to be rolled over, with final maturities in the years shown above. The initial maturity bears interest at 3%. The interest rates for all subsequent maturities is estimated at 1.74%, which is based upon the yield of the 10-year general obligation note rated "AA" as published by the Municipal Market Data, as of September 30, 2016.

**CITY OF ORLANDO, FLORIDA
 CAPITAL IMPROVEMENT REFUNDING SPECIAL REVENUE BONDS-SERIES 2014A
 SCHEDULE OF BONDED DEBT AND INTEREST
 SEPTEMBER 30, 2016**

<u>Year Ending September 30</u>	<u>Interest Rate -%</u>	<u>Interest</u>		<u>Principal Due October 1</u>	<u>Total Debt Service</u>
		<u>Due October 1</u>	<u>Due April 1</u>		
2017	1.990	\$ 61,739	\$ 18,159	\$ 4,380,000	\$ 4,459,898
2018	1.990	18,159	18,159	-	36,318
2019	1.990	18,159	18,159	-	36,318
2020	1.990	18,159	18,159	-	36,318
2021	1.990	18,159	18,159	-	36,318
2022	1.990	18,159	18,158	-	36,317
2023	1.990	18,158	-	1,825,000	1,843,158
		<u>\$ 170,692</u>	<u>\$ 108,953</u>	<u>\$ 6,205,000</u>	<u>\$ 6,484,645</u>

CITY OF ORLANDO, FLORIDA
CAPITAL IMPROVEMENT SPECIAL REVENUE BONDS-SERIES 2014B
SCHEDULE OF BONDED DEBT AND INTEREST
SEPTEMBER 30, 2016

Year Ending September 30	Interest Rate - %	Interest		Principal Due Oct. 1	Total Debt Service
		Due Oct. 1	Due April 1		
2017	5.000	\$ 1,555,125	\$ 1,555,125	\$ -	\$ 3,110,250
2018	5.000	1,555,125	1,519,375	1,430,000	4,504,500
2019	5.000	1,519,375	1,481,750	1,505,000	4,506,125
2020	5.000	1,481,750	1,442,375	1,575,000	4,499,125
2021	5.000	1,442,375	1,400,875	1,660,000	4,503,250
2022	5.000	1,400,875	1,357,500	1,735,000	4,493,375
2023	5.000	1,357,500	1,311,875	1,825,000	4,494,375
2024	5.000	1,311,875	1,264,000	1,915,000	4,490,875
2025	5.000	1,264,000	1,213,625	2,015,000	4,492,625
2026	5.000	1,213,625	1,160,875	2,110,000	4,484,500
2027	5.000	1,160,875	1,105,375	2,220,000	4,486,250
2028	5.000	1,105,375	1,047,000	2,335,000	4,487,375
2029	5.000	1,047,000	985,875	2,445,000	4,477,875
2030	5.000	985,875	921,625	2,570,000	4,477,500
2031	5.000	921,625	854,250	2,695,000	4,470,875
2032	5.000	854,250	783,375	2,835,000	4,472,625
2033	5.000	783,375	747,125	1,450,000	2,980,500
2034	5.000	747,125	709,000	1,525,000	2,981,125
2035	5.000	709,000	669,000	1,600,000	2,978,000
2036	5.000	669,000	627,000	1,680,000	2,976,000
2037	5.000	627,000	582,875	1,765,000	2,974,875
2038	5.000	582,875	536,500	1,855,000	2,974,375
2039	5.000	536,500	487,750	1,950,000	2,974,250
2040	5.000	487,750	436,750	2,040,000	2,964,500
2041	5.000	436,750	383,125	2,145,000	2,964,875
2042	5.000	383,125	326,875	2,250,000	2,960,000
2043	5.000	326,875	267,625	2,370,000	2,964,500
2044	5.000	267,625	205,500	2,485,000	2,958,125
2045	5.000	205,500	140,375	2,605,000	2,950,875
2046	5.000	140,375	71,875	2,740,000	2,952,250
2047	5.000	71,875	-	2,875,000	2,946,875
		<u>\$ 27,151,375</u>	<u>\$ 25,596,250</u>	<u>\$ 62,205,000</u>	<u>\$ 114,952,625</u>

**CITY OF ORLANDO, FLORIDA
CAPITAL IMPROVEMENT REFUNDING SPECIAL REVENUE BONDS-SERIES 2014C
SCHEDULE OF BONDED DEBT AND INTEREST
SEPTEMBER 30, 2016**

<u>Year Ending September 30</u>	<u>Interest Rate - %</u>	<u>Interest</u>		<u>Principal Due Oct. 1</u>	<u>Total Debt Service</u>
		<u>Due Oct. 1</u>	<u>Due April 1</u>		
2017	4.000	\$ 236,950	\$ 219,250	\$ 885,000	\$ 1,341,200
2018	5.000	219,250	196,375	915,000	1,330,625
2019	5.000	196,375	172,125	970,000	1,338,500
2020	5.000	172,125	146,750	1,015,000	1,333,875
2021	5.000	146,750	120,125	1,065,000	1,331,875
2022	5.000	120,125	92,250	1,115,000	1,327,375
2023	5.000	92,250	63,000	1,170,000	1,325,250
2024	5.000	63,000	32,250	1,230,000	1,325,250
2025	5.000	32,250	-	1,290,000	1,322,250
		<u>\$ 1,279,075</u>	<u>\$ 1,042,125</u>	<u>\$ 9,655,000</u>	<u>\$ 11,976,200</u>

**CITY OF ORLANDO, FLORIDA
CAPITAL IMPROVEMENT REFUNDING SPECIAL REVENUE BONDS-SERIES 2014D
SCHEDULE OF BONDED DEBT AND INTEREST
SEPTEMBER 30, 2016**

<u>Year Ending September 30</u>	<u>Interest Rate - %</u>	<u>Interest</u>		<u>Principal Due Oct. 1</u>	<u>Total Debt Service</u>
		<u>Due Oct. 1</u>	<u>Due April 1</u>		
2017	4.000	\$ 288,050	\$ 269,250	\$ 940,000	\$ 1,497,300
2018	5.000	269,250	244,875	975,000	1,489,125
2019	5.000	244,875	219,250	1,025,000	1,489,125
2020	5.000	219,250	192,250	1,080,000	1,491,500
2021	5.000	192,250	163,875	1,135,000	1,491,125
2022	5.000	163,875	134,250	1,185,000	1,483,125
2023	5.000	134,250	103,125	1,245,000	1,482,375
2024	5.000	103,125	70,375	1,310,000	1,483,500
2025	5.000	70,375	36,000	1,375,000	1,481,375
2026	5.000	36,000		1,440,000	1,476,000
		<u>\$ 1,721,300</u>	<u>\$ 1,433,250</u>	<u>\$ 11,710,000</u>	<u>\$ 14,864,550</u>

**CITY OF ORLANDO, FLORIDA
CAPITAL IMPROVEMENT REFUNDING SPECIAL REVENUE BONDS-SERIES 2015A
SCHEDULE OF BONDED DEBT AND INTEREST
SEPTEMBER 30, 2016**

<u>Year Ending September 30</u>	<u>Interest Rate -%</u>	<u>Interest</u>		<u>Principal Due October 1</u>	<u>Total Debt Service</u>
		<u>Due October 1</u>	<u>Due April 1</u>		
2017	1.820	\$ 51,915	\$ 51,916	\$ -	\$ 103,831
2018	1.820	51,916	51,915	-	103,831
2019	1.820	51,915	51,916	-	103,831
2020	1.820	51,916	51,915	-	103,831
2021	1.820	51,915	51,916	-	103,831
2022	1.820	51,916	33,715	2,000,000	2,085,631
2023	1.820	33,715	33,716	-	67,431
2024	1.820	33,716	-	3,705,000	3,738,716
		<u>\$ 378,924</u>	<u>\$ 327,009</u>	<u>\$ 5,705,000</u>	<u>\$ 6,410,933</u>

**CITY OF ORLANDO, FLORIDA
CAPITAL IMPROVEMENT REFUNDING SPECIAL REVENUE BONDS-SERIES 2016A
SCHEDULE OF BONDED DEBT AND INTEREST
SEPTEMBER 30, 2016**

<u>Year Ending September 30</u>	<u>Interest Rate - %</u>	<u>Interest</u>		<u>Principal Due October 1</u>	<u>Total Debt Service</u>
		<u>Due October 1</u>	<u>Due April 1</u>		
2017	1.900	\$ 66,822	\$ 66,452	\$ -	\$ 133,274
2018	1.900	66,453	66,452	-	132,905
2019	1.900	66,453	66,452	-	132,905
2020	1.900	66,453	66,452	-	132,905
2021	1.900	66,453	66,452	-	132,905
2022	1.900	66,453	66,452	-	132,905
2023	1.900	66,453	47,452	2,000,000	2,113,905
2024	1.900	47,453	-	4,995,000	5,042,453
		<u>\$ 512,993</u>	<u>\$ 446,164</u>	<u>\$ 6,995,000</u>	<u>\$ 7,954,157</u>

CITY OF ORLANDO, FLORIDA
CAPITAL IMPROVEMENT SPECIAL REVENUE REFUNDING BONDS-SERIES 2016B
SCHEDULE OF BONDED DEBT AND INTEREST
SEPTEMBER 30, 2016

Year Ending September 30	Interest Rate - %	Interest		Principal Due Oct. 1	Total Debt Service
		Due Oct. 1	Due April 1		
2017	2.000	\$ 1,128,147	\$ 1,372,071	\$ -	\$ 2,500,218
2018	5.000	1,372,071	1,372,071	-	2,744,142
2019	5.000	1,372,070	1,341,196	1,235,000	3,948,266
2020	5.000	1,341,195	1,308,696	1,300,000	3,949,891
2021	5.000	1,308,695	1,241,446	2,690,000	5,240,141
2022	5.000	1,241,445	1,124,446	4,680,000	7,045,891
2023	5.000	1,124,445	1,004,446	4,800,000	6,928,891
2024	5.000	1,004,445	919,571	3,395,000	5,319,016
2025	5.000	919,570	832,696	3,475,000	5,227,266
2026	5.000	832,695	743,821	3,555,000	5,131,516
2027	5.000	743,820	653,321	3,620,000	5,017,141
2028	5.000	653,320	561,071	3,690,000	4,904,391
2029	5.000	561,070	466,821	3,770,000	4,797,891
2030	4.000	466,820	424,521	2,115,000	3,006,341
2031	5.000	424,520	369,521	2,200,000	2,994,041
2032	5.000	369,520	311,771	2,310,000	2,991,291
2033	5.000	311,770	251,146	2,425,000	2,987,916
2034	4.000	251,146	200,146	2,550,000	3,001,292
2035	4.000	200,146	147,146	2,650,000	2,997,292
2036	4.000	147,146	92,046	2,755,000	2,994,192
2037	3.125	92,046	47,280	2,865,000	3,004,326
2038	3.200	47,280	-	2,955,000	3,002,280
		<u>\$ 15,913,382</u>	<u>\$ 14,785,250</u>	<u>\$ 59,035,000</u>	<u>\$ 89,733,632</u>

**CITY OF ORLANDO, FLORIDA
CAPITAL IMPROVEMENT SPECIAL REVENUE BONDS-SERIES 2016C
SCHEDULE OF BONDED DEBT AND INTEREST
SEPTEMBER 30, 2016**

Year Ending September 30	Interest Rate - %	Interest		Principal Due Oct. 1	Total Debt Service
		Due Oct. 1	Due April 1		
2017	5.000	\$ 503,878	\$ 612,825	\$ -	\$ 1,116,703
2018	5.000	612,825	592,575	810,000	2,015,400
2019	5.000	592,575	571,200	855,000	2,018,775
2020	5.000	571,200	548,700	900,000	2,019,900
2021	5.000	548,700	525,200	940,000	2,013,900
2022	5.000	525,200	500,450	990,000	2,015,650
2023	5.000	500,450	474,450	1,040,000	2,014,900
2024	5.000	474,450	447,200	1,090,000	2,011,650
2025	5.000	447,200	418,575	1,145,000	2,010,775
2026	5.000	418,575	388,450	1,205,000	2,012,025
2027	5.000	388,450	356,825	1,265,000	2,010,275
2028	5.000	356,825	323,700	1,325,000	2,005,525
2029	4.000	323,700	295,800	1,395,000	2,014,500
2030	4.000	295,800	266,800	1,450,000	2,012,600
2031	5.000	266,800	229,175	1,505,000	2,000,975
2032	4.000	229,175	197,575	1,580,000	2,006,750
2033	4.000	197,575	164,675	1,645,000	2,007,250
2034	4.000	164,675	130,475	1,710,000	2,005,150
2035	4.000	130,475	94,875	1,780,000	2,005,350
2036	5.000	94,875	48,625	1,850,000	1,993,500
2037	5.000	48,625	-	1,945,000	1,993,625
		<u>\$ 7,692,028</u>	<u>\$ 7,188,150</u>	<u>\$ 26,425,000</u>	<u>\$ 41,305,178</u>

**CITY OF ORLANDO, FLORIDA
WASTEWATER SYSTEM REFUNDING AND IMPROVEMENT
REVENUE BONDS - SERIES 2013
SCHEDULE OF BONDED DEBT AND INTEREST
SEPTEMBER 30, 2016**

Year Ending September 30	Interest Rate - %	Interest		Principal Due October 1	Total Debt Service
		Due October 1	Due April 1		
2017	3.000	\$ 763,075	\$ 742,525	\$ 1,370,000	\$ 2,875,600
2018	4.000	742,525	714,225	1,415,000	2,871,750
2019	5.000	714,225	677,475	1,470,000	2,861,700
2020	5.000	677,475	638,850	1,545,000	2,861,325
2021	4.000	638,850	606,450	1,620,000	2,865,300
2022	5.000	606,450	564,325	1,685,000	2,855,775
2023	5.000	564,325	520,075	1,770,000	2,854,400
2024	5.000	520,075	473,700	1,855,000	2,848,775
2025	2.000	473,700	454,200	1,950,000	2,877,900
2026	5.000	454,200	404,450	1,990,000	2,848,650
2027	5.000	404,450	352,200	2,090,000	2,846,650
2028	5.000	352,200	297,325	2,195,000	2,844,525
2029	5.000	297,325	239,700	2,305,000	2,842,025
2030	5.000	239,700	179,200	2,420,000	2,838,900
2031	3.500	179,200	134,750	2,540,000	2,853,950
2032	5.000	134,750	69,000	2,630,000	2,833,750
2033	5.000	69,000	-	2,760,000	2,829,000
		<u>\$ 7,831,525</u>	<u>\$ 7,068,450</u>	<u>\$ 33,610,000</u>	<u>\$ 48,509,975</u>

CITY OF ORLANDO, FLORIDA
ORLANDO VENUES - STATE SALES TAX PAYMENTS REFUNDING AND IMPROVEMENT
REVENUE BONDS, SERIES 2016
SCHEDULE OF BONDED DEBT AND INTEREST
SEPTEMBER 30, 2016

Year Ending September 30	Interest Rate - %	Interest		Principal		Total Debt Service
		Due Feb 1	Due Aug 1	Due Feb 1	Due Aug 1	
2017	3.000	\$ 393,634	\$ 569,525	\$ 435,000	\$ 430,000	\$ 1,828,159
2018	4.000	563,075	554,375	435,000	445,000	1,997,450
2019	4.000	545,475	536,475	450,000	460,000	1,991,950
2020	4.000	527,275	517,875	470,000	480,000	1,995,150
2021	4.000	508,275	503,375	490,000	495,000	1,996,650
2022	4.000	493,475	488,425	505,000	510,000	1,996,900
2023	4.000	478,225	473,025	520,000	525,000	1,996,250
2024	4.000	462,525	451,825	535,000	545,000	1,994,350
2025	4.000	440,925	429,825	555,000	570,000	1,995,750
2026	4.000	418,425	406,825	580,000	590,000	1,995,250
2027	5.000	395,025	380,025	600,000	615,000	1,990,050
2028	5.000	364,650	348,775	635,000	650,000	1,998,425
2029	5.000	332,525	315,900	665,000	680,000	1,993,425
2030	5.000	298,900	281,400	700,000	715,000	1,995,300
2031	5.000	263,525	245,150	735,000	750,000	1,993,675
2032	4.000	226,400	211,000	770,000	785,000	1,992,400
2033	4.000	195,300	179,300	800,000	820,000	1,994,600
2034	4.000	162,900	146,200	835,000	850,000	1,994,100
2035	4.000	129,200	111,800	870,000	885,000	1,996,000
2036	4.000	94,100	76,000	905,000	920,000	1,995,100
2037	4.000	57,600	38,800	940,000	960,000	1,996,400
2038	4.000	19,600	-	980,000	-	999,600
		<u>\$ 7,371,034</u>	<u>\$ 7,265,900</u>	<u>\$ 14,410,000</u>	<u>\$ 13,680,000</u>	<u>\$ 42,726,934</u>

**ORLANDO VENUES - SENIOR TOURIST DEVELOPMENT TAX REVENUE BONDS
6TH CENT CONTRACT PAYMENTS, SERIES 2008A
SCHEDULE OF BONDED DEBT AND INTEREST
SEPTEMBER 30, 2016**

Year Ending September 30	Interest Rate - %	Interest		Principal Due Nov. 1	Total Debt Service
		Due Nov. 1	Due May 1		
2017	4.125	\$ 4,408,894	\$ 4,326,994	\$ 4,095,000	\$ 12,830,888
2018	5.250	4,326,994	4,239,131	4,260,000	12,826,125
2019	5.250	4,239,131	4,122,712	4,435,000	12,796,843
2020	5.250	4,122,712	4,003,669	4,535,000	12,661,381
2021	5.250	4,003,669	3,874,781	4,910,000	12,788,450
2022	5.250	3,874,781	3,739,200	5,165,000	12,778,981
2023	5.250	3,739,200	3,596,400	5,440,000	12,775,600
2024	5.125	3,596,400	3,446,119	5,725,000	12,767,519
2025	5.125	3,446,119	3,291,728	6,025,000	12,762,847
2026	5.125	3,291,728	3,129,522	6,330,000	12,751,250
2027	5.125	3,129,522	2,958,987	6,655,000	12,743,509
2028	5.250	2,958,987	2,779,612	7,000,000	12,738,599
2029	5.250	2,779,612	2,586,544	7,355,000	12,721,156
2030	5.250	2,586,544	2,383,238	7,745,000	12,714,782
2031	5.250	2,383,238	2,169,300	8,150,000	12,702,538
2032	5.250	2,169,300	1,944,206	8,575,000	12,688,506
2033	5.250	1,944,206	1,707,169	9,030,000	12,681,375
2034	5.250	1,707,169	1,457,794	9,500,000	12,664,963
2035	5.250	1,457,794	1,195,294	10,000,000	12,653,088
2036	5.250	1,195,294	919,012	10,525,000	12,639,306
2037	5.250	919,012	628,162	11,080,000	12,627,174
2038	5.250	628,162	322,087	11,660,000	12,610,249
2039	5.250	322,087	-	12,270,000	12,592,087
		<u>\$ 63,230,555</u>	<u>\$ 58,821,661</u>	<u>\$ 170,465,000</u>	<u>\$ 292,517,216</u>

CITY OF ORLANDO, FLORIDA
ORLANDO VENUES - SECOND LIEN SUBORDINATE TOURIST DEVELOPMENT TAX
REVENUE BONDS 6TH CENT CONTRACT PAYMENTS, SERIES 2008B
SCHEDULE OF BONDED DEBT AND INTEREST
SEPTEMBER 30, 2016

Year Ending September 30	Interest Rate - %	Interest		Principal Due Nov. 1	Total Debt Service
		Due Nov. 1	Due May 1		
2017	4.125	\$ 844,731	\$ 824,828	\$ 965,000	\$ 2,634,559
2018	4.375	824,828	802,844	1,005,000	2,632,672
2019	4.500	802,844	779,219	1,050,000	2,632,063
2020	(1)	779,219	779,219	-	1,558,438
2021	(1)	779,219	779,219	-	1,558,438
2022	5.000	779,219	770,469	350,000	1,899,688
2023	5.000	770,469	752,969	700,000	2,223,438
2024	5.125	752,969	727,344	1,000,000	2,480,313
2025	5.250	727,344	695,844	1,200,000	2,623,188
2026	5.250	695,844	662,638	1,265,000	2,623,482
2027	5.250	662,638	627,725	1,330,000	2,620,363
2028	5.250	627,725	590,975	1,400,000	2,618,700
2029	5.500	590,975	550,413	1,475,000	2,616,388
2030	5.500	550,413	507,650	1,555,000	2,613,063
2031	5.500	507,650	462,550	1,640,000	2,610,200
2032	5.500	462,550	414,975	1,730,000	2,607,525
2033	5.500	414,975	364,788	1,825,000	2,604,763
2034	5.500	364,788	311,850	1,925,000	2,601,638
2035	5.500	311,850	256,025	2,030,000	2,597,875
2036	5.500	256,025	197,037	2,145,000	2,598,062
2037	5.500	197,037	134,887	2,260,000	2,591,924
2038	5.500	134,887	69,300	2,385,000	2,589,187
2039	5.500	69,300	-	2,520,000	2,589,300
		<u>\$ 12,907,499</u>	<u>\$ 12,062,768</u>	<u>\$ 31,755,000</u>	<u>\$ 56,725,267</u>

(1) No interest rate is directly related to the bonds during 2020 and 2021 due to no bonds maturing in these years.
The blended rate of interest paid in these years is 5.40% (2020-2021).

CITY OF ORLANDO, FLORIDA
ORLANDO VENUES - THIRD LIEN SUBORDINATE TOURIST DEVELOPMENT TAX
REVENUE BONDS 6TH CENT CONTRACT PAYMENTS, SERIES 2008C
SCHEDULE OF BONDED DEBT AND INTEREST
SEPTEMBER 30, 2016

Year Ending September 30	Interest Rate - %	Interest		Principal Due Nov. 1	Total Debt Service
		Due Nov. 1	Due May 1		
2017	(1)	\$ 2,413,675	\$ 2,413,675	\$ -	\$ 4,827,350
2018	(1)	2,413,675	2,413,675	-	4,827,350
2019	(1)	2,413,675	2,413,675	-	4,827,350
2020	(1)	2,413,675	2,413,675	-	4,827,350
2021	(1)	2,413,675	2,413,675	-	4,827,350
2022	(1)	2,413,675	2,413,675	-	4,827,350
2023	(1)	2,413,675	2,413,675	-	4,827,350
2024	(1)	2,413,675	2,413,675	-	4,827,350
2025	(1)	2,413,675	2,413,675	-	4,827,350
2026	(1)	2,413,675	2,413,675	-	4,827,350
2027	(1)	2,413,675	2,413,675	-	4,827,350
2028	(1)	2,413,675	2,413,675	-	4,827,350
2029	(1)	2,413,675	2,413,675	-	4,827,350
2030	(1)	2,413,675	2,413,675	-	4,827,350
2031	(1)	2,413,675	2,413,675	-	4,827,350
2032	(1)	2,413,675	2,413,675	-	4,827,350
2033	(1)	2,413,675	2,413,675	-	4,827,350
2034	(1)	2,413,675	2,413,675	-	4,827,350
2035	(1)	2,413,675	2,413,675	-	4,827,350
2036	(1)	2,413,675	2,413,675	-	4,827,350
2037	(1)	2,413,675	2,413,675	-	4,827,350
2038	(1)	2,413,675	2,413,675	-	4,827,350
2039	5.5/5.75	2,413,675	-	87,270,000	89,683,675
		<u>\$ 55,514,525</u>	<u>\$ 53,100,850</u>	<u>\$ 87,270,000</u>	<u>\$ 195,885,375</u>

(1) These bonds do not mature until November 1, 2038.
For the Third Lien TDT 2008C Revenue Bonds, \$11,000,000 is at 5.75%, and \$76,270,000 is at 5.50%.

CITY OF ORLANDO, FLORIDA
CONTRACT TOURIST DEVELOPMENT TAX PAYMENTS REVENUE BONDS, SERIES 2014A
SCHEDULE OF BONDED DEBT AND INTEREST
SEPTEMBER 30, 2016

Year Ending September 30	Interest Rate - %	Interest		Principal Due Nov. 1	Total Debt Service
		Due Nov. 1	Due May 1		
2017	4.000	\$ 5,950,181	\$ 5,930,182	\$ 1,000,000	\$ 12,880,363
2018	5.000	5,930,182	5,880,181	2,000,000	13,810,363
2019	3.000	5,880,181	5,835,181	3,000,000	14,715,362
2020	5.000	5,835,181	5,734,681	4,460,000	16,029,862
2021	5.000	5,734,681	5,618,181	4,660,000	16,012,862
2022	5.000	5,618,181	5,501,307	4,895,000	16,014,488
2023	5.000	5,501,307	5,373,056	5,130,000	16,004,363
2024	5.000	5,373,056	5,238,431	5,385,000	15,996,487
2025	5.000	5,238,431	5,097,056	5,655,000	15,990,487
2026	5.250	5,097,056	4,941,263	5,935,000	15,973,319
2027	5.250	4,941,263	4,777,200	6,250,000	15,968,463
2028	5.250	4,777,200	4,604,606	6,575,000	15,956,806
2029	5.250	4,604,606	4,422,956	6,920,000	15,947,562
2030	5.250	4,422,956	4,231,725	7,285,000	15,939,681
2031	5.250	4,231,725	4,030,519	7,665,000	15,927,244
2032	5.250	4,030,519	3,818,681	8,070,000	15,919,200
2033	5.250	3,818,681	3,595,688	8,495,000	15,909,369
2034	5.250	3,595,687	3,361,013	8,940,000	15,896,700
2035	5.250	3,361,013	3,114,000	9,410,000	15,885,013
2036	5.000	3,114,000	2,866,375	9,905,000	15,885,375
2037	5.000	2,866,375	2,606,375	10,400,000	15,872,750
2038	5.000	2,606,375	2,333,375	10,920,000	15,859,750
2039	5.000	2,333,375	2,046,750	11,465,000	15,845,125
2040	5.000	2,046,750	1,745,875	12,035,000	15,827,625
2041	5.000	1,745,875	1,429,875	12,640,000	15,815,750
2042	5.000	1,429,875	1,098,125	13,270,000	15,798,000
2043	5.000	1,098,125	749,750	13,935,000	15,782,875
2044	5.000	749,750	384,000	14,630,000	15,763,750
2045	5.000	384,000	-	15,360,000	15,744,000
		<u>\$ 112,316,587</u>	<u>\$ 106,366,407</u>	<u>\$ 236,290,000</u>	<u>\$ 454,972,994</u>

See subsequent event notes related to the Series 2014A Bonds.



The Orlando Police Department and the Orlando Fire Department are committed to keeping our City safe and strengthening bonds with residents.

The Orlando Fire Department's Take Heart Orlando initiative provides free hands-only CPR training to residents. The goal is to make Orlando a community in which every citizen has the knowledge, skills and ability to recognize and treat sudden cardiac arrest.

OPD not only fights crime, but also prevents crime by focusing on outreach and developing relationships with residents through programs like Neighborhood Watch.

**CITY OF ORLANDO, FLORIDA
STATISTICAL SECTION**

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

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CITY OF ORLANDO, FLORIDA

STATISTICAL SECTION

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

CITY OF ORLANDO, FLORIDA
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(accrual basis of accounting)
(In thousands of dollars)

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Governmental activities										
Net Investment in Capital Assets	\$ 486,949	\$ 494,439	\$ 482,308	\$ 461,370	\$ 453,477	\$ 465,285	\$ 446,066	\$ 437,545	\$ 426,275	\$ 406,700
Restricted	145,041	143,035	89,093	105,895	89,612	101,016	81,527	63,136	63,020	66,305
Unrestricted	(87,401)	(154,037) (1)	(10,764)	9,762	37,878	13,515	39,364	95,397	113,093	118,778
Total governmental activities net position	<u>\$ 544,589</u>	<u>\$ 483,437</u>	<u>\$ 560,637</u>	<u>\$ 577,027</u>	<u>\$ 580,967</u>	<u>\$ 579,816</u>	<u>\$ 566,957</u>	<u>\$ 596,078</u>	<u>\$ 602,388</u>	<u>\$ 591,783</u>
Business-type activities										
Net Investment in Capital Assets	\$ 800,515	\$ 778,581	\$ 779,609	\$ 699,499	\$ 675,954	\$ 659,462	\$ 652,672	\$ 628,334	\$ 538,403	\$ 463,757
Restricted	55,658	58,688	106,443	92,116	138,302	156,299	154,834	23,638	20,638	16,871
Unrestricted	232,815	192,064	163,265	133,838	113,430	90,046	94,805	128,025	83,048	108,599
Total business-type activities net position	<u>\$ 1,088,988</u>	<u>\$ 1,029,333</u>	<u>\$ 1,049,317</u>	<u>\$ 925,453</u>	<u>\$ 927,686</u>	<u>\$ 905,807</u>	<u>\$ 902,311</u>	<u>\$ 779,997</u>	<u>\$ 642,089</u>	<u>\$ 589,227</u>
Primary government										
Net Investment in Capital Assets	\$ 1,287,464	\$ 1,273,020	\$ 1,261,917	\$ 1,160,869	\$ 1,129,431	\$ 1,124,747	\$ 1,098,738	\$ 1,065,879	\$ 964,678	\$ 870,457
Restricted	200,699	201,723	195,536	198,011	227,914	257,315	236,361	86,774	83,658	83,176
Unrestricted	145,414	38,027	152,501	143,600	151,308	103,561	134,169	223,422	196,141	227,377
Total primary government net position	<u>\$ 1,633,577</u>	<u>\$ 1,512,770</u>	<u>\$ 1,609,954</u>	<u>\$ 1,502,480</u>	<u>\$ 1,508,653</u>	<u>\$ 1,485,623</u>	<u>\$ 1,469,268</u>	<u>\$ 1,376,075</u>	<u>\$ 1,244,477</u>	<u>\$ 1,181,010</u>

(1) Due to the implementation of GASB Statement No. 68, Accounting and Financial Reporting for Pensions an amendment of GASB Statement No. 27.

CITY OF ORLANDO, FLORIDA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(accrual basis of accounting)
(in thousands of dollars)

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009 (1)</u>	<u>2008</u>	<u>2007</u>
Expenses										
Governmental activities:										
General administration	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21,165	\$ 23,950
Executive offices	12,391	12,497	12,492	14,087	12,334	12,523	14,358	16,300	13,611	13,139
Housing	9,599	8,033	7,415	11,838	9,850	10,939	14,356	9,694	11,672	14,710
Economic development	25,308	19,910	21,707	26,470	41,838	36,616	20,352	36,358	38,974	25,583
Public works	39,202	37,915	33,435	31,910	36,026	42,084	20,871	29,581	18,977	17,966
Transportation	-	-	-	-	-	-	24,133	25,589	25,937	21,254
Families, parks, and recreation	34,997	35,587	36,125	39,027	37,574	38,527	36,914	40,593	39,298	36,186
Police	149,552	128,967	135,179	137,019	127,447	124,290	122,809	128,540	122,923	105,981
Fire	116,596	108,058	111,108	109,800	91,562	92,141	82,826	75,771	77,812	66,780
Business and financial services	33,566	28,068	28,153	12,810	18,645	19,543	24,635	22,829	4,474	3,862
Orlando venues	4,755	3,834	3,124	943	558	525	665	952	399	257
Community redevelopment	14,251	11,155	9,510	8,590	7,993	7,410	9,025	9,606	6,710	5,998
Other general government	9,873	11,883	7,581	2,762	2,617	3,758	3,667	771	3,607	1,954
Lynx/transit	3,873	3,873	3,815	3,482	3,482	3,744	3,744	4,255	4,525	4,525
Interest on long-term debt	21,315	18,023	18,573	18,968	19,274	20,462	17,010	10,113	12,794	10,339
Unallocated depreciation	-	-	-	-	-	586	1,203	1,218	1,210	1,278
Total governmental activities expenses	<u>\$ 475,278</u>	<u>\$ 427,803</u>	<u>\$ 428,217</u>	<u>\$ 417,706</u>	<u>\$ 409,200</u>	<u>\$ 412,886</u>	<u>\$ 396,568</u>	<u>\$ 412,170</u>	<u>\$ 404,088</u>	<u>\$ 353,762</u>
Business-type activities:										
Wastewater	77,836	75,962	77,581	73,845	73,997	70,439	67,025	72,679	66,571	61,240
Orlando venues	99,941	93,953	72,999	65,783	70,618	70,685	37,519	43,158	20,669	18,743
Parking	14,040	16,030	14,928	15,772	16,424	17,389	16,205	16,013	16,256	13,525
Stormwater utility	23,766	20,469	22,969	22,017	20,473	17,787	18,376	17,354	15,866	13,812
Solid waste	28,484	26,231	24,665	22,992	22,059	22,937	21,460	22,220	25,544	20,474
Total business-type activities expenses	<u>\$ 244,067</u>	<u>\$ 232,645</u>	<u>\$ 213,142</u>	<u>\$ 200,409</u>	<u>\$ 203,571</u>	<u>\$ 199,237</u>	<u>\$ 160,585</u>	<u>\$ 171,424</u>	<u>\$ 144,906</u>	<u>\$ 127,794</u>
Total primary government expenses	<u>\$ 719,345</u>	<u>\$ 660,448</u>	<u>\$ 641,359</u>	<u>\$ 618,115</u>	<u>\$ 612,771</u>	<u>\$ 612,123</u>	<u>\$ 557,153</u>	<u>\$ 583,594</u>	<u>\$ 548,994</u>	<u>\$ 481,556</u>

(1) Departmental reorganizations occurred in fiscal year 2009.

CITY OF ORLANDO, FLORIDA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(accrual basis of accounting)
(in thousands of dollars)
(continued)

	2016	2015	2014	2013	2012	2011	2010	2009 (1)	2008	2007
Program Revenues										
Governmental activities:										
Charges for services:										
Economic development	\$ 32,138	\$ 28,804	\$ 24,574	\$ 25,137	\$ 21,495	\$ 17,265	\$ 18,103	\$ 19,901	\$ 19,321	\$ 25,665
Public Works	331	272	189	5,208	2,393	2,390	243	13	1,708	1,730
Transportation	-	-	-	-	-	-	1,985	6,446	11,893	10,122
Families, Parks & Recreations	3,850	3,339	3,052	2,882	4,117	3,968	3,620	3,783	3,498	3,832
Police	17,362	14,686	15,090	14,574	12,194	13,774	12,775	13,204	12,897	12,938
Fire	15,108	15,219	20,536	19,711	11,850	10,540	-	-	-	-
Other activities	18,755	17,746	15,425	4,355	2,776	2,468	2,931	3,076	1,888	1,789
Operating grants and contributions	20,721	15,533	13,094	15,661	13,549	16,286	21,565	11,429	28,031	22,071
Capital grants and contributions	7,392	8,673	11,042	28,892	16,211	25,403	17,443	32,942	1,853	6,920
Total governmental activities program revenues	<u>\$ 115,657</u>	<u>\$ 104,272</u>	<u>\$ 103,002</u>	<u>\$ 116,420</u>	<u>\$ 84,585</u>	<u>\$ 92,094</u>	<u>\$ 78,665</u>	<u>\$ 90,794</u>	<u>\$ 81,089</u>	<u>\$ 85,067</u>
Business-type activities:										
Charges for services:										
Wastewater	101,381	95,877	89,713	85,795	76,980	70,786	76,051	60,985	64,651	65,623
Orlando venues	37,688	36,344	28,766	22,252	20,254	22,432	15,334	14,309	15,246	13,960
Parking	15,376	14,944	14,915	13,599	14,024	14,155	15,565	14,858	12,892	12,399
Stormwater utility	23,472	23,204	22,797	22,682	22,521	22,402	22,297	23,649	24,666	19,064
Solid waste	32,113	30,895	28,775	27,159	25,747	24,675	23,583	23,162	24,064	22,153
Capital grants and contributions	73,453	51,484	88,290	38,052	43,708	49,465	57,880	64,149	40,301	11,098
Total business-type activities program revenues	<u>\$ 283,483</u>	<u>\$ 252,748</u>	<u>\$ 273,256</u>	<u>\$ 209,539</u>	<u>\$ 203,234</u>	<u>\$ 203,915</u>	<u>\$ 210,710</u>	<u>\$ 201,112</u>	<u>\$ 181,820</u>	<u>\$ 144,297</u>
Total primary government program revenues	<u>\$ 399,140</u>	<u>\$ 357,020</u>	<u>\$ 376,258</u>	<u>\$ 325,959</u>	<u>\$ 287,819</u>	<u>\$ 296,009</u>	<u>\$ 289,375</u>	<u>\$ 291,906</u>	<u>\$ 262,909</u>	<u>\$ 229,364</u>
Net (Expenses) Revenue										
Governmental activities	(359,621)	(323,531)	(325,215)	(301,286)	(324,615)	(320,792)	(317,903)	(321,376)	(322,999)	(268,695)
Business-type activities	39,416	20,103	60,114	9,130	(337)	4,678	50,125	29,688	36,914	16,503
Total primary government net expense	<u>\$ (320,205)</u>	<u>\$ (303,428)</u>	<u>\$ (265,101)</u>	<u>\$ (292,156)</u>	<u>\$ (324,952)</u>	<u>\$ (316,114)</u>	<u>\$ (267,778)</u>	<u>\$ (291,688)</u>	<u>\$ (286,085)</u>	<u>\$ (252,192)</u>

(1) Departmental reorganizations occurred in fiscal year 2009.

CITY OF ORLANDO, FLORIDA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(accrual basis of accounting)
(in thousands of dollars)
(continued)

	2016	2015	2014	2013	2012	2011	2010	2009 (1)	2008	2007
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes:										
Property	\$ 145,100	\$ 128,134	\$ 102,111	\$ 98,782	\$ 99,143	\$ 102,301	\$ 122,169	\$ 137,236	\$ 119,387	\$ 116,112
Local Option Fuel	8,901	8,471	8,219	8,044	7,745	7,458	7,799	7,587	7,838	8,024
Franchise fees	31,852	31,077	30,033	31,772	34,507	34,065	34,360	33,043	31,577	30,333
Public service taxes	45,234	44,563	44,675	45,182	42,428	44,574	46,840	45,380	45,015	42,899
Tax increment revenue	16,809	14,163	13,245	12,491	13,064	13,548	16,196	17,548	15,483	14,131
Local Business Tax (2)	9,742	8,435	8,101	-	-	-	-	-	-	-
Unrestricted grants and contributions	73,380	70,443	65,277	62,619	62,224	62,903	60,509	59,246	60,407	59,912
State Sales tax	39,429	37,904	35,613	33,415	30,998	29,801	27,655	26,744	29,635	30,164
Investment earnings (loss)	20,643	6,527	12,936	(3,040)	26,970	14,452	32,145	38,851	10,051	18,855
Miscellaneous	7,033	5,513	6,005	13,164	13,512	14,533	16,340	15,829	28,229	(3) 15,059
Gain on sale of capital assets	29,663	11,516	3,250	-	-	-	-	25	1,374	1,475
Transfers in (out)	(7,013)	(4,381)	(20,642)	(1,438)	(4,826)	10,016	(75,231)	(66,423)	(15,392)	(10,362)
Total governmental activities	\$ 420,773	\$ 362,365	\$ 308,823	\$ 300,991	\$ 325,765	\$ 333,651	\$ 288,782	\$ 315,066	\$ 333,604	\$ 326,602
Business-type activities:										
Investment earnings (loss)	13,227	5,925	9,898	(3,100)	17,390	8,834	31,206	41,797	556	8,584
Special item - impairment loss	-	(6,786)	(5) -	-	-	-	(34,248)	(4) -	-	-
Special item - Gain on Transfer of CFA operations (6)	-	-	33,211	-	-	-	-	-	-	-
Special item - soccer stadium (7)	-	(37,216)	-	-	-	-	-	-	-	-
Transfers in (out)	7,013	4,381	20,642	1,438	4,826	(10,016)	75,231	66,423	15,392	10,362
Total business-type activities	\$ 20,240	\$ (33,696)	\$ 63,751	\$ (1,662)	\$ 22,216	\$ (1,182)	\$ 72,189	\$ 108,220	\$ 15,948	\$ 18,946
Total primary government	\$ 441,013	\$ 328,669	\$ 372,574	\$ 299,329	\$ 347,981	\$ 332,469	\$ 360,971	\$ 423,286	\$ 349,552	\$ 345,548
Change in Net Position										
Governmental activities	61,152	38,834	(16,392)	(295)	1,150	12,859	(29,121)	(6,310)	10,605	57,907
Business-type activities	59,656	(13,593)	123,865	7,468	21,879	3,496	122,314	137,908	52,862	35,449
Total primary government	\$ 120,808	\$ 25,241	\$ 107,473	\$ 7,173	\$ 23,029	\$ 16,355	\$ 93,193	\$ 131,598	\$ 63,467	\$ 93,356

- (1) Departmental reorganizations occurred in fiscal year 2009.
- (2) As part of the implementation of a new computer system in FY 2014, the City modified its chart of accounts to more closely align with the recommendations from the State of Florida.
- (3) Includes a \$14.2 million Risk Management rebate.
- (4) Decommissioning of the old Orlando Arena.
- (5) Stormwater pond on the site of the new soccer stadium.
- (6) Due to the dissolution of the CFA in FY 2014, and the transfer of operations to Orlando Venues.
- (7) The soccer stadium is now privately funded. Previously, this was a public/private partnership.

CITY OF ORLANDO, FLORIDA
FUND BALANCES, GOVERNMENTAL FUNDS
LAST SEVEN FISCAL YEARS
(modified accrual basis of accounting)
(in thousands of dollars)

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
Pre-GASB 54										
General Fund										
Reserved	\$ 835	\$ 882	\$ 1,676	\$ 1,394	\$ 1,600	\$ 1,374	\$ 1,251	\$ 1,830	\$ 2,188	\$ 1,960
Unreserved	86,984	77,989	70,822	71,430	65,710	58,430	58,750	58,755	55,149	67,227
Total general fund	<u>\$ 87,819</u>	<u>\$ 78,871</u>	<u>\$ 72,498</u>	<u>\$ 72,824</u>	<u>\$ 67,310</u>	<u>\$ 59,804</u>	<u>\$ 60,001</u>	<u>\$ 60,585</u>	<u>\$ 57,337</u>	<u>\$ 69,187</u>
All Other Governmental Funds										
Reserved	\$ 64,052	\$ 39,850	\$ 61,848	\$ 27,349	\$ 19,793	\$ 25,593	\$ 22,473	\$ 23,428	\$ 23,152	\$ 35,563
Designated	20,500	-	-	-	-	-	-	-	-	-
Unreserved, reported in:										
Special revenue funds	100,584	129,683	119,263	148,522	114,818	102,378	91,446	64,958	63,560	63,939
Capital projects funds	40,595	47,742	40,818	19,950	34,021	23,885	17,340	14,702	39,264	28,465
Total all other governmental funds	<u>\$ 225,731</u>	<u>\$ 217,275</u>	<u>\$ 221,929</u>	<u>\$ 195,821</u>	<u>\$ 168,632</u>	<u>\$ 151,856</u>	<u>\$ 131,259</u>	<u>\$ 103,088</u>	<u>\$ 125,976</u>	<u>\$ 127,967</u>
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>			
Post-GASB 54										
General Fund										
Nonspendable	\$ 714	\$ 1,455	\$ 1,813	\$ 734	\$ 1,081	\$ 816	\$ 493			
Restricted	2,292	3,154	3,604	2,560	2,544	2,623	2,232			
Committed	1,969	1,874	1,805	2,948	3,158	2,185	638			
Assigned	22,388	12,568	10,112	38,746	40,872	29,733	9,249			
Unassigned	88,748	75,531	70,908	62,067	81,617	85,301	75,207			
Total general fund	<u>\$ 116,111</u>	<u>\$ 94,582</u>	<u>\$ 88,242</u>	<u>\$ 107,055</u>	<u>\$ 129,272</u>	<u>\$ 120,658</u>	<u>\$ 87,819</u>			
All Other Governmental Funds										
Nonspendable	\$ 49	\$ 46	\$ 85	\$ 36	\$ 94	\$ 47	\$ 35			
Restricted	161,017	155,647	104,646	129,972	119,235	134,579	123,725			
Committed	70,618	62,762	47,056	43,158	34,085	30,878	49,292			
Assigned	3,334	10,555	8,750	7,688	14,707	14,950	41,703			
Unassigned	(1,134)	(313)	(2,809)	(538)	(31)	(316)	10,976			
Total all other governmental funds	<u>\$ 233,884</u>	<u>\$ 228,697</u>	<u>\$ 157,728</u>	<u>\$ 180,316</u>	<u>\$ 168,090</u>	<u>\$ 180,138</u>	<u>\$ 225,731</u>			

Note: Six years of data available for GASB 54, which was adopted in fiscal year 2011.
Fiscal year 2010 data was restated for GASB 54 comparable presentation.

CITY OF ORLANDO, FLORIDA
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)
(in thousands of dollars)

	2016	2015	2014 (1)	2013	2012	2011	2010	2009 (2)	2008	2007
Revenues										
Taxes:										
Property	\$ 145,100	\$ 128,498	\$ 102,111	\$ 98,782	\$ 99,143	\$ 102,301	\$ 122,169	\$ 137,236	\$ 119,387	\$ 116,112
State Sales Tax	39,429	37,904	35,613	33,415	30,998	29,801	27,655	26,744	29,635	30,164
Local Option Fuel	8,901	8,471	8,219	-	-	-	-	-	-	-
Communication Services	13,709	14,222	14,560	-	-	-	-	-	-	-
Local Business Taxes (3)	9,742	8,435	8,101	57,130	42,634	42,362	42,632	41,190	39,805	38,303
Utilities services tax	31,525	30,341	30,115	28,744	42,434	44,574	46,840	45,380	45,015	42,899
Intergovernmental:										
OUC Contribution	55,719	53,211	48,622	47,000	47,161	47,976	45,596	45,900	45,952	45,700
Other Intergovernmental	77,331	67,267	77,724	97,011	82,470	95,550	102,612	88,833	81,792	74,316
Franchise Fees	31,852	31,077	30,033	-	-	-	-	-	-	-
Permits and Fees	29,801	26,123	23,312	52,197	38,712	32,421	23,246	37,266	43,388	50,319
Charges for Services	74,884	68,472	60,470	-	-	-	-	-	-	-
Fines and forfeitures	3,829	3,274	3,082	3,600	3,359	3,461	3,858	4,841	3,494	3,809
Investment earnings (loss)	14,448	3,933	8,389	(3,782)	18,639	11,012	23,516	30,879	8,544	15,074
Securities lending income	420	467	618	514	914	258	751	-	5,423	6,771
Special assessments	5,366	1,526	3,398	1,881	1,861	1,292	1,394	941	408	20,088
Other revenue	14,569	10,444	6,625	32,792	36,484	37,668	29,276	33,452	40,814	26,338
Total revenue	\$ 556,625	\$ 493,665	\$ 460,992	\$ 449,284	\$ 444,809	\$ 448,676	\$ 469,545	\$ 492,662	\$ 463,657	\$ 469,893
Expenditures										
General administration	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,622	\$ 29,725
Executive offices	22,195	20,761	20,202	20,199	19,052	18,904	18,867	20,953	17,237	16,969
Housing and community development	9,464	7,839	7,266	12,966	9,934	11,403	15,413	10,337	10,000	14,419
Economic development	28,060	24,178	21,737	28,091	19,344	19,647	18,509	38,280	36,883	29,517
Public works	21,239	22,009	26,927	25,584	24,801	26,584	16,212	13,937	10,825	13,091
Transportation	-	-	-	-	-	-	17,339	12,451	11,888	11,143
Families, parks, and recreation	34,008	31,983	30,892	32,941	30,623	31,940	31,411	33,426	32,906	30,868
Police	148,850	140,897	134,096	128,524	122,811	124,121	124,022	124,096	120,603	107,806
Fire	112,084	108,035	110,066	107,327	90,484	89,941	81,270	77,506	74,179	65,801
Business and Financial Services	28,076	27,297	26,318	24,048	26,539	27,362	27,145	28,421	5,851	4,686
Orlando Venues	3,311	3,327	3,105	506	526	541	707	918	399	257
Other expenditures	15,844	16,918	14,707	12,509	13,690	15,459	18,247	17,758	15,603	13,745
Community Redevelopment Agency	18,073	13,420	11,812	12,618	10,980	9,903	12,756	14,253	10,419	8,955
Intergovernmental	3,873	3,873	3,815	3,482	3,482	3,482	3,744	4,255	4,525	4,525
Capital improvements	68,233	42,857	29,613	39,038	39,265	57,291	38,192	67,678	62,481	48,244
Securities lending	356	234	245	198	166	118	133	810	4,431	6,523
Debt Service:										
Principal	33,029	23,453	22,985	22,127	17,811	21,537	18,280	19,180	24,948	33,776
Interest	15,911	18,332	18,887	19,287	25,550	20,000	17,458	16,548	12,643	10,074
Total expenditures	\$ 562,606	\$ 505,413	\$ 482,673	\$ 489,445	\$ 455,058	\$ 478,233	\$ 459,705	\$ 500,807	\$ 481,443	\$ 450,124

- (1) As part of the implementation of a new computer system in FY 2014, the City modified its chart of accounts to more closely align with the recommendations from the State of Florida.
- (2) Departmental reorganizations occurred in fiscal year 2009.
- (3) In 2007, the Florida Legislature renamed "Occupational Licenses" to the Local Business Tax.
- (4) Includes a \$14.2 million Risk Management rebate.

CITY OF ORLANDO, FLORIDA
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)
(in thousands of dollars)
(continued)

	2016	2015	2014	2013	2012	2011	2010	2009 (1)	2008	2007
Excess of revenues over (under) expenditures	\$ (5,981)	\$ (11,748)	\$ (21,681)	\$ (40,161)	\$ (10,249)	\$ (29,557)	\$ 9,840	\$ (8,145)	\$ (17,786)	\$ 19,769
Other Financing Sources (Uses)										
Transfers in	49,170	78,217	71,581	83,803	80,509	103,875	96,750	110,528	101,971	108,950
Transfers out	(57,257)	(79,851)	(94,761)	(84,234)	(84,905)	(107,811)	(170,367)	(176,496)	(117,475)	(116,134)
Sale of capital assets	6,541	18,468 (2)	3,250	-	-	-	-	25	2,985	1,475
Refunding bonds issued	-	-	-	-	-	-	-	5,975	-	-
Premium/(discount) on refunding bonds	-	-	-	-	3,784	-	7	310	-	-
Payments to refunded bond escrow agent	-	-	-	-	(46,971)	-	-	(5,733)	-	-
Capital leases	-	-	-	-	-	-	-	-	902	9,200
Issuance of debt	34,244	72,223	211	30,600	54,398	20,738	81,175	75,255	55,185	7,443
Total other financing sources (uses)	<u>\$ 32,698</u>	<u>\$ 89,057</u>	<u>\$ (19,719)</u>	<u>\$ 30,169</u>	<u>\$ 6,815</u>	<u>\$ 16,802</u>	<u>\$ 7,565</u>	<u>\$ 9,864</u>	<u>\$ 43,568</u>	<u>\$ 10,934</u>
Net change in fund balances	<u>\$ 26,717</u>	<u>\$ 77,309</u>	<u>\$ (41,400)</u>	<u>\$ (9,992)</u>	<u>\$ (3,434)</u>	<u>\$ (12,755)</u>	<u>\$ 17,405</u>	<u>\$ 1,719</u>	<u>\$ 25,782</u>	<u>\$ 30,703</u>
Debt service as a percentage of non-capital expenditures	<u>9.2%</u>	<u>8.8%</u>	<u>9.3%</u>	<u>9.4%</u>	<u>10.3%</u>	<u>9.6%</u>	<u>8.2%</u>	<u>8.1%</u>	<u>8.7%</u>	<u>10.9%</u>

(1) Departmental reorganizations occurred in fiscal year 2009.

(2) Primarily from the sale of Orlando Police Department Headquarters and City parking garage.

**CITY OF ORLANDO, FLORIDA
 ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN FISCAL YEARS**

Fiscal Year Ended Sept. 30,	Real Property	Personal Property	Centrally Assessed Property	Less: Tax Exempt Property	Total Taxable Value	Total Direct Tax Rate	Estimated Market Value of Taxable Property	Taxable Value ⁽¹⁾ as a Percentage of Estimated Market Value
2007	\$ 27,307,686,818	\$ 4,197,955,534	\$ 640,174	(2) \$ 10,257,540,718	\$ 21,248,741,808	5.6916	\$ 39,759,976,974	79.241
2008	31,931,514,368	4,236,036,306	815,689	11,105,208,010	25,063,158,353	4.9307	45,269,187,373	79.896
2009	32,896,763,046	4,437,260,553	3,338,690	11,895,965,001	25,441,397,288	5.6500	46,773,159,322	79.826
2010	28,843,867,942	4,406,740,903	3,642,541	10,785,230,199	22,469,021,187	5.6500	41,949,861,013	79.271
2011	24,461,788,554	4,237,364,431	2,680,548	9,992,734,864	18,709,098,669	5.6500	36,485,554,283	78.666
2012	23,935,632,901	4,355,428,002	3,973,236	10,112,820,499	18,182,213,640	5.6500	36,082,501,358	78.418
2013	24,163,174,626	4,504,562,568	3,852,456	10,600,932,856	18,070,656,794	5.6500	36,621,230,482	78.292
2014	25,268,128,904	4,575,523,320	4,639,668	11,169,748,801	18,678,543,091	5.6500	38,050,983,452	78.443
2015	25,735,535,430	4,650,586,565	4,735,156	10,358,355,774	20,032,501,377	6.6500	38,737,447,598	78.453
2016	28,420,957,532	4,942,473,753	4,154,251	10,691,411,791	22,676,173,745	6.6500	42,426,890,791	78.647

(1) Includes tax exempt property.

(2) Beginning in FY 2007, private railroad lines are no longer included as part of Centrally Assessed Property.

Source: Orange County Property Appraiser (Recapitulation of the Ad Valorem Assessment Rolls, DR-403)

Note: Assessed values are determined as of January 1 for each fiscal year.

Real Property is assessed at 85% of estimated market value and Personal Property is assessed at 55% of estimated market value. Estimated market value of taxable property is calculated by dividing the assessed values by those percentages and adding the centrally assessed property.

Centrally assessed property consists of the public and private railroad lines which are assessed by the State of Florida.

Tax rates are per \$1,000 of assessed value.

CITY OF ORLANDO, FLORIDA
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(rate per \$1,000 of assessed value)

Fiscal Year Ended Sept. 30,	Direct (1)		Overlapping (1)				Total
	City of Orlando	Orange County	Orange County School Board	Downtown Development Board (2)	Orange County Library	Water Management District (3)	
2007	5.6916	5.1639	7.1690	1.0000	0.4325	0.4620	19.9190
2008	4.9307	4.4347	7.1210	1.0000	0.3748	0.4158	18.2770
2009	5.6500	4.4347	7.1500	1.0000	0.3748	0.4158	19.0253
2010	5.6500	4.4347	7.6730	1.0000	0.3748	0.4158	19.5483
2011	5.6500	4.4347	7.8940	1.0000	0.3748	0.4158	19.7693
2012	5.6500	4.4347	8.5450	1.0000	0.3748	0.3313	20.3358
2013	5.6500	4.4347	8.4780	1.0000	0.3748	0.3313	20.2688
2014	5.6500	4.4347	8.3620	1.0000	0.3748	0.3283	20.1498
2015	6.6500	4.4347	8.4740	1.0000	0.3748	0.3023	21.2358
2016	6.6500	4.4347	8.2180 (1)	1.0000	0.3748	0.3023	20.9798

Source: Orange County Property Appraiser

- Note: (1)** All millage rates are for operating purposes, except for the Orange County School Board. The 8.2180 millage rate consists of 6.7180 mils for operating purposes and 1.5000 mils for local capital improvement purposes.
- (2)** The rate for the Downtown Development Board (DDB) does not apply to all City of Orlando property owners. The rate applies only to non-homestead property owners whose property is located within the DDB's geographic boundaries.
- (3)** Rates are for the St. Johns River Water Management District. Some residents are located in the South Florida Water Management District (0.3551 mils).

The Florida Constitution limits the City and County millage capacity (non debt related) to 10.000 mills.

**CITY OF ORLANDO, FLORIDA
PRINCIPAL PROPERTY TAX PAYERS
CURRENT YEAR AND NINE YEARS AGO**

Taxpayer	Type of Business	2016			2007		
		Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Universal City Development Partners LTD	Entertainment	\$ 1,558,183,797	1	6.87%	\$ 1,149,825,896	1	5.41%
Universal Studios Florida	Entertainment	334,501,523	2	1.48%			
Publix Supermarkets Inc.	Commercial	183,485,819	3	0.81%			
HIW-KC Orlando LLC	Developer	164,264,384	4	0.72%	179,660,221	2	0.85%
Forbes Taubman Orlando LLC	Developer	112,549,389	5	0.50%	126,458,078	3	0.60%
PBP Apartments LLC	Developer	110,746,765	6	0.49%			
F6OSTC LLC	Commercial	100,740,987	7	0.44%			
Orlando Outlet Owner LLC	Commercial	80,197,307	8	0.35%			
Realty Assoc. Fund IX LP	Developer	70,286,759	9	0.31%			
USO Norge Paramount Res LLC	Developer	65,648,902	10	0.29%			
ZML-Sun Center LLP	Developer				125,344,343	4	0.59%
MMM Lakewood LTD	Developer				89,145,537	5	0.42%
ACP/UTAH Orange Ave. LLC	Developer				78,068,373	6	0.37%
B T Orlando LP	Commercial				74,235,264	7	0.35%
OCC Ownwe LLC	Commercial				60,763,220	8	0.29%
Beach Hill Dev. Bristol LLC	Developer				59,623,534	9	0.28%
DRA CRT Orlando Central FL LLC	Developer				57,563,052	10	0.27%
Other Taxpayers		19,895,568,113		87.74%	19,248,054,290		90.57%
Total		<u>\$ 22,676,173,745</u>		<u>100.00%</u>	<u>\$ 21,248,741,808</u>		<u>100.00%</u>

Source: Orange County Property Appraiser's Office

**CITY OF ORLANDO, FLORIDA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

Fiscal Year Ended Sept. 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy (1)		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2007	\$ 121,040,740	\$ 119,631,421	98.84%	\$ 388,912	\$ 120,020,333	99.16%
2008	123,718,200	122,548,139	99.05%	547,445	123,095,584	99.50%
2009	143,816,532	141,332,685	98.27%	654,591	141,987,276	98.73%
2010	127,026,785	124,996,513	98.40%	301,507	125,298,020	98.64%
2011	106,612,865	105,324,704	98.79%	405,872	105,730,576	99.17%
2012	102,782,483	101,990,844	99.23%	439,425	102,430,269	99.66%
2013	102,865,269	101,863,778	99.03%	359,664	102,223,442	99.38%
2014	106,406,950	105,426,205	99.08%	286,182	105,712,387	99.35%
2015	133,761,936	132,830,260	99.30%	(133,366) (2)	132,696,894	99.20%
2016	152,585,851	149,689,693	98.10%	-	149,689,693	98.10%

Source: Orange County Tax Collector and City of Orlando Office of Business and Financial Services.

Note: (1) Amounts collected within the fiscal year of the levy are inclusive of legally available early payment discounts (ranging from a high of 4% to a low of 1%).
(2) Reduction based on prior year adjustments by the Tax Collector.

**CITY OF ORLANDO, FLORIDA
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

Fiscal Year Ended Sept. 30	Governmental Activities							Business-Type Activities							Total Primary Government	Percentage of Personal Income	Per Capita	
	Redevelopment Bonds	Tax Increment Revenue Bonds	Special Assessment Bonds	Capital Improvement Bonds	Sunshine State Governmental Financing Commission Loans	Capital Leases	State Infrastructure Bank	Wastewater State Revolving Fund	Wastewater Revenue Bonds	Parking Revenue Bonds	SSGFC Orlando Venues Loan	Senior Tourist Dev. Tax Bonds	State Sales Tax Revenue Bonds	Capital Improvement Bonds				Capital Leases
2007	\$ 14,895,000	\$ 39,330,000	\$ 25,880,000	\$ 140,560,000	\$ 67,011,338	\$ 9,200,000	\$ -	\$ 25,215,420	\$ 106,875,000	\$ 10,745,000	\$ 50,000,000	\$ -	\$ -	\$ -	\$ 1,431,889	\$ 491,143,647	6.08%	\$ 2,147
2008	12,735,000	37,865,000	25,090,000	195,495,000	67,011,338	9,159,477	772,000	30,312,275	68,370,000	9,070,000	110,000,000	310,885,000	31,420,000	-	1,152,553	909,337,643	10.60%	3,884
2009	71,405,000	36,330,000	24,260,000	187,425,000	67,011,338	8,095,972	71,741	45,998,973	59,480,000	7,345,000	110,000,000	310,885,000	30,895,000	51,950,000	861,854	1,012,014,878	11.93%	4,341
2010	147,580,000	34,740,000	23,380,000	179,265,000	67,011,338	6,992,083	-	48,322,711	50,410,000	5,580,000	110,000,000	310,885,000	30,350,000	51,950,000	559,330	1,067,025,462	13.11%	4,576
2011	146,255,000	33,095,000	22,455,000	213,740,000	25,740,000	13,404,713	10,780,000	48,159,348	41,110,000	3,770,000	90,000,000	308,385,000	29,775,000	51,950,000	244,499	1,038,863,560	11.93%	4,293
2012	144,870,000	48,655,000	-	206,060,000	25,740,000	11,938,525	14,102,867	47,183,225	31,520,000	1,915,000	90,000,000	305,635,000	29,180,000	51,950,000	-	1,008,749,617	11.11%	4,111
2013	143,420,000	54,850,000	-	198,930,000	25,740,000	9,781,018	12,426,780	50,457,064	36,170,000	-	90,000,000	302,310,000	28,565,000	51,950,000	-	1,004,599,862	10.84%	4,012
2014	141,655,000	51,364,256	-	191,080,000	25,740,000	7,958,185	11,001,786	52,056,400	36,170,000	-	90,000,000	298,540,000	27,930,000	51,950,000	-	985,445,627	10.39%	3,855
2015	139,570,000	47,716,203	-	239,485,000	23,889,000	6,117,035	9,541,880	56,964,775	34,915,000	-	90,000,000	530,600,000	27,275,000	50,725,000	1,104,577	1,257,903,470	12.38%	4,784
2016	136,645,000	43,908,327	-	250,165,000	14,808,000	4,223,591	8,046,206	56,701,173	33,610,000	-	90,000,000	525,780,000	28,090,000	49,285,000	284,726	1,241,547,023	N/A	4,569

Source: City of Orlando Office of Business and Financial Services

Notes: See Demographic and Economic Statistics for personal income and population data.
N/A = Information is not available.

**CITY OF ORLANDO, FLORIDA
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS**

Fiscal Year Ended Sept. 30	General Bonded Debt Outstanding					Total	Percentage of Estimated Market Value of Taxable Property	Per Capita
	Capital Improvement Bonds	Capital Improvement Bonds-Venues	Sunshine State Governmental Financing Commission Loans	Sunshine State Gov. Financing Commission Orlando Venues Loan				
2007	\$ 140,560,000	\$ -	\$ 67,011,338	\$ 50,000,000	\$ 257,571,338	0.65 %	\$ 1,126	
2008	195,495,000	-	67,011,338	110,000,000	372,506,338	0.82	1,591	
2009	187,425,000	51,950,000	67,011,338	110,000,000	416,386,338	0.89	1,786	
2010	179,265,000	51,950,000	67,011,338	110,000,000	408,226,338	0.97	1,751	
2011	213,740,000	51,950,000	25,740,000	90,000,000	381,430,000	1.05	1,601	
2012	206,060,000	51,950,000	25,740,000	90,000,000	373,750,000	1.04	1,523	
2013	198,930,000	51,950,000	25,740,000	90,000,000	366,620,000	1.00	1,464	
2014	191,080,000	51,950,000	25,740,000	90,000,000	358,770,000	0.94	1,403	
2015	239,485,000	50,725,000	23,889,000	90,000,000	404,099,000	0.98	1,537	
2016	250,165,000	49,285,000	14,808,000	90,000,000	404,258,000	0.95	1,488	

Source: City of Orlando Office of Business and Financial Services

**CITY OF ORLANDO, FLORIDA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
SEPTEMBER 30, 2016**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable (1)</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
Orange County District School Board Certificates of Participation (2)	\$ 1,189,020,605	20.06%	\$ 238,517,533
City Direct Debt (Governmental Activities)			<u>457,796,124</u>
Total Direct and Overlapping Debt			<u>\$ 696,313,657</u>

Sources: Assessed value data used to estimate applicable percentage provided by the Orange County Property Appraiser (Form DR-422). Debt outstanding data provided by each governmental unit.

Notes:

- (1) Ratio of assessed valuation of taxable property in overlapping unit to that within the City of Orlando.
- (2) Debt outstanding as of June 30, 2016.

**CITY OF ORLANDO, FLORIDA
COMMUNITY REDEVELOPMENT AGENCY - DOWNTOWN DISTRICT
TAX INCREMENT REVENUE BONDS COVERAGE
LAST TEN FISCAL YEARS**

Fiscal Year	Tax Increment Revenue (1)	Build America Bond Subsidy (2)	Debt Service Requirements			Coverage
			Principal	Interest	Total	
2007	\$ 17,543,982	\$ -	\$ 2,100,000	\$ 511,074	\$ 2,611,074	6.72
2008	19,357,076	-	2,160,000	456,324	2,616,324	7.40
2009	24,584,519	-	2,205,000	608,998	2,813,998	8.74
2010	22,895,294	2,118,388	-	7,542,704	7,542,704	3.32
2011	17,626,916	3,300,615	1,325,000	10,564,475	11,889,475	1.76
2012	16,356,340	3,300,615	1,385,000	10,507,700	11,892,700	1.65
2013	15,949,624	3,157,038	1,450,000	10,446,931	11,896,931	1.61
2014	16,823,023	3,062,971	1,765,000	10,380,475	12,145,475	1.64
2015	19,823,135	3,059,670	2,085,000	10,302,362	12,387,362	1.85
2016	23,349,686	3,076,173	2,925,000	10,223,637	13,148,637	2.01

- (1) Tax Increment Revenue Bonds are backed by the property tax revenue produced by the property tax rate of the City of Orlando, Orange County, and the Downtown Development Board applied to the increase in taxable assessed values above the base year taxable assessed values multiplied by 95%.
- (2) The Downtown CRA Series 2009C and 2010B Bonds were issued as Direct Subsidy Build America Bonds. The CRA is eligible, subject to certain conditions, to receive cash subsidy payments from the United States Treasury equal to 35% of the interest payable on each interest payment date.

**CITY OF ORLANDO, FLORIDA
COMMUNITY REDEVELOPMENT AGENCY
REPUBLIC DRIVE (UNIVERSAL BOULEVARD) DISTRICT
TAX INCREMENT REVENUE BONDS COVERAGE
LAST TEN FISCAL YEARS**

Fiscal Year	Tax Increment Revenue (1)	Debt Service Requirements			Coverage
		Principal	Interest	Total	
2007	\$ 7,654,533	\$ 1,425,000	\$ 1,889,366	\$ 3,314,366	2.31
2008	8,255,798	1,465,000	1,833,431	3,298,431	2.50
2009	9,128,483	1,535,000	1,769,944	3,304,944	2.76
2010	8,100,819	1,590,000	1,714,263	3,304,263	2.45
2011	7,294,619	1,645,000	1,654,600	3,299,600	2.21
2012	8,067,882	1,710,000	1,287,342	2,997,342	2.69
2013	8,030,758	1,795,000	1,276,920	3,071,920	2.61
2014	7,627,492	2,445,744	1,338,817	3,784,561	2.02
2015	9,152,762	2,568,053	1,249,852	3,817,905	2.40
2016	12,579,214	2,677,876	1,148,192	3,826,068	3.29

(1) Tax Increment Revenue Bonds are backed by the property tax revenue produced by the property tax rate of the City of Orlando and Orange County applied to the increase in taxable assessed values above the base year taxable assessed values multiplied by 95%.

**CITY OF ORLANDO, FLORIDA
COMMUNITY REDEVELOPMENT AGENCY
CONROY ROAD DISTRICT
TAX INCREMENT REVENUE BONDS COVERAGE
LAST FOUR FISCAL YEARS (1)**

Fiscal	Tax Increment	Debt Service Requirements			Coverage
		Revenue (2)	Principal	Interest	
2013	\$ 3,231,181	\$ 1,010,000	\$ 888,750	\$ 1,898,750	1.70
2014	3,673,712	1,040,000	863,050	1,903,050	1.93
2015	4,096,317	1,080,000	820,450	1,900,450	2.16
2016	4,687,777	1,130,000	770,310	1,900,310	2.47

(1) Fiscal Year 2013 was the first full year of the Conroy Road Tax Increment Revenue Bonds.

(2) Tax Increment Revenue Bonds are backed by the property tax revenue produced by the property tax rate of the City of Orlando and Orange County applied to the increase in taxable assessed values above the base year taxable assessed values multiplied by 95%.

**CITY OF ORLANDO, FLORIDA
SCHEDULE OF WASTEWATER SYSTEM DEBT COVERAGE
LAST TEN FISCAL YEARS**

Fiscal Year	Net Wastewater Revenue Available	Utilities Services Tax	Available Impact Fees (1)	Revenue Available for Debt Service	Net Debt Service Requirements (2)			Coverage
					Principal	Interest	Total	
2007	\$ 16,442,584	\$ 42,899,176	\$ 11,705,057	\$ 71,046,817	\$ 11,614,494	\$ 4,665,140	\$ 16,279,634	4.36
2008	8,152,652	45,015,374	11,555,592	64,723,618	12,638,891	3,432,864	16,071,755	4.03
2009	8,662,278	45,379,973	10,915,759	64,958,010	11,483,537	3,698,325	15,181,862	4.28
2010	13,984,718	46,840,359	10,042,555	70,867,632	11,037,527	3,330,477	14,368,004	4.93
2011	11,772,210	44,574,343	10,379,782	66,726,335	11,306,474	3,305,112	14,611,586	4.57
2012	22,946,900	42,433,883	11,212,028	76,592,811	13,568,724	2,367,442	15,936,166	4.81
2013	29,264,911	28,743,562	(3) -	58,008,473	14,194,692	2,297,562	16,492,254	3.52
2014	34,300,431	30,114,618	-	64,415,049	4,716,999	2,851,669	7,568,668	8.51
2015	39,335,733	30,341,246	-	69,676,979	5,699,500	2,856,970	8,556,470	8.14
2016	47,878,685	31,524,912	-	79,403,597	5,375,363	2,853,070	8,228,433	9.65

Total Impact Fee Revenues

Fiscal Year	Impact Fees	New Customer Capacity Charge	Interest Income	Total Impact Fee Revenues	Available for Senior Debt (1)
2007	\$ 3,308,617	\$ 7,154,968	\$ 2,966,157	\$ 13,429,742	\$ 11,705,057
2008	4,658,090	6,908,972	1,168,487	12,735,549	11,555,592
2009	3,784,094	7,091,043	1,370,308	12,245,445	10,915,759
2010	1,950,171	7,063,681	1,028,703	10,042,555	10,042,555
2011	1,709,879	8,045,240	624,663	10,379,782	10,379,782
2012	1,088,627	8,951,237	1,172,164	11,212,028	11,212,028
2013	4,708,111	-	(4) (267,303)	4,440,808	-
2014	5,222,453	-	856,448	6,078,901	-
2015	5,123,200	-	488,783	5,611,983	-
2016	4,632,197	-	1,725,273	6,357,470	-

- (1) Available Impact Fees were limited to the Expansion Project Percentage (71.9%) of debt service requirements on the Senior Bonds from 2006 through 2012. Beginning with the issuance of the Series 2013 Wastewater Bonds, impact fees are no longer part of Pledged Revenues.
- (2) Includes the Wastewater revenue bonds and State revolving fund loans.
- (3) Beginning with the issuance of the Series 2013 Wastewater Bonds, Pledged Utilities Services Tax no longer includes the Communication Services Tax revenue, which is now deposited into the City's General Fund.
- (4) Beginning with the issuance of the Series 2013 Wastewater Bonds, New Customer Capacity Charges are included under Net Wastewater Revenue.

**CITY OF ORLANDO, FLORIDA
SCHEDULE OF INTERNAL LOAN FUND REVENUE DILUTION TEST
LAST TEN FISCAL YEARS**

Fiscal Year	General Fund Covenant Revenues Available (1)	Utilities Services Tax Fund Covenant Revenues Available (1)	Revenue Available For Debt Service	Debt Service Requirements			Dilution Test (2)
				Principal	Interest	Total	
2007	\$ 192,593,506 (3)	\$ 43,788,235	\$ 236,381,741	\$ 25,270,000	\$ 9,760,743	\$ 35,030,743	14.82%
2008	197,532,020	45,220,301	242,752,321	27,920,000	13,119,092	41,039,092	16.91%
2009	187,482,735	47,930,491	235,413,226	24,315,000	10,787,697	35,102,697	14.91%
2010	183,450,258	48,793,647	232,243,905	35,150,000	13,794,332	48,944,332	21.07%
2011	189,934,806	44,852,317	234,787,123	34,785,000	15,016,273	49,801,273	21.21%
2012	209,469,876	42,811,363	252,281,239	17,645,000	14,354,373	31,999,373	12.68%
2013	215,351,204	28,730,897 (4)	244,082,101	7,130,000	13,607,786	20,737,786	8.50%
2014	224,947,235	30,202,184 (4)	255,149,419	14,055,000	13,162,936	27,217,936	10.67%
2015	237,461,737	30,387,012 (4)	267,848,749	15,186,000	19,663,589	34,849,589	13.01%
2016	253,342,455	31,524,912 (4)	284,867,367	22,976,000	14,869,977	37,845,977	13.29%

Notes:

- (1) Has a junior lien pledge on non ad-valorem (property tax) revenues subordinate to essential service plus other revenues paid into the trust. Program includes fixed and variable rate elements. Variable rate elements only have to amortize over the last one-third of its nominal term (normally 30 years). The ability to use other revenues (paid into the trust) allows loans to other funds to reduce the debt service required to be paid from the Pledged revenues but does not alter the dilution test.
- (2) New borrowings are subject to a 25% maximum dilution limit, comparing the level of debt service to the covenant revenues.
- (3) In FY 2007, two separate funds were created apart from the General Fund; one to report Police Fee revenues and the other to report Building Code fees for inspections and permits. In years prior to 2007, these revenues were reported within the General Fund.
- (4) Beginning with the issuance of the Series 2013 Wastewater Bonds, Pledged Utilities Services Tax no longer includes the Communication Services Tax revenue, which is now deposited into the City's General Fund.

**CITY OF ORLANDO, FLORIDA
ORLANDO VENUES
6TH CENT TOURIST DEVELOPMENT TAX (TDT) REVENUE BONDS COVERAGE
LAST EIGHT FISCAL YEARS (1)**

Fiscal Year	Tourist Development Tax Revenue (2)	Debt Service Requirements			Coverage
		Principal	Interest	Total	
2009	\$ 12,631,924	\$ -	\$ 16,263,100	\$ 16,263,100	0.78
2010	14,959,967	-	16,263,100	16,263,100	0.92
2011	16,656,748	2,500,000	16,171,433	18,671,433	0.89
2012	18,049,843	2,750,000	16,062,266	18,812,266	0.96
2013	18,257,910	3,325,000	15,931,184	19,256,184	0.95
2014	19,329,561	3,770,000	15,749,600	19,519,600	0.99
2015	21,265,438	4,230,000	15,544,624	19,774,624	1.08
2016	22,654,747	9,640,000	15,350,667	24,990,667	0.91

(1) Tourist Development Tax revenue was first received in fiscal year 2008/09.

(2) This is comprised of the 6th Cent TDT which is collected by Orange County pursuant to Section 125.0104(3)(n), Florida Statutes. Pursuant to an interlocal agreement, for each of fiscal years 2008/09 through 2017/18, an amount equal to 50% of the 6th Cent TDT and 5% of the amount distributed to Orange County in fiscal years 2005/06 through 2007/08 may be used to pay debt service on the Bonds with the remaining balance distributed for additional advertising and marketing efforts for tourism promotion. For fiscal years 2018/19 and thereafter, pursuant to the interlocal agreement, the 6th Cent TDT will be distributed 50% to Orange County for additional advertising and marketing efforts for tourism promotion and 50% to the City for the payment of debt service on the Bonds.

**CITY OF ORLANDO, FLORIDA
 ORLANDO VENUES
 CONTRACT (1ST THROUGH 4TH CENT) TOURIST DEVELOPMENT TAX (TDT)
 REVENUE BONDS COVERAGE
 TWO FISCAL YEARS (1)**

Fiscal Year	Tourist Development Tax Revenue (2)	Debt Service Requirements			Coverage
		Principal	Interest	Total	
2015	\$ 20,837,158	\$ -	\$ 11,894,853	\$ 11,894,853	1.75
2016	38,545,845	-	11,900,363	11,900,363	3.24

(1) Fiscal Year 2014/15 is the first full year for the Series 2014A TDT Bonds.

(2) Contract TDT Revenues means for each fiscal year, the difference between (a) TDT collected on an accrual basis by the County for such fiscal year reported by the County Comptroller, and (b) the Base Amount. Contract TDT Revenue payments are to be deposited with the trustee by the County on January 15th of each year.

**CITY OF ORLANDO, FLORIDA
ORLANDO VENUES
STATE SALES TAX PAYMENTS REVENUE BONDS COVERAGE
LAST NINE FISCAL YEARS (1)**

Fiscal Year	Sales Tax Revenue (2)	Debt Service Requirements			Coverage
		Principal	Interest	Total	
2008	\$ 1,333,336	\$ 400,000	\$ 844,593	\$ 1,244,593	1.07
2009	2,000,004	525,000	1,466,670	1,991,670	1.00
2010	2,000,004	545,000	1,441,566	1,986,566	1.01
2011	2,000,004	575,000	1,419,083	1,994,083	1.00
2012	2,000,004	595,000	1,401,852	1,996,852	1.00
2013	2,000,012	615,000	1,380,808	1,995,808	1.00
2014	2,000,073	635,000	1,358,990	1,993,990	1.00
2015	2,000,004	655,000	1,335,117	1,990,117	1.00
2016	2,000,004	685,000	1,093,019	1,778,019	1.12

- (1) State Sales Tax Payments Revenue Bonds Series 2008 were issued on March 6, 2008 for the purpose of constructing and equipping the Events Center.
- (2) State Sales Tax Revenue Bonds are backed by sales tax revenues received and collected by the State of Florida, and distributed to the City of Orlando (\$166,667 monthly for 30 years); the City is certified as a "facility for a new professional sports franchise" pursuant to Section 288.1162 of the Florida Statutes.

**CITY OF ORLANDO, FLORIDA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

Year	City Population	Orlando-Kissimmee-Sanford MSA Population	City Personal Income (in thousands)	Per Capita Personal Income	Unemployment Rate
2007	228,765	2,083,923	\$ 8,076,091	\$ 35,303	4.1%
2008	234,130	2,103,480	\$ 8,578,289	\$ 36,639	6.6%
2009	233,115	2,097,422	\$ 8,485,386	\$ 36,400	11.2%
2010	233,160	2,103,353	\$ 8,141,015	\$ 34,916	11.2%
2011	241,978	2,154,061	\$ 8,708,788	\$ 35,990	10.5%
2012	245,402	2,184,588	\$ 9,083,064	\$ 37,013	8.4%
2013	250,415	2,225,730	\$ 9,263,352	\$ 36,992	6.3%
2014	255,636	2,270,370	\$ 9,485,118	\$ 37,104	5.7%
2015	262,949	2,320,195	\$ 10,158,246	\$ 38,632	4.9%
2016	271,752	2,376,358	N/A	N/A	4.4%

Source: Per Capita Personal Income from the Bureau of Economic Analysis, U.S. Department of Commerce (<http://www.bea.gov>)
Unemployment Rate from the U.S. Department of Labor, Bureau of Labor Statistics (<http://www.bls.gov>)

City Population for 2009 to 2015
Office of Economic and Demographic Research (The Florida Legislature)
Population Estimates for Florida Municipalities (as of April 1st)
Population Estimates for Florida Counties (as of April 1st)

City Population for 2006 to 2008
Florida Statistical Abstract, Bureau of Economic and Business Research - University of Florida
City Population (Table 1.25)
Orlando-Kissimmee-Sanford Metropolitan Statistical Area (MSA) Population (Table 1.12)

Notes: Per Capita Personal Income is for Orange County.
Unemployment rate is for the Orlando-Kissimmee-Sanford MSA as of September.
N/A = Statistical information is not available at the time of publication.

**CITY OF ORLANDO, FLORIDA
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO**

Employer	Type of Business	2016 (1)			2007 (1)		
		Number of Employees	Rank	Percentage of Total MSA Employment	Number of Employees	Rank	Percentage of Total MSA Employment
Walt Disney World	Leisure & Hospitality	74,000	1	6.06%	59,500	1	5.30%
Orange County Public Schools	Government	23,929	2	1.96%	26,000	2	2.32%
Universal Orlando Resort	Leisure & Hospitality	21,000	3	1.72%	13,000	6	1.16%
Florida Hospital (Adventist Health)	Healthcare	20,413	4	1.67%	16,002	4	1.43%
Publix Supermarkets Inc.	Service (Grocery)	19,783	5	1.62%	15,600	5	1.39%
Orlando International Airport (MCO)	Transportation	18,000	6	1.47%			
Orlando Health	Healthcare	16,828	7	1.38%	10,000	7	0.89%
University of Central Florida	Education	11,833	8	0.97%	9,537	9	0.85%
Orange County Government	Government	10,392	9	0.85%	8,080	10	0.72%
Seminole County Public Schools	Government	7,687	10	0.63%	9,984	8	0.89%
Walmart	Service (Retail)				16,800	3	1.50%
Other Employers	Various	997,380		81.67%	937,197		83.55%
Total		1,221,245		100.00%	1,121,700		100.00%

Source: (1) Metro Orlando Economic Development Commission

Note: Includes the four counties in the Orlando-Kissimmee-Sanford Metropolitan Statistical Area (MSA), (Orange, Seminole, Osceola, and Lake).

**CITY OF ORLANDO, FLORIDA
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES
BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

	Full-time Equivalent Employees as of September 30									
<u>Function/Program</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
General Administration (1)	-	-	-	-	-	-	-	-	210	209
Executive Offices (1)	152	150	144	144	143	143	144	150	122	126
Housing	20	20	20	20	20	20	20	19	20	17
Economic Development	174	164	159	149	149	149	162	186	195	197
Public Works	170	160	153	152	153	151	184	222	225	225
Families, Parks and Recreation	216	204	198	198	198	196	251	272	273	274
Police	996	995	978	976	976	976	997	1,089	1,065	1,037
Fire	592	592	592	567	567	565	561	588	587	549
Office of Business & Financial Services (1) (2)	212	211	191	191	191	186	206	234	62	56
Community Redevelopment	19	17	17	17	17	17	17	16	16	16
Wastewater	239	217	217	217	218	218	221	229	229	230
Orlando Venues (3)	88	95	88	85	85	85	83	86	86	84
Parking	91	91	91	91	91	98	96	105	101	88
Stormwater Utility	69	69	68	69	69	69	56	55	55	55
Solid Waste	98	98	97	100	100	100	105	103	118	118
Fleet Management	47	44	36	36	36	36	39	45	45	45
Civic Facilities Authority	-	-	7	7	7	7	7	8	9	9
Downtown Development Board	3	3	3	3	3	3	4	5	5	3
Total	<u>3,186</u>	<u>3,130</u>	<u>3,059</u>	<u>3,022</u>	<u>3,023</u>	<u>3,019</u>	(5) <u>3,153</u>	(4) <u>3,412</u>	<u>3,423</u>	<u>3,338</u>

Source: City of Orlando Annual Budget Book

Notes:

- (1) In FY 2009, the City reorganized the General Administration Department, dividing this department between the Executive Offices and the Finance Department. At the same time, the Finance Department was renamed the Office of Business & Financial Services.
- (2) Formerly Finance Department.
- (3) Formerly Centroplex.
- (4) The City implemented a substantial reduction in force toward the end of FY 2009.
- (5) The City implemented an additional reduction in force during FY 2010.

**CITY OF ORLANDO, FLORIDA
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

<u>Function/Program</u>	Fiscal Year									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Police										
Arrests	12,382	15,944	20,389	17,448	17,504	16,923	18,908	23,510	29,783	21,164
Cases submitted to the State Attorney	12,183	12,448	12,964	13,152	13,133	13,758	14,439	15,012	14,727	14,491
Traffic citations issued	24,417	32,610	35,584	32,045	26,467	31,823	37,835	46,145	54,110	50,693
Emergency 911 calls received	341,625	341,897	340,351	284,008	292,394	264,460	251,745	261,530	277,061	282,544
Cases Investigated	4,773	4,781	4,400	4,085	4,501	5,172	5,552	5,949	5,557	6,318
Fire										
Emergency responses	54,822	51,113	49,210	49,317	47,350	45,767	44,646	44,420	49,984	48,819
Fires reported	969	926	959	902	909	909	995	1,030	1,061	1,224
Streets and Drainage										
Potholes repaired	4,196	6,816	6,854	3,131	2,388	2,524	3,176	5,014	3,530	2,627
Curb miles swept	65,518	37,020	52,439	58,782	53,440	51,780	48,738	60,431	63,407	67,426
Wastewater										
Number of customers	76,300	75,730	75,148	73,000	73,521	72,951	71,727	72,079	72,892	74,309
Gallons of wastewater treated (millions of gallons)	14,312	15,155	14,475	14,852	13,500	14,209	13,633	14,717	13,551	13,079
Orlando Venues										
Number of events	404	522	631	879	746	815	851	797	861	892
Attendance	2,265,121	2,226,307	1,948,854	2,139,002	1,977,241	2,199,069	1,931,888	1,297,556	1,966,941	2,102,972
Parking										
Parking violations written	84,744	87,582	88,232	87,946	97,039	90,948	91,092	85,943	69,998	75,927
Number of parking system garage spaces	4,195	4,195	4,198	4,791	4,753	4,791	4,791	4,786	4,406	4,406
Solid Waste										
Number of customers	64,858	64,387	63,160	61,710	59,819	59,363	58,556	58,088	58,637	59,546
Refuse collected (in tons)	182,154	165,129	154,230	154,688	163,356	132,909	150,855	155,007	147,794	156,096
Recyclables collected (in tons)	8,558	7,556	8,087	5,890	4,223	4,736	4,889	4,576	3,182	4,191
Stormwater Utility										
Volume of trash and debris collected from stormlines (in cubic yards)	1,592	1,625	1,054	2,505	2,265	1,223	1,741	1,451	1,560	1,200

Source: Various City Departments

Fire numbers for 2015 were updated in 2016 based on additional information from the Fire Department.

**CITY OF ORLANDO, FLORIDA
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

<u>Function/Program</u>	Fiscal Year									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Special teams' offices and substations	17	18	18	18	18	18	18	17	17	15
Vehicular patrol units										
Patrol cars	515	549	549	563	558	498	479	495	495	505
Motorcycles	36	36	36	36	35	35	35	35	35	35
Unmarked	209	214	227	210	223	86	125	109	109	102
Horse patrol	8	8	8	6	6	8	8	8	8	8
Bicycle patrol	95	96	51	63	63	78	78	78	78	78
Fire stations	17	17	17	17	17	17	17	18	17	16
Parks and recreation										
Parks	104	111	109	112	115	114	114	113	110	110
Neighborhood recreation & senior centers	21	19	18	22	22	20	20	20	20	20
Swimming pools	11	11	11	11	11	11	11	11	11	11
Boat ramps	5	5	5	5	5	5	5	5	5	5
Gymnasiums	6	7	7	7	7	7	7	7	6	7
Golf courses	1	1	1	1	1	1	1	1	1	1
Playgrounds	52	52	51	52	51	51	49	47	47	48
Tennis courts	26	34	35	35	37	43	43	43	36	36
Volleyball courts (sand)	7	10	10	10	10	10	10	10	10	10
Racketball courts	6	6	4	6	6	6	6	6	6	6
Basketball courts (1)	34	44	44	46	46	55	55	55	54	54
Baseball/softball and soccer/rugby fields	27	52	51	52	53	63	56	66	76	66
Other public works										
Paved streets (miles)	723	664	653	649	637	637	630	630	627	625
Unpaved streets (miles)	-	-	-	-	-	-	-	-	-	2
Brick streets (miles)	55	55	55	55	55	55	55	55	55	56
Sidewalks (miles)	900	982	882	968	950	941	818	818	598	593
Bikepaths (miles)	36	322	318	280	280	280	273	259	234	230
Wastewater										
Sanitary sewers (miles) (2)	826	1,086	1,010	980	975	975	961	843	800	800
Treatment capacity (millions of gallons per day)	69	69	69	69	69	73	73	73	73	73
Parking										
Number of garages	9	9	10	10	10	10	10	10	9	9
Number of Parking Spaces	8,548	9,153	10,373	10,369	10,331	10,373	13,169	11,341	10,227	9,432

Source: Various City Departments

(1) 2012 Basketball courts included are exterior only, prior years include both interior and exterior

(2) 2010 information based on revised data from Public Works



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Preserving our history ensures that our community's story can be told to future generations. The Tinker Field History Plaza at Camping World Stadium (scheduled to open in 2017) reflects the community's vision to create a space that is open and engaging, and offers a place for people to learn, gather, reflect and celebrate.

SINGLE AUDIT SECTION



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City of Orlando, Florida
Schedule of Expenditures of Federal Awards and State Financial Assistance
For the Year Ended September 30, 2016

FEDERAL AWARDS

Grantor/Federal Program Title/Pass-Through Grantor	Identification Number	CFDA Number	Federal Expenditures
U.S. Department of Agriculture			
Afterschool Nutrition Program	FY 13/14	10.558	\$ 453,836
U.S. Department of Housing and Urban Development:			
Community Development Block Grants/Entitlement Grants (Amount paid to subrecipients \$2,366,411)			
FY 09/10	B-09-MC-12-0015	14.218	118,518
FY 10/11	B-10-MC-12-0015	14.218	357,747
FY 11/12	B-11-MC-12-0015	14.218	325,884
FY 12/13	B-12-MC-12-0015	14.218	377,134
FY 13/14	B-13-MC-12-0015	14.218	720,359
FY 14/15	B-14-MC-12-0015	14.218	86,558
FY 15/16	B-15-MC-12-0015	14.218	1,485,375
			<u>3,471,575</u>
Neighborhood Stabilization Program			
FY 08/09 (Amount paid to subrecipients \$0)	B-08-MN-12-0020	14.218	470,901
Neighborhood Stabilization Program - 3			
FY 10/11 (Amount paid to subrecipients \$27,742)	B-11-MN-12-0020	14.218	48,782
			<u>519,683</u>
			3,991,258
Emergency Shelter Grants Program (Amount paid to subrecipients \$164,594)			
FY 12/13	E-12-MC-12-0008	14.231	3,716
FY 13/14	E-13-MC-12-0008	14.231	12,050
FY 14/15	E-14-MC-12-0008	14.231	161,003
			<u>176,769</u>
HOME Investment Partnerships Program (Amount paid to subrecipients \$505,002)			
FY 13/14	M-13-MC-12-0214	14.239	154,646
FY 14/15	M-14-MC-12-0214	14.239	64,286
FY 15/16	M-15-MC-12-0214	14.239	396,846
			<u>615,778</u>
Housing Opportunities for Persons with AIDS (Amount paid to subrecipients \$2,614,307)			
FY 15/16	FLH15F002	14.241	2,711,563
Sustainable Communities Regional Planning Grant <i>Passed through East Central Florida Regional Planning Council</i>			
Economic Development Initiative-Special Project, Neighborhood Initiative and Miscellaneous			
FY 09/10	B-09-SP-FL-0161	14.251	270,271
Fair Housing Assistance Program			
FY 14/15	FY 14/15	14.401	60,147
			<u>7,825,786</u>

City of Orlando, Florida
Schedule of Expenditures of Federal Awards and State Financial Assistance
For the Year Ended September 30, 2016

FEDERAL AWARDS (continued)

Grantor/Federal Program Title/Pass-Through Grantor	Identification Number	CFDA Number	Federal Expenditures
U.S. Department of Justice:			
National Institute of Justice Research, Evaluation and Development Project Grants			
Solving Cold Cases With DNA	2014-DN-BX-K078	16.560	\$ 46,086
Violence Against Women Formula Grants			
<i>Passed through Florida Coalition Against Domestic Violence</i>			
Intimate Violence Enhanced Services Team (InVEST)	16-8001-LE-INV	16.588	87,553
Intimate Violence Enhanced Services Team (InVEST)	17-8001-LE-INV	16.588	18,870
			<u>106,423</u>
Edward Byrne Memorial Justice Assistance Grant Program (JAG)			
2015 Body Worn Cameras	2015-DE-BX-K033	16.738	2,792
FY 15/16 Local Solicitation - Radios	2015-DJ-BX-0117	16.738	169,717
<i>Passed through Florida Department of Law Enforcement</i>			
FY 15/16 JAG CountyWide - OPD Forensics Equipment	2016-JAGC-ORAN-6-H3-031	16.738	41,894
FY 16/17 JAG CountyWide - OPD Forensics Equipment	2017-JAGE-ORAN-2-E8-007	16.738	310,006
			<u>524,409</u>
Paul Coverdell Forensic Sciences Improvement Grant Program			
FY 15/16 Forensics Equipment	2015-CD-BX-0033	16.742	121,326
Equitable Sharing Program			
FY 12/13	FL0480400	16.922	382,992
			<u><u>1,181,236</u></u>
U.S. Department of Transportation:			
Highway Planning and Construction			
<i>Passed through Florida Department of Transportation</i>			
Construction of Congestion Mgmt Improvements, International Drive	417258-1-58-01	20.205	427,270
Church Street Improvements East Phase	419774-1-58-01	20.205	95,484
Citywide Sidewalks Phase II	428046-1-58-90	20.205	1,773,235
SR 50 Pedestrian Overpass (Construction)	434915-1-68-01	20.205	80
			<u>2,296,069</u>
State Bicycle/Pedestrian Safety Program			
<i>Passed through Florida Department of Transportation</i>			
High Visibility Enforcement Contract	BVD25	20.210	40,069
			<u><u>2,336,138</u></u>
U.S. Department of Treasury:			
Federal Equitable Sharing Agreement			
FY 13/14	FY 13/14	21.000	<u><u>308,067</u></u>
U.S. Equal Employment Opportunity Commission:			
Employment Discrimination - State and Local Fair Employment Practices Agency Contracts			
FY 13/14	EECCN100093	30.002	2,479
FY 15/16	EECCN100093	30.002	43,600
			<u><u>46,079</u></u>

City of Orlando, Florida
Schedule of Expenditures of Federal Awards and State Financial Assistance
For the Year Ended September 30, 2016

FEDERAL AWARDS (continued)

Grantor/Federal Program Title/Pass-Through Grantor	Identification Number	CFDA Number	Federal Expenditures
U.S. Environmental Protection Agency:			
Capitalization Grants for Clean Water State Revolving Funds			
<i>Passed through Florida Department of Environmental Protection</i>			
Lift Stations 18, 35, 48 & 68	WW480420 (140131)	66.458	\$ 631,823
ERRWDS Ph II Trans-Cont. 1B, 1C	WW650040 (140131)	66.458	10,577
			<u>642,400</u>
Special Appropriations Act Project Grant	XP-95456710	66.202	291,000
Brownfields Assessment and Cleanup Cooperative			
Creative Village Assessment	BF-95498212-0	66.818	43,010
FY 13/14 Brownfields Clean Up	BF-00D10313-0	66.818	113,857
			<u>156,867</u>
			<u>1,090,267</u>
U.S. Department of Education:			
<i>Passed through Florida Department of Education</i>			
21st Century Learning Center Grant	91-1000-0-1-501	84.287	271,284
22nd Century Learning Center Grant	799-2446B-6PCCI	84.287	29,377
			<u>300,661</u>
Corporation for National and Community Services:			
O-Pass Governor and City Volunteer Florida AmeriCorps Project 2014	12ACHFL0010002	94.006	1,103
O-Pass Governor and City Volunteer Florida AmeriCorps Project 2015	12ACHFL0010002	94.006	560,619
O-Pass Governor and City Volunteer Florida AmeriCorps Project 2016	12ACHFL0010002	94.006	302,943
O-Pass Governor and City Volunteer Florida AmeriCorps Project 2017	15CHFL0020005	94.006	65,773
Operation Americorps 2017	15ACHFL0010001	94.006	76,183
			<u>1,006,621</u>
Americorps/Vista 2016	12VSSFL001	94.013	15,000
			<u>1,021,621</u>
Executive Office of the President:			
High Intensity Drug Trafficking Areas Program (HIDTA)			
FY 14/15	G15CF0023A	95.001	16,401
FY 15/16	G16CF0023A	95.001	90,050
			<u>106,451</u>
U.S. Department of Homeland Security:			
Homeland Security Grant Program			
<i>Passed through Orange County, Florida Sheriff's Office</i>			
FY 14/15 Urban Area Security Indicatives, OPD	15-DS-P4-06-58-02-369	97.067	45,129
FY 15/16 Urban Area Security Indicatives, OPD	16-DS-T9-06-58-01-333	97.067	23,880
			<u>69,009</u>
Staffing for Adequate Fire and Emergency Response (SAFER)			238,621
FY 11/12	EMW-2012-FH-00932	97.083	238,621
			<u>307,630</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u><u>\$ 14,977,772</u></u>

City of Orlando, Florida
Schedule of Expenditures of Federal Awards and State Financial Assistance
For the Year Ended September 30, 2016

STATE FINANCIAL ASSISTANCE

Grantor/State Project Title/Pass-Through Grantor	Identification Number	CSFA Number	State Expenditures
Florida Department of Environmental Protection			
Park of the Americas Recreation Trail	T2B16	20.219	\$ 75,000
Orlando Nutrient Treatment Enhancement at Conserv II	LP48045	37.039	400,000
Voluntary Cleanup Tax Credit (VCTC) Program - Brownfield Sites			
Event Center (APP 386)	FY 15/16	37.056	536
Non-cash assistance, value of tax credit certification sold.			
Creative Digital Village (App 567)	FY 15/16	37.056	58,725
Non-cash assistance, value of tax credit certification sold.			
Amway Events Center (App 387)	FY 15/16	37.056	32,930
Non-cash assistance, value of tax credit certification sold.			
Proposed Soccer Stadium Site (App 601R)	FY 15/16	37.056	255,297
Non-cash assistance, value of tax credit certification sold.			
			<u>347,488</u>
			<u>822,488</u>
Florida Housing Finance Corporation:			
State Housing Initiatives Partnership Program (SHIP)			
FY 13/14	FY 13/14	40.901	33,943
FY 14/15	FY 14/15	40.901	888,015
FY 15/16	FY 15/16	40.901	279,875
			<u>1,201,833</u>
Florida Department of State, Division of Cultural Affairs:			
General Program Support			
FY 15/16 Harry P. Leu Gardens	16.6.170.123	45.003	61,580
FY 16/17 Harry P. Leu Gardens	17.6.170.051	45.003	9,563
			<u>71,143</u>
Florida Department of Transportation:			
Economic Development Transportation Projects - Road Fund	ARU66	55.032	<u>1,990,021</u>
Florida Department of Law Enforcement:			
FY 15/16 Multi-Agency Voluntary Cooperation Mutual Aid Agreement	EST22	71.010	2,427
			<u>2,427</u>
Florida Department of Revenue:			
Facilities for New Professional Sports, Retained Professional Sports, or Retained Spring Training Franchise			
<i>Passed through Florida Office of Tourism, Trade, and Economic Development</i>			
Retained Orlando Magic	FY 14/15	73.016	<u>2,000,004</u>
TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE			<u><u>\$ 6,087,916</u></u>

See accompanying notes to Schedule of Expenditures of Federal Awards and State Financial Assistance

City of Orlando, Florida

Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance

For the Year Ended September 30, 2016

1. Basis of Presentation

This schedule summarizes the expenditures incurred under all federal programs and state projects by the City of Orlando, Florida (the City) for the fiscal year ended September 30, 2016. For purposes of this schedule, federal programs and state projects include all grants and contracts entered into directly between the City and agencies and departments of the federal or state government with expenditures during the fiscal year ended September 30, 2016. Federal programs and state projects passed through to other governmental agencies, if any, are also included in the schedule.

Expenditures for federal programs and state projects are recognized on the modified accrual basis of accounting.

2. Payments to Subrecipients

Amounts remitted to subrecipients are shown parenthetically under the program title.

3. Contingency

The grant revenue amounts received are subject to audit and adjustment. If any expenditures are disallowed by a grantor agency as result of such an audit, any claim for reimbursement to the grantor agencies would become a liability of the City. In the opinion of management, all grant expenditures are in compliance with the terms of the grant agreements and applicable federal and state laws and regulations.

4. Indirect Costs

The City did not indirect costs to its federal programs.



MOORE STEPHENS
LOVELACE, P.A.

CERTIFIED PUBLIC ACCOUNTANTS

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM AND MAJOR STATE PROJECT AND ON INTERNAL CONTROL
OVER COMPLIANCE AND REPORT ON SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE REQUIRED BY THE
UNIFORM GUIDANCE AND CHAPTER 10.550, RULES OF THE AUDITOR GENERAL**

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

Report on Compliance for Each Major Federal Program and Major State Project

We have audited the compliance of the City of Orlando, Florida (the "City") with the types of compliance requirements described in the U.S. Office of Management and Budget ("OMB") *Compliance Supplement* and Department of Financial Services *State Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs and major state projects for the year ended September 30, 2016. The City's major federal programs and major 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 the requirements of laws, regulations, contracts, and grants applicable to its federal programs and state projects.

Auditor's Responsibility

Our responsibility is to express an opinion on the City's compliance based on our audit. 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 the Audit Requirements for Federal Awards* ("Uniform Guidance"); and Chapter 10.550, *Rules of the Auditor General*. Those standards, OMB Circular A-133, 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 major state project identified in the accompanying Schedule of Findings and Questioned Costs 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.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program and major state project. However, our audit does not provide a legal determination of the City's compliance.

Opinion on Each Major Federal Program and Major 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 major state projects for the year ended September 30, 2016.

The Honorable Mayor and
Members of the City Council
City of Orlando, Florida

Report on Internal Control over Compliance

The management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of requirements referred to above. In planning and performing our audit, we considered the City's internal control over compliance with the requirements that could have a direct and material effect on each major federal program or major 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 major 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 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.

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.

Report on Schedule of Expenditures of Federal Awards and State Financial Assistance Required by the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We have issued our report thereon dated March 24, 2017, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance is presented for the purposes of additional analysis, as required by the Uniform Guidance, and Chapter 10.550, *Rules of the Auditor General*, and is not a required part of the basic financial statements.

The Honorable Mayor and
Members of the City Council
City of Orlando, Florida

**Report on Schedule of Expenditures of Federal Awards and State Financial Assistance
Required by the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General (Cont.)***

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards and State Financial Assistance is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

A handwritten signature in blue ink that reads "Moore Stephens Lovelace, P.A." The signature is written in a cursive style.

MOORE STEPHENS LOVELACE, P.A.
Certified Public Accountants

Orlando, Florida
March 24, 2017

**CITY OF ORLANDO, FLORIDA
Schedule of Findings and Questioned Costs
For The Year Ended September 30, 2016**

Section I - Summary of Independent Auditor's Results

Financial Statements

<u>Type of Auditor's Report Issued:</u>	Unmodified Opinion	
Internal control over financial reporting:		
• Material weakness(es) identified?	___ Yes	___X___ No
• Significant deficiency(ies) identified?	___ Yes	___X___ None reported
Noncompliance material to financial statements noted?	___ Yes	___X___ No

Federal Awards and State Financial Assistance

Internal control over major federal programs and major state projects:

- Material weakness(es) identified? ___ Yes ___X___ No
- Significant deficiency(ies) identified? ___ Yes ___X___ None reported

<u>Type of report issued on compliance for major federal programs and major state projects:</u>	Unmodified Opinion	
Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a) of the Uniform Guidance or Chapter 10.557, <i>Rules of the Auditor General</i> ?	___ Yes	___X___ No

Identification of Major Federal Programs and Major State Projects:

<u>CFDA Numbers</u>	<u>Name of Federal Programs</u>
10.558	Child and Adult Care Food Program (CACFP)
14.218	Community Development Block Grants/Entitlement Grants
<u>CSFA Numbers</u>	<u>Name of State Projects</u>
55.032	Economic Development Transportation Projects – Road Fund
73.016	Facilities for New Professional Sports, Retained Professional Sports, or Retained Spring Training Franchise

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

Federal:	\$750,000
State:	\$300,000

Auditee qualified as low-risk auditee?	___X___ Yes	___ No
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CITY OF ORLANDO, FLORIDA
Schedule of Findings and Questioned Costs (*Continued*)
For The Year Ended September 30, 2016

Section II - Financial Statement Findings

None Reported.

Section III - Federal Award and State Financial Assistance Findings and Questioned Costs Section

None Reported.

Section IV - Prior Year Audit Findings

None Reported.



MOORE STEPHENS
LOVELACE, P.A.

CERTIFIED PUBLIC ACCOUNTANTS

**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***

The Honorable Mayor and
Members of the City Council
City of Orlando, Florida

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Orlando, Florida (the "City") as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated March 24, 2017. We have also audited the financial statements of the City's Firefighters Pension Fund, the Police Pension Fund, and the General Employees' Pension Fund as of and for the year ended September 30, 2016.

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

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

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

The Honorable Mayor and
Members of the City Council
City of Orlando, Florida

Compliance and Other Matters

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

We noted certain matters that we reported to management of the City in a separate letter dated March 24, 2017.

Purpose of this Report

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



MOORE STEPHENS LOVELACE, P.A.
Certified Public Accountants

Orlando, Florida
March 24, 2017

