

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



The Approach on 15 at the Historic Dubsdread Golf Course



FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017

COMPREHENSIVE ANNUAL FINANCIAL REPORT

City of Orlando, Florida
For the Fiscal Year Ended September 30, 2017



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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2008 **ORLANDO** Main Streets 2018
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**CITY OF ORLANDO, FLORIDA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017**

TABLE OF CONTENTS

	Page
I. INTRODUCTORY SECTION	
Letter of Transmittal	1
Certificate of Achievement for Excellence in Financial Reporting	7
Organization Chart	8
List of Officials	9
II. FINANCIAL SECTION	
Independent Auditor’s Report	11
A. MANAGEMENT’S DISCUSSION AND ANALYSIS (required supplementary information)	13
B. BASIC FINANCIAL STATEMENTS	
Government-Wide Financial Statements	
Statement of Net Position	31
Statement of Activities	32
Fund Financial Statements	
Governmental Fund Financial Statements	
Balance Sheet	34
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	35
Statement of Revenues, Expenditures, and Changes in Fund Balances	36
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	37
Proprietary Fund Financial Statements	
Statement of Net Position – Business-type Activities – Enterprise Funds – Governmental Activities – Internal Service Funds	40
Statement of Revenues, Expenses, and Changes in Net Position – Business-type Activities – Enterprise Funds – Governmental Activities – Internal Service Funds	42
Statement of Cash Flows – Business-type Activities – Enterprise Funds – Governmental Activities – Internal Service Funds	44
Fiduciary Fund Financial Statements	
Statement of Fiduciary Net Position	50
Statement of Changes in Fiduciary Net Position	51
Component Unit Fund Financial Statements	
Statement of Net Position	52
Statement of Activities	53
Notes to Financial Statements	
Note 1 - Summary of Significant Accounting Policies	57
Note 2 - Stewardship, Compliance, and Accountability	68
Note 3 - Property Taxes	68
Note 4 - Deposits and Investments	69
Note 5 - Interfund Receivables and Payables	82
Note 6 - Capital Assets	86
Note 7 - Commitments and Contingencies	87
Note 8 - Risk Management	91

**CITY OF ORLANDO, FLORIDA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017**

TABLE OF CONTENTS

(Continued)

	Page
Notes to Financial Statements (continued)	
Note 9 - Leases	93
Note 10 - Long-Term Obligations	94
Note 11 - Pension Plans	109
Note 12 - Other Employee Benefits	119
Note 13 - Other Post Employment Benefits	119
Note 14 - Tax Abatements	130
Note 15 - Component Unit	130
Note 16 - Joint Venture	131
Note 17 - Other Organizations	132
Note 18 - Summary Disclosure of Significant Contingencies	132
Note 19 - CRA Trust Funds	134
Note 20 - Downtown South Neighborhood Improvement District (NID)	137
Note 21 - Subsequent Events	137
 C. REQUIRED SUPPLEMENTARY INFORMATION (other than MD&A)	
Budget to Actual Comparison – Major Funds (General and Special Revenue)	
General Fund	140
Community Redevelopment Agency	141
Pension and Other Post Employment Benefits (OPEB) Schedules	
Schedule of Funding Progress - OPEB	144
Schedule of Employer Contributions - OPEB	144
Schedules of Changes in Net Pension Liability - Defined Benefit Pension Plans	145
Schedules of Contributions - Defined Benefit Pension Plans	148
Schedule of Investment Returns - Defined Benefit Pension Plans	151
Schedule of Net Pension Liability - Defined Benefit Pension Plans	152
Schedule of Changes in Net OPEB Liability and Related Ratios	153
Schedule of Contributions - OPEB	154
Schedule of Investment Returns - OPEB	155
Schedule of Changes in Net LTD OPEB Liability and Related Ratios	156
Schedule of Contributions - LTD OPEB	157
Schedule of Investment Returns - LTD OPEB	158
 D. COMBINING FINANCIAL STATEMENTS AND SCHEDULES	
Community Redevelopment Agency	
Balance Sheet	160
Statement of Revenues, Expenditures, and Changes in Fund Balance	162
Non-Major Governmental Funds	
Balance Sheet	166
Statement of Revenues, Expenditures, and Changes in Fund Balance	170
Budget to Actual Comparison Other Major and Non-Major Governmental Funds	
Capital Improvement Fund (Major Fund)	173
Housing and Urban Development (HUD) Grants	174

**CITY OF ORLANDO, FLORIDA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017**

**TABLE OF CONTENTS
 (Continued)**

	Page
Budget to Actual Comparison Other Major and Non-Major Governmental Funds (continued)	
State Housing Partnership Fund	175
Grant Fund	176
Forfeitures Act	177
Special Assessments	178
Downtown South Neighborhood Improvement District	179
H.P. Leu Gardens	180
Cemetery Fund	181
Building Code Enforcement	182
GOAA Police Fund	183
Gas Tax Fund	184
Impact Fees	185
Public Safety Construction Fund	186
Internal Service Funds	
Statement of Net Position	188
Statement of Revenues, Expenses, and Changes in Fund Net Position	190
Statement of Cash Flows	192
Fiduciary Funds	
Statement of Fiduciary Net Position	198
Statement of Changes in Fiduciary Net Position	200
Agency Fund, Statement of Changes in Assets and Liabilities	202
E. SUPPLEMENTAL INFORMATION	
Summary of Debt Service Requirements to Maturity	204
Statements of Bonded Debt and Interest	
Primary Government	
Community Redevelopment Agency Downtown District Tax Increment Bonds	206
Republic Drive (Universal Boulevard) Tax Increment Revenue Refunding Bonds	210
Conroy Road Tax Increment Revenue Refunding Bonds	212
Capital Improvement Special Revenue Bonds	213
Wastewater System Revenue Bonds	229
Orlando Venues State Sales Tax and Tourist Development Tax Bonds	230
III. STATISTICAL SECTION	
Financial Trends	
Net Position by Component	237
Changes in Net Position	238
Fund Balances of Governmental Funds	241
Changes in Fund Balances of Government Funds	242
Revenue Capacity	
Assessed Value and Estimated Actual Value of Taxable Property	244
Direct and Overlapping Property Tax Rates	245
Principal Property Taxpayers	246
Property Tax Levies and Collections	247

**CITY OF ORLANDO, FLORIDA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017**

**TABLE OF CONTENTS
 (Continued)**

	Page
III. STATISTICAL SECTION (continued)	
Debt Capacity	
Ratios of Outstanding Debt by Type	248
Ratios of General Bonded Debt Outstanding	249
Direct and Overlapping Governmental Activities Debt	250
Pledged-Revenues Coverage	
Primary Government	
Community Redevelopment Agency - Downtown District	251
Community Redevelopment Agency - Republic Drive (Universal Boulevard) District	252
Community Redevelopment Agency - Conroy Road District	253
Water Reclamation System	254
Internal Loan Fund Revenue Dilution Test	255
Orlando Venues	256
Demographic and Economic Information	
Demographic and Economic Statistics	258
Principal Employers	259
Operating Information	
Full Time Equivalent City Government Employees by Function/Program	260
Operating Indicators by Function/Program	261
Capital Assets Statistics by Function/Program	262
IV. SINGLE AUDIT/GRANTS COMPLIANCE	
Schedule of Expenditures of Federal Awards and State Financial Assistance	264
Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance	269
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	270
Schedule of Findings and Questioned Costs	273
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	275



March 23, 2018

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, 2017. 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 which 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 in the United States (GAAP) 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, 2017, 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 the City's financial statements for the fiscal year ended September 30, 2017 are fairly stated in conformity with GAAP. This is the most favorable conclusion and is commonly known as an unmodified or "clean" opinion. The independent auditor's report is located at the front of the financial section of this report.

The independent audit of the financial statements of the City was part of a broader, federally 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 279,800 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 2.44 million. 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 the full range of governmental services, including police and fire protection, street construction and maintenance, solid waste management, sewer services, parks, recreation and cultural services, planning and development services, a variety of transportation and public infrastructure programs, and other traditional support activities. 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 57.

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 division, who uses those requests as the starting point for developing a proposed budget. The Budget division 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.

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 74 million visitors in 2017), 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		
	2017	2016	2015	2013	2008	Last 3	Last 5	Last 10
Population (in thousands)								
City of Orlando	279.8	271.8	262.9	250.4	234.1	3.2%	2.8%	2.2%
Orange County	1,313.9	1,280.4	1,252.4	1,203.0	1,115.0	2.3%	2.3%	1.9%
MSA	2,438.0	2,376.4	2,320.2	2,225.7	2,103.5	2.5%	2.3%	1.7%
Taxable Value (in billions)								
City of Orlando	\$ 24.8	\$ 22.7	\$ 20.0	\$ 18.1	\$ 25.1	10.9%	7.4%	1.7%
Orange County	\$ 109.2	\$ 100.3	\$ 90.1	\$ 81.1	\$ 107.6	9.9%	6.9%	1.8%
Dollar Value of Building Permits (in millions)								
City of Orlando	\$ 1,836.5	\$ 1,787.5	\$ 1,648.1	\$ 1,311.4	\$ 772.7	11.9%	17.5%	5.0%
Building Permits - New Construction								
City of Orlando	1,222	1,189	1,280	1,360	604	-2.3%	8.2%	1.1%
MSA Employment (in thousands)								
Selected Segments:								
Manufacturing & Construction	118.4	117.0	99.5	83.3	114.7	8.1%	9.1%	-1.0%
Wholesale & Retail	196.1	199.2	188.2	170.3	167.4	3.1%	4.3%	1.5%
Service	694.1	687.7	638.8	592.0	593.7	4.6%	4.4%	1.9%
Government	123.3	124.4	119.2	116.6	120.3	1.6%	1.2%	0.1%
Other	116.6	112.6	108.5	100.5	99.9	4.6%	4.4%	2.1%
Total	<u>1,248.5</u>	<u>1,240.9</u>	<u>1,154.2</u>	<u>1,062.7</u>	<u>1,096.0</u>	4.3%	4.4%	1.3%
Sales Tax Revenue (in millions)								
City of Orlando	\$ 41.8	\$ 39.4	\$ 37.9	\$ 33.4	\$ 29.6	5.8%	7.0%	3.8%
Tourist Development Tax (in millions)								
Orange County	\$ 254.9	\$ 239.5	\$ 226.2	\$ 187.0	\$ 168.2	8.9%	9.1%	5.6%
Orlando International Airport Activity (in millions)								
Passengers	43.6	41.6	37.8	34.8	36.6	8.0%	4.6%	2.2%
Lbs. of Airfreight	432.2	405.7	364.6	344.8	377.8	8.5%	4.8%	0.5%

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

Fiscal Year 2016-2017 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. 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 Water Reclamation 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 and water reclamation fees.

Highlights of this year's budget included:

- Continued focus and investment in infrastructure and facility maintenance. The Capital Improvement Program contain over \$75 million across more than 85 projects that impact the lives of our residents each and every day.
- A dedicated Transportation Department in support of a true multi-modal transit system with Complete Streets, the I-4 Ultimate Project, SunRail, bike lane expansion, sidewalk repairs and pedestrian-friendly designs.
- The budget addressed the demands in Parks and Recreation through increased funding for Forestry and street tree trimming, grounds maintenance, new dog parks and included a new Landscape Architect position.

Reserve Policy

Strong financial reserves position the City to weather significant economic downturns more effectively and manage the consequences of outside agency actions that may result in revenue reductions. They also serve to address unexpected emergencies such as natural disasters and catastrophic events, unanticipated critical expenditures or legal judgments against the City. The City's approach to establishing and maintaining strong reserves across the spectrum of City operations, including General Fund, risk management and enterprise operations, is documented in the City's Reserve Policy.

The City's Reserve Policy establishes policy goals, which represent the total reserve level that the City is trying to achieve for each of its reserves. The following table identifies the Policy Target Range and current reserve levels as of the end of fiscal year 2017.

	<u>Range</u>	<u>9/30/17 Status</u>
General Fund	15-25%	27%
Business Units:		
Solid Waste Mgt.	10-20%	68%
Water Reclamation	10-20%	36%
Parking System	10-20%	48%
Internal Service:		
Risk Management*	10-15%	55%

*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.

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

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 in the first half of 2019.

Modera by Mill Creek, Central – In October 2016, construction began 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. Construction is expected to be completed in the second half of 2018.

Citi Tower- In 2015, construction began on a \$57 million 21-story, 235-unit multi-family building with 22,300 square feet of ground floor and mezzanine level retail and a 265-space, five-level integrated parking garage. The 21st floor includes an amenity area with a pool for residents. This project was completed in 2017.

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 included the renovation and repurposing of two existing buildings into 18,000 square feet of retail space. The Ace Café deck wraps around the building and overlooks the courtyard which can hold up to 1,500 people. The barn/garages open to the courtyard and patio, and house motorcycle and hot rod garage/shops. The project was completed in May 2017.

Orlando City Soccer Stadium- Construction of the \$155 million MLS soccer stadium began in October 2014. The stadium can accommodate 25,500 individuals and 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 was 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. Construction is expected to be completed in the first half of 2020.

Lincoln Tower- In 2017, construction began on a \$125 million 25-story tower. The project includes eight stories consisting of 180 hotel rooms, and seven stories with 206,500 square feet of office space and 8,200 square feet of ground floor retail and lobby space. It will also include an integrated 10-story, 592-space parking garage. Construction is expected to be completed in the second half of 2019.

Orange County Public Schools Academic Center for Excellence- In 2015, construction began on the school on 12.8 acres at the intersection of North Parramore Avenue and Livingston Street. The \$61.3 million 252,000 square foot multi-story project serves children in preschool through eighth grade, houses a Boys and Girls Club, and includes other ancillary uses for the local community. The school opened in August 2017.

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 approximately a \$1 billion 68-acre redevelopment 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 hosted a ceremonial groundbreaking on May 11, 2017 at the site of the downtown campus. The project is on-going and completion of construction is currently unknown.

Transportation

The first phase of SunRail (from DeBary 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 by late 2018.

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 opened August 2017. The existing Lymmo service we renamed the Orange Line. The standalone Orange/North Quarter Line which operates in a loop along Livingston Avenue, Magnolia Avenue, Marks Street, and Orange Avenue opened in January 2016.

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.

In 2017, the City began construction on the Colonial Drive Overpass (pedestrian bridge). The overpass will connect Gertrude's Walk to the Dinky Line Trail and is a critical link for the Orlando Urban Trail. The structure of the overpass will gently curve up from West Concord Street and will diagonally span Colonial Drive and the SunRail corridor to land adjacent to the Steelhouse apartments and connect into North Orange Avenue. The project is expected to be completed in the second half of 2018.

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, 2016.

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 39 consecutive years (fiscal years ended 1978-2016). 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 2016-2017 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

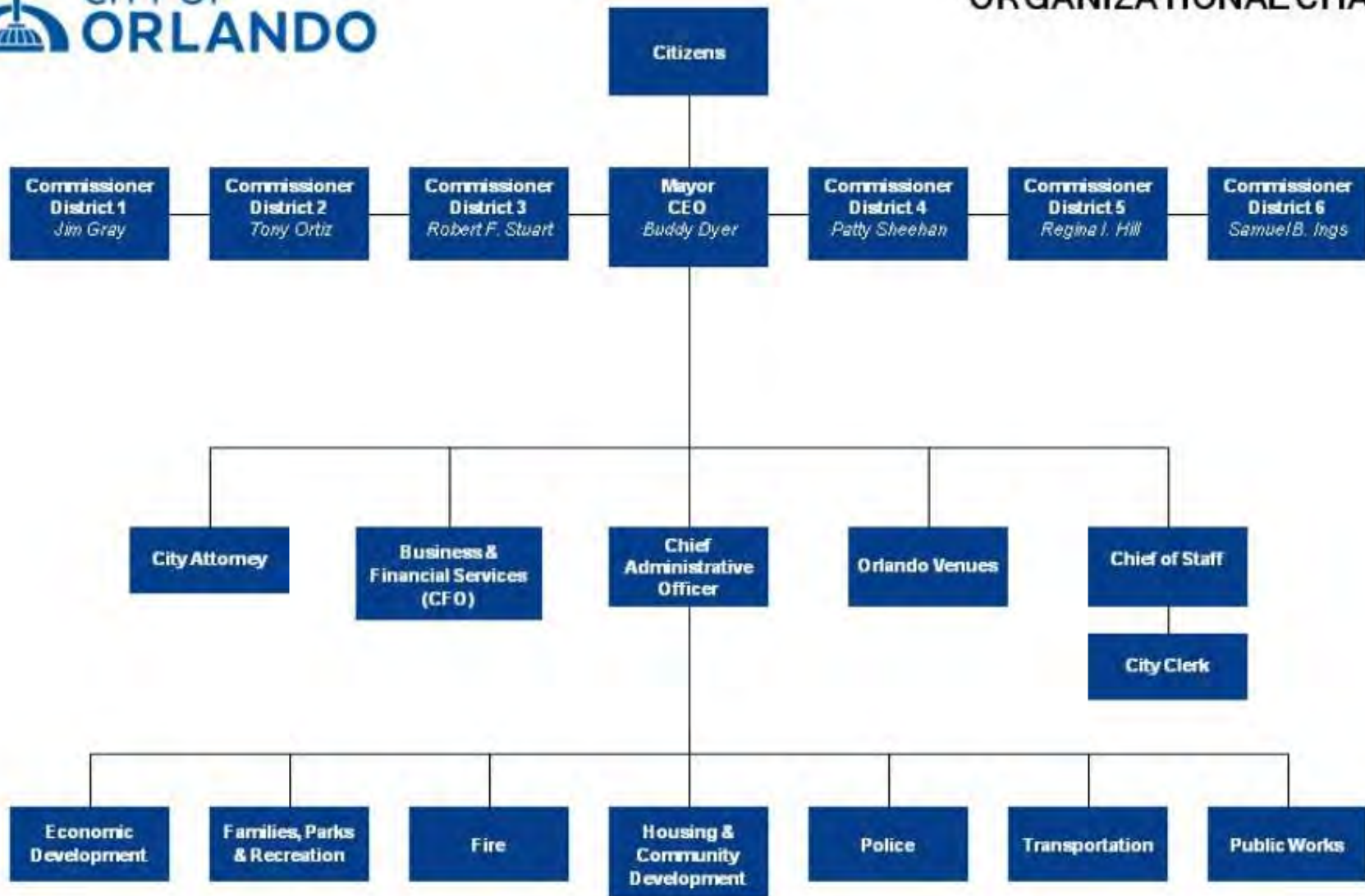
September 30, 2016

Christopher P. Morill

Executive Director/CEO



ORGANIZATIONAL CHART



**CITY OF ORLANDO, FLORIDA
CITY OFFICIALS**

As of September 30, 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
Chief Venues Officer	ALLEN JOHNSON
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
Police Chief	JOHN MINA
Public Works Director	RICK HOWARD



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CELEBRATING
2008 **ORLANDO** Main Streets 2018
A local thing
10 YEARS



FINANCIAL SECTION





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, 2017, 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, 2017, 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, 2017, 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, 2017, 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 23, 2018, 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.
Certified Public Accountants

Orlando, Florida
March 23, 2018

CELEBRATING
2008 **ORLANDO** Main Streets 2018
A local thing
10 YEARS



MANAGEMENT'S
DISCUSSION AND ANALYSIS



CITY OF ORLANDO, FLORIDA
Management's Discussion and Analysis
September 30, 2017

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, 2017. Information in this Management's Discussion and Analysis (MD&A) is based on currently known facts, decisions and conditions. We encourage readers to consider the information presented here in conjunction with additional information provided in the transmittal letter, the basic financial statements and the accompanying notes to the financial statements, which are included in this report.

Financial Highlights

- For FY 2017, the City's total net position increased by \$382.9 million (or 23.4%). The governmental activities net position increased by \$81.2 million (or 15.0%) and the business-type activities net position increased by \$301.7 million (or 27.7%).
- The governmental activities revenue increased \$35.5 million (or 6.9%). In FY 2017, the results of governmental activities produced an increase in net position of \$81.3 million, while in FY 2016 governmental activities net position increased by \$61.2 million.
- The business-type activities revenue increased by \$87.2 million (or 29.4%). In FY 2017, the results of activities produced an increase in net position of \$301.7 million, while in FY 2016 net position decreased by \$59.7 million.
- The City's total expenses increased by \$29.4 million (or 4.1%).
- The General Fund (the primary operating fund) reflected on a current financial resource basis, reported an increase in fund balance of \$7.5 million, compared to an increase of \$15.7 million in FY 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, transportation, 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 (Water Reclamation, 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.

CITY OF ORLANDO, FLORIDA
Management's Discussion and Analysis
September 30, 2017

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, for the General Fund, Community Redevelopment Agency (CRA), 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 governmental fund financial statements immediately follow the government-wide financial statements.

The required supplementary information (other than MD&A) includes budgetary comparison statements for the General Fund and CRA to demonstrate compliance with the annual budget as adopted and amended.

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 Water Reclamation 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 makes loans 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.

CITY OF ORLANDO, FLORIDA
Management's Discussion and Analysis
September 30, 2017

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 the 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 the CRA, 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. 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.

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 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	
	2017	2016	2017	2016	2017	2016
Current and other assets	\$ 756.2	\$ 680.2	\$ 534.3	\$ 503.9	\$ 1,290.5	\$ 1,184.1
Capital assets	689.7	634.9	1,530.3	1,518.9	2,220.0	2,153.8
Total assets	1,445.9	1,315.1	2,064.6	2,022.8	3,510.5	3,337.9
Deferred Outflows of Resources	128.1	129.9	7.6	9.0	135.7	138.9
Current and other liabilities	529.5	455.5	82.8	78.0	612.3	533.5
Long-term debt outstanding	410.3	435.2	598.3	864.5	1,008.6	1,299.7
Total liabilities	939.8	890.7	681.1	942.5	1,620.9	1,833.2
Deferred Inflows of Resources	8.3	9.6	0.4	0.3	8.7	9.9
Net position:						
Net investment in capital assets	538.1	487.0	1,108.0	800.5	1,646.1	1,287.5
Restricted	138.6	145.0	32.9	55.7	171.5	200.7
Unrestricted	(50.9)	(87.4)	249.8	232.8	198.9	145.4
Total net position	\$ 625.8	\$ 544.6	\$ 1,390.7	\$ 1,089.0	\$ 2,016.5	\$ 1,633.6

CITY OF ORLANDO, FLORIDA
Management's Discussion and Analysis
September 30, 2017

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 \$156.3 million at September 30, 2017 as compared to \$88.6 million at September 30, 2016 (an increase of \$67.7 million).

Current and other assets increased by \$76.0 million, primarily from the increase in securities lending and an increase of \$10.8 million in cash and cash equivalents due primarily to strong year over year revenue increases in the General Fund and the deposit of escrow funds to be used for renewal and replacement at the Dr. Phillips Performing Arts Center.

Deferred outflows of resources decreased \$1.8 million due to a decrease of \$0.9 million in pension related deferred outflows based on GASB Statement 68, *Accounting and Financial Reporting for Pensions - An Amendment of GASB Statement No. 27*, (GASB Statement 68), actuary reports, and a decrease of \$0.9 million in deferred expense on refunding bonds due to the normal yearly amortizations.

Current and other liabilities increased by \$74.0 million due primarily to the increase in securities lending and an \$18.8 million increase in the net pension liability based on GASB Statement 68 actuary reports, a \$3.5 million decrease in the estimated claims liability based on the removal of claims reported in prior years as reported in the latest actuarial study, and a decrease of \$6.4 million in accounts payable due primarily to a large year-end accrual at September 30, 2016 in the Public Safety Construction Fund.

Deferred inflows of resources decreased \$1.3 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 and an increase in pension related deferred inflows based on GASB Statement 68 actuary reports.

Business-type Activities:

In the Business-type activities columns, current and other assets increased by \$30.4 million, primarily due to an increase in current cash and cash equivalents of \$17.3 million, an increase in restricted cash and investments of \$4.2 million, and an increase of \$3.3 million in prepaid assets. Current cash and cash equivalents in the Water Reclamation fund increased \$18.3 million due to continued strong operating results and a slight decrease in capital asset outlays from the prior year.

CITY OF ORLANDO, FLORIDA
Management’s Discussion and Analysis
September 30, 2017

The increase in restricted cash and investments is primarily from the refunding of the City's Contract Tourist Development Tax Payments Revenue Bonds, Series 2014A by Orange County. The reserve funds associated with the Series 2014A bonds were liquidated and an escrow deposit was made from proceeds of the new bonds issued by Orange County, which will be used for the construction of Stage 2 of the Dr. Phillips Performing Arts Center.

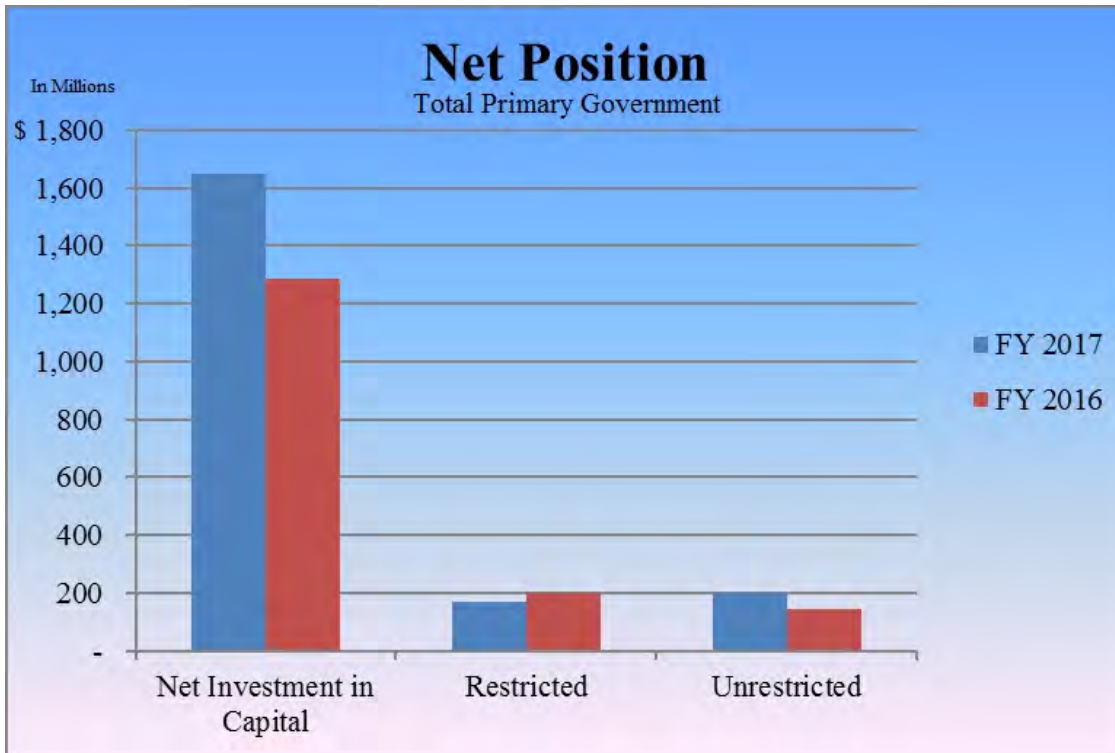
The increase in prepaid assets is from the purchase of bond insurance as the result of the issuance of Senior Tourist Development Tax Refunding Revenue Bonds, Series 2017A and Second Lien Subordinate Tourist Development Tax Refunding Revenue Bonds, Series 2017B.

Deferred outflows of resources decreased \$1.4 million due primarily to a decrease of \$1.3 million in pension related deferred outflows based on GASB Statement 68 actuary reports.

Current and other liabilities increased by \$4.8 million due primarily to a \$5.4 million increase in the net pension liability based on GASB Statement 68 actuary reports.

Statement of 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 \$2,016.5 million at the close of September 30, 2017. This is an increase of \$382.9 million from FY 2016 which was largely the result of the continued financial health of the City.



Approximately 82% 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. 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 future revenues, since the capital assets themselves cannot be used to liquidate these liabilities. The total restricted net position of the City (approximately 9%) represents resources that are subject to external restrictions on how the resources may be used.

CITY OF ORLANDO, FLORIDA
Management's Discussion and Analysis
September 30, 2017

The remaining balance of unrestricted net position (approximately 10%) may be used to meet the City's ongoing obligations to citizens and creditors.

Net investment in capital assets increased \$358.6 million (or 27.9%) primarily from additions to capital assets in the Stormwater Utility Fund (\$9.7 million), a decrease in debt in the Orlando Venues fund related to the refunding of the Series 2014A TDT bonds (\$235.3 million) and Series 2008A, B, and C TDT bonds (\$39.4 million), additions to capital assets in Governmental Activities funds (\$54.9 million), along with scheduled annual principal payments on all debt. (See Table 4).

Restricted net position decreased \$29.1 million (or 14.5%), primarily from a decrease in contractual obligations in the Orlando Venues fund (\$26.0 million) related to the refunding of the Series 2014A TDT bonds.

Unrestricted net position increased by \$54.5 million (or 37.0%), primarily the result of the strong operating results for the Water Reclamation fund (\$24.0 million) and governmental activities (\$36.5 million).

CITY OF ORLANDO, FLORIDA
Management's Discussion and Analysis
September 30, 2017

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

Table 2
Changes in Net Position
(in millions)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2017	2016	2017	2016	2017	2016
REVENUES						
Program revenues:						
Charges for services	\$ 92.7	\$ 87.5	\$ 213.3	\$ 210.0	\$ 306.0	\$ 297.5
Operating grants and contributions	20.5	20.7			20.5	20.7
Capital grants and contributions	25.3	7.4	166.2	73.5	191.5	80.9
General revenues:						
Property taxes	159.2	145.1	-	-	159.2	145.1
Local Option Fuel Tax	9.3	8.9	-	-	9.3	8.9
Franchise Fees	31.5	31.9	-	-	31.5	31.9
Public Service Taxes	44.8	45.3	-	-	44.8	45.3
Tax Increment Revenue	20.0	16.8	-	-	20.0	16.8
Local Business Tax	9.9	9.8	-	-	9.9	9.8
OUC Contribution	59.1	55.7	-	-	59.1	55.7
Sales Tax	41.8	39.4	-	-	41.8	39.4
Other grants and contributions	18.9	17.7	-	-	18.9	17.7
Investment Income	6.8	20.6	4.1	13.3	10.9	33.9
Other general revenues	9.5	7.0	-	-	9.5	7.0
Total revenues	<u>549.3</u>	<u>513.8</u>	<u>383.6</u>	<u>296.8</u>	<u>932.9</u>	<u>810.6</u>
EXPENSES						
Executive Offices	16.4	12.4	-	-	16.4	12.4
Housing	8.8	9.6	-	-	8.8	9.6
Economic Development	25.3	24.2	-	-	25.3	24.2
Public Works	25.4	24.2	-	-	25.4	24.2
Transportation	16.8	16.1	-	-	16.8	16.1
Families, Parks, and Recreation	43.9	35.0	-	-	43.9	35.0
Police	162.8	149.5	-	-	162.8	149.5
Fire	121.0	116.6	-	-	121.0	116.6
Business and Financial Services	27.0	33.6	-	-	27.0	33.6
Orlando Venues	6.3	4.8	-	-	6.3	4.8
Community Redevelopment	12.5	14.2	-	-	12.5	14.2
General Government	4.8	9.9	-	-	4.8	9.9
Lynx/Transit Subsidy	3.9	3.9	-	-	3.9	3.9
Interest Costs	18.4	21.3	-	-	18.4	21.3
Water Reclamation	-	-	92.1	77.8	92.1	77.8
Orlando Venues	-	-	95.7	100.0	95.7	100.0
Parking	-	-	16.5	14.0	16.5	14.0
Stormwater Utility	-	-	20.9	23.8	20.9	23.8
Solid Waste	-	-	30.2	28.5	30.2	28.5
Total expenses	<u>493.3</u>	<u>475.3</u>	<u>255.4</u>	<u>244.1</u>	<u>748.7</u>	<u>719.4</u>
Change in Net Position						
before Transfers and Special Items	56.0	38.5	128.2	52.7	184.2	91.2
Transfers	20.2	(7.0)	(20.2)	7.0	-	-
Sale of Capital Assets	5.0	29.7	-	-	5.0	29.7
Special item - TDT bond refunding	-	-	193.7	-	193.7	-
Change in Net Position	<u>81.2</u>	<u>61.2</u>	<u>301.7</u>	<u>59.7</u>	<u>382.9</u>	<u>120.9</u>
Net Position - Beginning	544.6	483.4	1,089.0	1,029.3	1,633.6	1,512.7
Net Position - Ending	<u>\$ 625.8</u>	<u>\$ 544.6</u>	<u>\$ 1,390.7</u>	<u>\$ 1,089.0</u>	<u>\$ 2,016.5</u>	<u>\$ 1,633.6</u>

CITY OF ORLANDO, FLORIDA
Management's Discussion and Analysis
September 30, 2017

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 (water reclamation, 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 well being.

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 \$379.5 million in FY 2017 and \$350.2 million in FY 2016.

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.

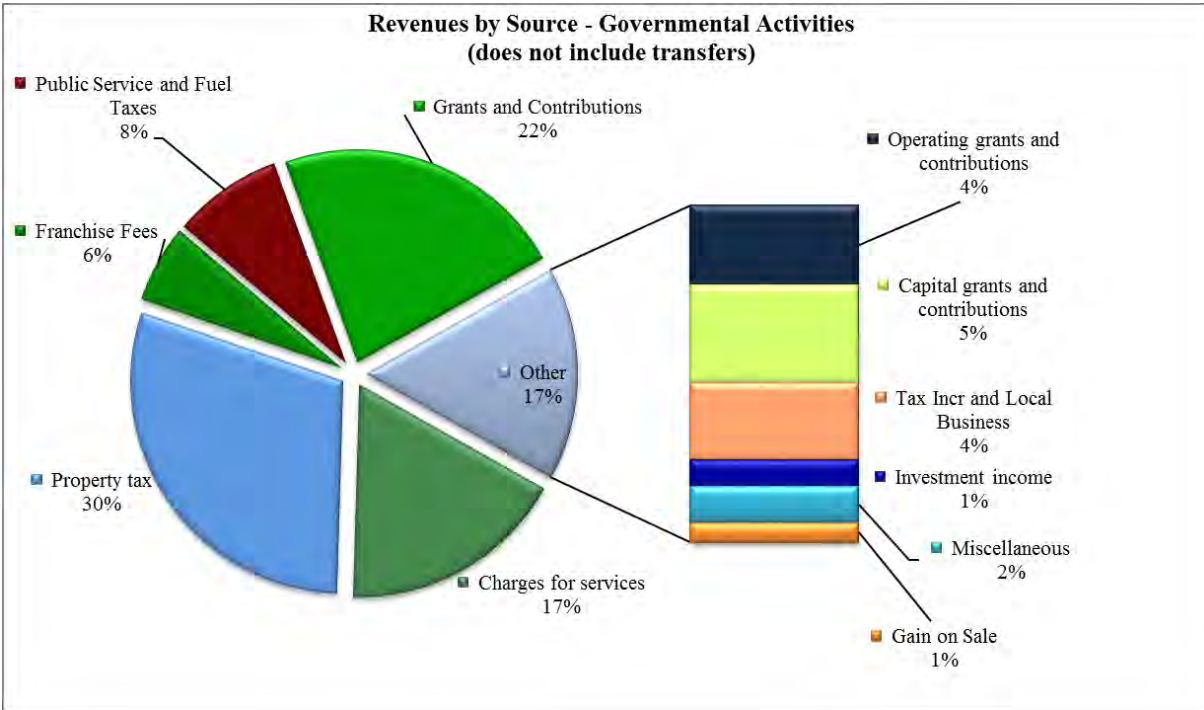
Inflation – while overall inflation appears to be reasonably modest, the City is a major consumer of certain commodities such as chemicals and supplies, fuels and parts. Some functions may experience unusual commodity specific increases.

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

Governmental Activities:

For FY 2017, the net position of the governmental activities increased by \$81.3 million, compared to an increase of \$61.2 million in FY 2016. The pie chart on the next page highlights the sources of governmental activities revenue for fiscal 2017.

CITY OF ORLANDO, FLORIDA
Management's Discussion and Analysis
September 30, 2017



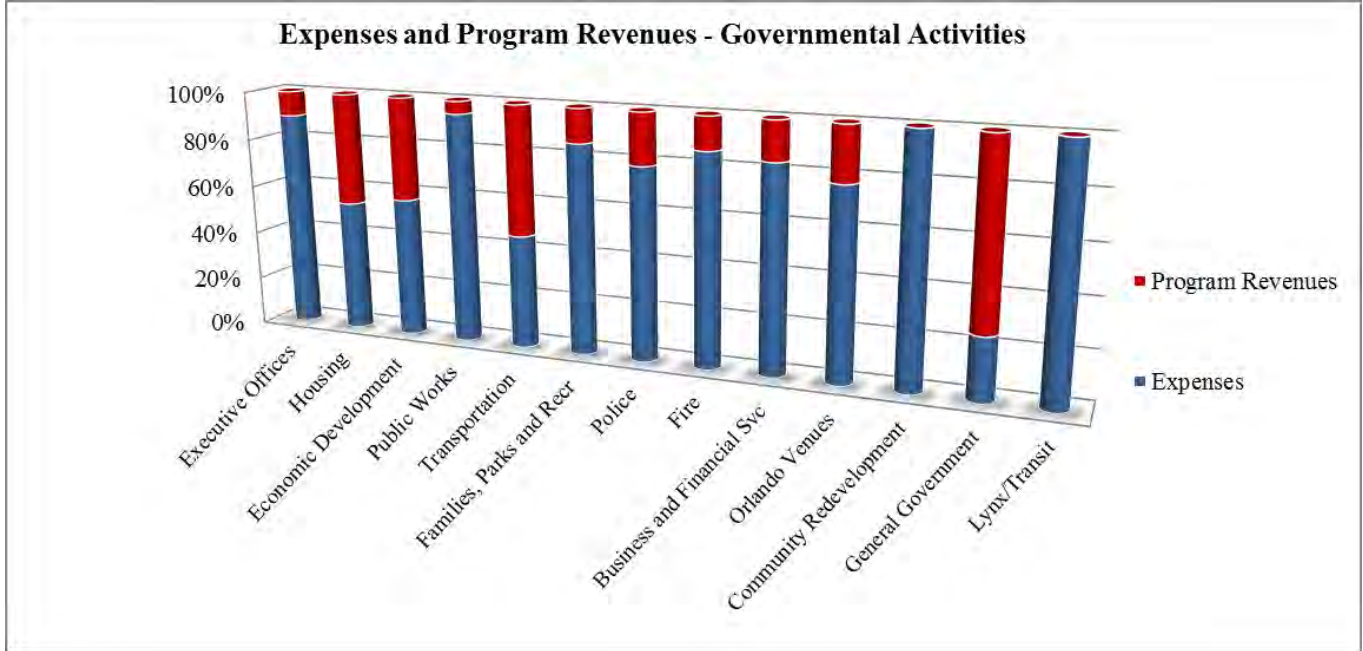
Charges for services revenue increased \$5.2 million primarily from an increase of \$1.3 million in Police Fees which includes payments from the Greater Orlando Aviation Authority for police services at Orlando International Airport, an increase of \$2.5 million in transportation impact fees due to continued strength in local construction, and an increase of \$1.3 million in Families, Parks, and Recreation fees due primarily to a new parks impact fee that was implemented in FY 2017.

Capital grants and contributions increased \$17.9 million primarily from the contribution of land for Police operations (\$16.6 million) and Fire operations (\$2.9 million).

Property taxes increased by \$14.1 million (9.7%) as a result of an increase in the City-wide assessed property values from \$22.9 billion to \$24.9 billion (8.7%). Sales taxes increased by \$2.4 million (6.0%), the result of continued strength in the overall local economy and a robust tourism industry. Contributions and Dividends from OUC increased \$3.3 million (6.0%), consistent with amounts agreed to between OUC and the City. Investment income decreased \$13.9 million (67.3%), primarily as a result of lower investment returns for the City. The City's investment portfolio performance recognized an annual return of 1.22% in FY 2017 as compared to 4.11% in FY 2016. Sale of Capital Assets decreased \$24.7 million (83.2%) primarily from the previous year's sale of the soccer stadium land (recorded on an entity wide basis).

CITY OF ORLANDO, FLORIDA
Management's Discussion and Analysis
September 30, 2017

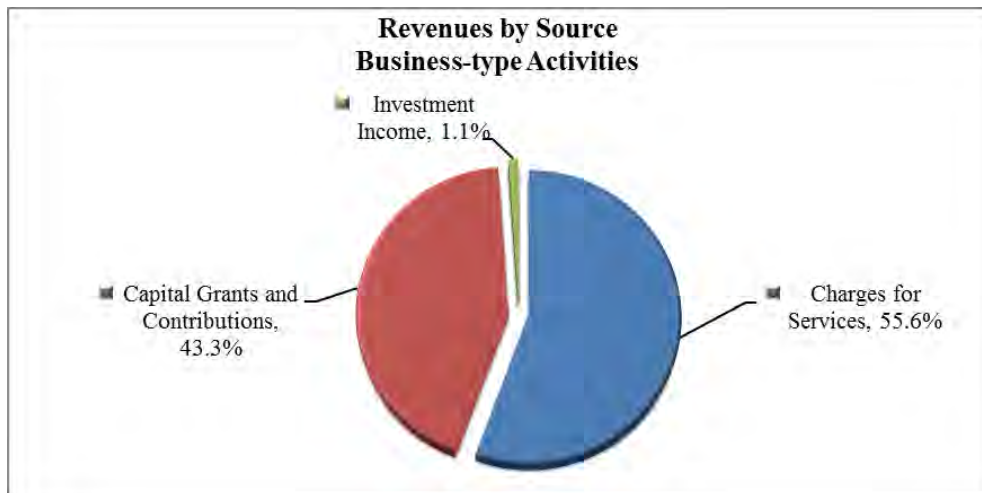
The following graph is a comparison of program revenues and program expenses for all governmental activities for fiscal 2017. This graph is intended to reflect the degree to which governmental activities are self-supporting.



Governmental activities expenses increased \$18.0 million (3.8%) primarily from an increase in Police (\$13.2 million) and Fire (\$4.5 million) reflecting the City's continued commitment to Public Safety. In FY 2017, the City created a new Transportation department, which reorganized parts of Economic Development and Public Works. (For comparison purposes, Table 2 approximates the 2016 expenditures for Economic Development, Public Works and Transportation based on current data after the reorganization.)

Business-type Activities:

For FY 2017, the net position of the business-type activities increased by \$301.7 million, compared to an increase of \$59.7 million in FY 2016. Business-type revenues for fiscal 2017 are reflected in the pie chart below.



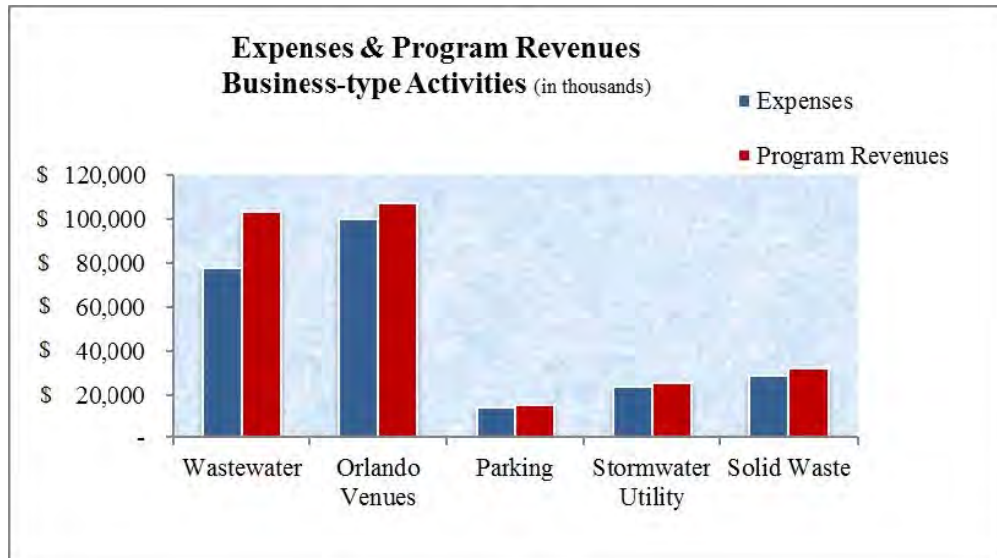
CITY OF ORLANDO, FLORIDA
Management’s Discussion and Analysis
September 30, 2017

Capital grants and contributions increased by \$92.7 million or 126.3% over the prior year. Contributions from Orange County for the receipt of Tourist Development Taxes (TDT) pass-through revenues decreased by \$37.4 million, due to the refunding of the Contract Tourist Development Tax Payments Revenue Bonds, Series 2014A. The TDT revenue associated with the Series 2014A bonds is no longer remitted to the City. As part of the refunding of the Series 2014A bonds, Orange County deposited \$115.5 million into an escrow account (recorded in the Orlando Venues fund as a capital contribution) to be used for construction on Stage 2 of the Dr. Phillips Performing Arts Center (DPAC). In FY 2017, the Orlando Venues fund also recorded a \$5.0 million capital contribution from the University of Central Florida for construction on Stage 2 of the DPAC. Capital contributions in the Stormwater fund increased \$2.9 million due to an increase in the contribution of Stormwater infrastructure from developers. Capital contributions in the Water Reclamation fund increased \$6.1 million also due primarily to an increase in the contribution of Water Reclamation infrastructure from developers.

Investment income decreased by \$9.0 million, from \$13.2 million in FY 2016 to \$4.2 million in FY 2017, as a result of the lower annual return of the investment portfolio during FY 2017 as previously mentioned.

In FY 2017, the Orlando Venues fund recorded a special item revenue of \$193.7 million related to the refunding of the Contract Tourist Development Tax Payments Revenue Bonds, Series 2014A by Orange County. The City did not take on any additional debt as a result of the Series 2014A refunding.

Below is a comparison of all 2017 program revenue and expenses for each business-type activity.



Expenses of the business-type activities increased by \$11.3 million (or 4.8%). Salaries and benefits increased across all business-type activities by \$9.4 million (or 21.6%) due to City Council approved salary increases and pension expense adjustments of \$6.7 million related to GASB Statement 68 actuary reports. During FY 2016, there was a pension expense decrease of \$0.6 million related to GASB Statement 68 actuary reports. Water Reclamation services and supplies expenses increased \$7.5 million due mainly to increases in general operating expenses including, but not limited to, professional services (\$1.4 million), utilities (\$0.6 million), and administrative services/enterprise fund dividend (\$0.8 million). Interest expense decreased across all business-type activities by \$3.7 million (or 10.9%) due primarily to the refunding of the Series 2014A TDT bonds.

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.

CITY OF ORLANDO, FLORIDA
Management’s Discussion and Analysis
September 30, 2017

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, 2017 was \$118.9 million, while the total fund balance was \$123.7 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 represented 27% of the total FY 2017/2018 budgeted General Fund expenditures; this falls just above the upper end of the City’s fund balance policy range of 15 to 25%.

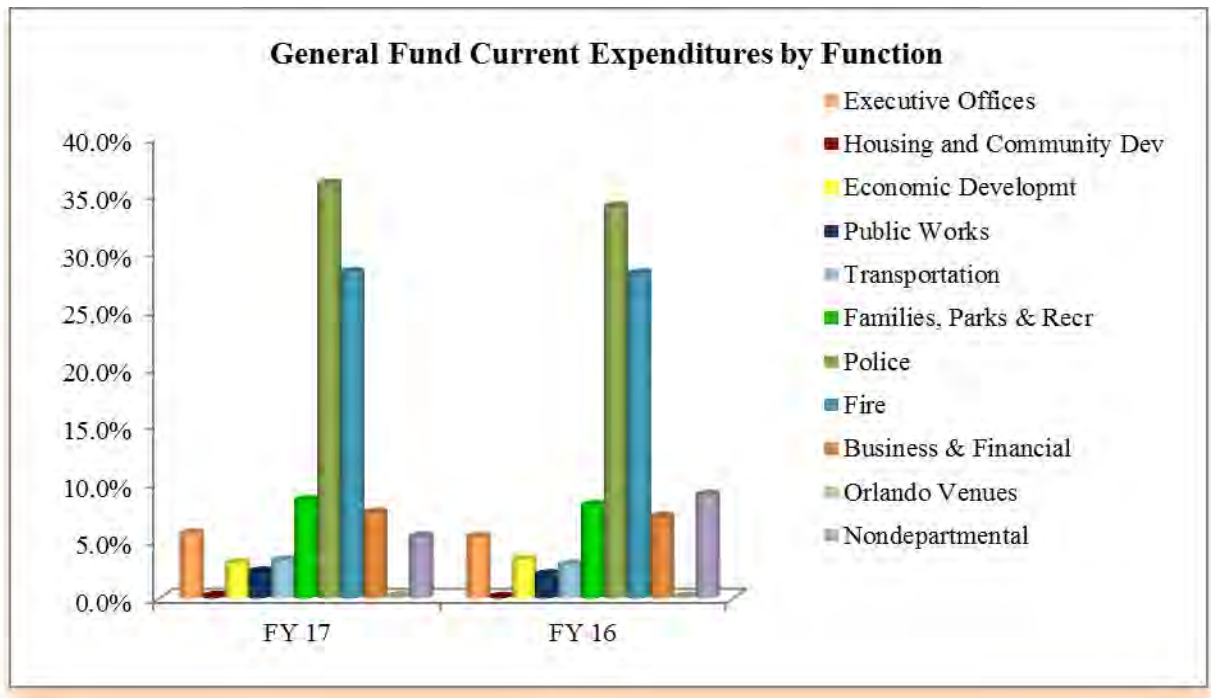
Current cash and cash equivalents in the General Fund increased \$9.5 million or 7.6% as a result of the strong financial results for FY 2017.

General Fund revenues totaled \$447.2 million, an increase of \$16.4 million or 3.8% over FY 2016. Property Taxes increased by \$14.1 million. The mileage rate was kept the same as FY 2016 at 6.6500 mills. An 8.7% increase in assessed property values accounted for the increase in property tax revenues. The OUC contribution increased by \$3.3 million, consistent with amounts agreed to between OUC and the City. Sales Tax revenue increased by \$2.4 million, resulting from overall growth in the Central Florida economy and the tourism sector. Income on Investments decreased by \$3.3 million, primarily the result of the City’s rate of return decreasing from 4.11% in FY 2016 to 1.22% in FY 2017.

General Fund expenditures totaled \$422.3 million, an increase of \$24.8 million or 6.2% over FY 2016. The majority of this increase is explained below:

- Salaries and benefits increased \$20.0 million or 6.8% across all General Fund departments (this includes market adjustment salary increases of 6.5% effective January 1, 2017) and increases in health insurance and police and fire pension contributions totaling \$8.9 million or 13.8%;
- Repairs and maintenance increased \$1.5 million or 5.5% due primarily to an increase in service calls for Facilities Management; and
- An increase of \$1.7 million or 10.5% 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 chart below shows FY 2017 and FY 2016 General Fund expenditures by function:



CITY OF ORLANDO, FLORIDA
Management’s Discussion and Analysis
September 30, 2017

The General Fund “net” transfers out (other financing uses) totaled \$17.4 million versus a net transfer out of \$21.8 million in FY 2016. Transfers out to the Capital Improvement fund for budgeted capital projects totaled \$29.1 million and transfers out for the budgeted operating subsidy for H.P. Leu Gardens was \$1.5 million. Transfers in from the Orlando Venues fund of \$9.7 million is for the return of a reserve fund due to the refunding of the Series 2014A TDT bonds and Transfers in of \$5.6 million from the Stormwater Utility fund was for the reimbursement of administrative services provided by the General fund.

The combined changes in fund balances for all the other governmental funds (major and non-major) resulted in a \$10.0 million increase for FY 2017, compared with an \$11.0 million increase for FY 2016, a decrease of \$(1.0) million. Factors which attributed to the change in fund balances between 2017 and 2016 include:

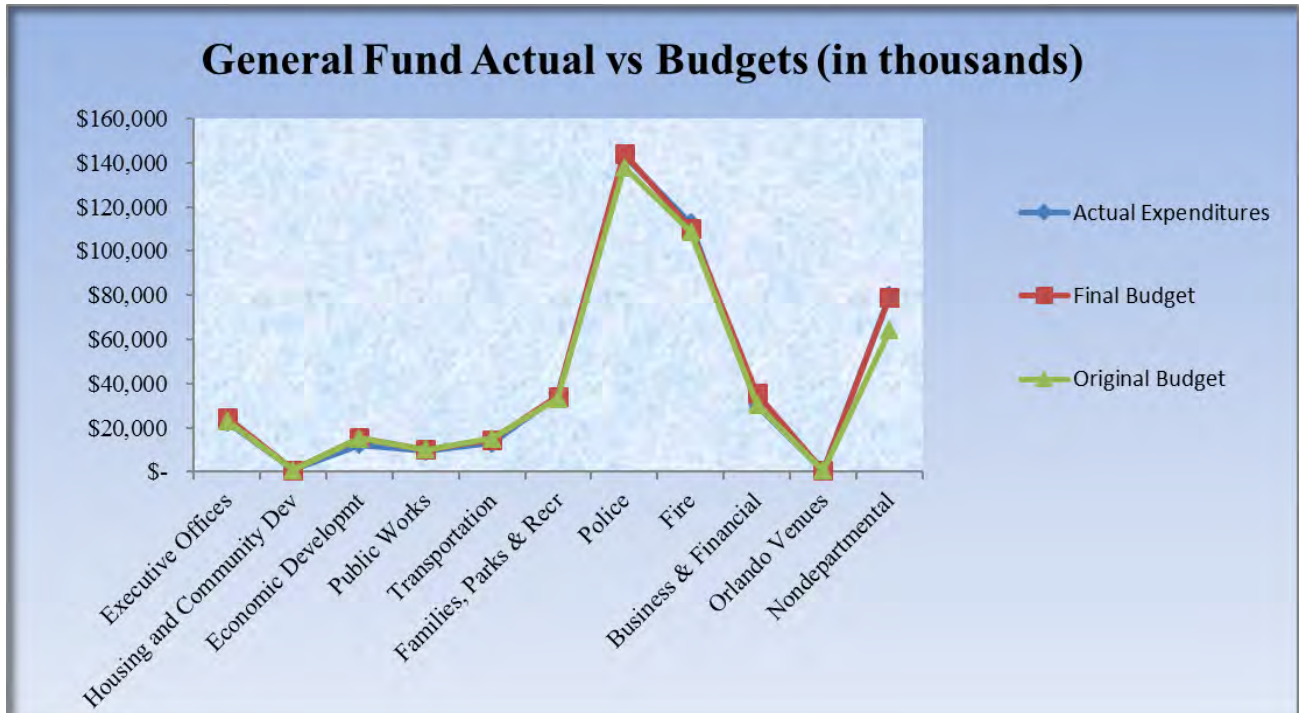
- In FY 2017, the City spent down bond proceeds from the Series 2016C bonds, which were issued in FY 2016; and
- A transfer from the Orlando Venues fund to the CRA fund for the return of a reserve fund due to the refunding of the Series 2014A TDT bonds.

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 150).



There was an increase of \$22.7 million in budgeted revenues due primarily to increases in estimates for local business taxes (\$1.5 million due to the strong local economy); state sales tax (\$1.2 million also due to the strong local economy); charges for services (\$2.8 million due to increases in red light camera and Emergency Management Services (EMS) transport fees); and transfers from other funds (\$9.8 million due primarily to the previously mentioned transfer from the

CITY OF ORLANDO, FLORIDA
Management's Discussion and Analysis
September 30, 2017

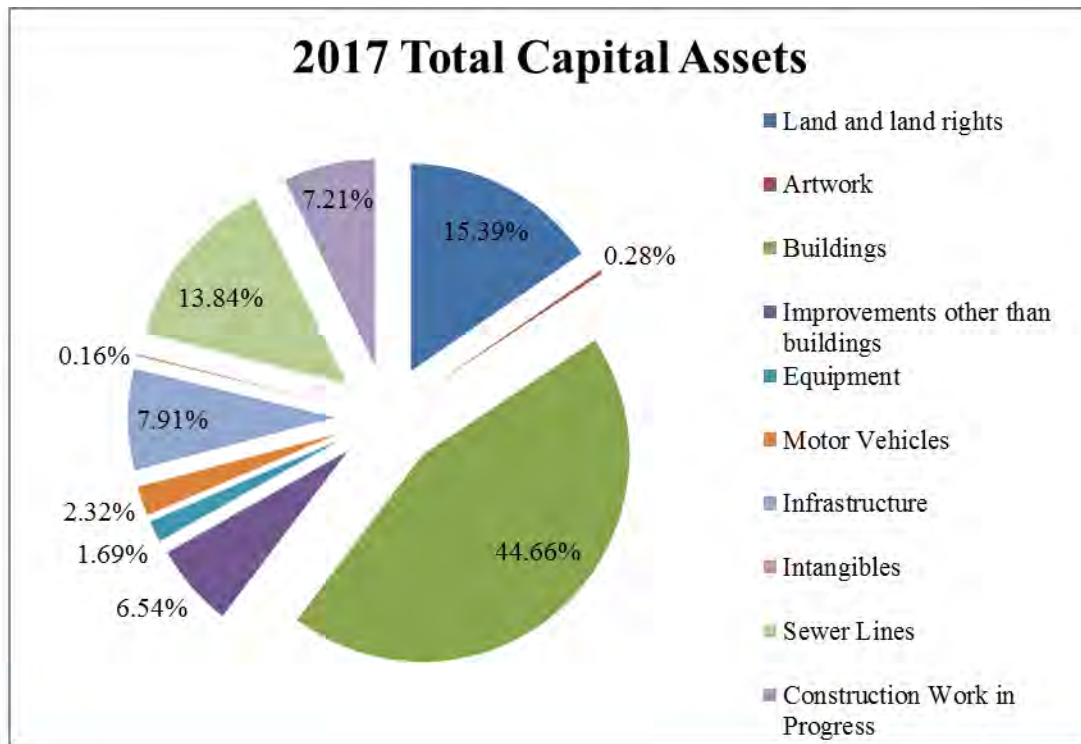
Orlando Venues fund for the return of a reserve fund due to the refunding of the Series 2014A TDT bonds). There was an increase in budgeted expenditures (excluding transfers out) of \$10.8 million.

This was due to the increase in budgeted revenue as previously mentioned as the expenditure budgets were increased for Police (\$6.4 million), Fire (\$1.6 million), Families, Parks, and Recreation (\$1.3 million), Business and Financial Services (\$5.0 million), and Debt Service (\$3.7 million). The budget for transfers to other funds increased \$20.0 million due primarily to transfers to the Capital Improvement Fund for various citywide projects.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At September 30, 2017, the City had \$2,220.0 million invested in a variety of capital assets, which represents a net increase (additions less retirements and depreciation) of \$66.2 million or 3.1% from the end of last year.



CITY OF ORLANDO, FLORIDA
Management's Discussion and Analysis
September 30, 2017

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

	Governmental Activities		Business-type Activities		Totals	
	2017	2016	2017	2016	2017	2016
Land and land rights	\$ 199.1	\$ 191.0	\$ 142.6	\$ 142.6	\$ 341.7	\$ 333.6
Artwork	5.6	5.6	0.6	0.6	6.2	6.2
Buildings	155.7	94.7	835.8	862.8	991.5	957.5
Improvements other than buildings	29.0	34.0	116.1	150.9	145.1	184.9
Equipment	8.5	11.5	29.1	14.0	37.6	25.5
Motor Vehicles	51.5	42.5	-	-	51.5	42.5
Infrastructure	175.5	169.9	-	-	175.5	169.9
Intangibles	3.6	4.6	-	-	3.6	4.6
Sewer Lines	-	-	307.3	281.1	307.3	281.1
Total	628.5	553.8	1,431.5	1,452.0	2,060.0	2,005.8
Construction Work in Progress	61.2	81.1	98.8	66.9	160.0	148.0
Total	\$ 689.7	\$ 634.9	\$ 1,530.3	\$ 1,518.9	\$ 2,220.0	\$ 2,153.8

The table below summarizes the change in Capital Assets, which is presented in Note 6 in the Notes to Financial Statements.

Table 4
Change in Capital Assets
(in millions)

	Governmental Activities	Business-type Activities	Total
Beginning Balance	\$ 634.9	\$ 1,518.9	\$ 2,153.8
Additions	173.7	167.0	340.7
Retirements:			
CWIP	(69.6)	(36.8)	(106.4)
Other	(33.1)	(59.3)	(92.4)
Depreciation	(38.0)	(65.3)	(103.3)
Transfers/Retirements*	21.8	5.8	27.6
Ending Balance	\$ 689.7	\$ 1,530.3	\$ 2,220.0

* Reduction in accumulated depreciation related to retirements.

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

A schedule of major construction contract commitments is presented in Note 7 in the Notes to Financial Statements. This year's major additions (excluding additions to CWIP) in excess of \$2 million, are shown below (in millions):

Governmental Activities:

New OPD Headquarters	\$ 45.3
Vehicle Replacement	19.0
Church Street Improvements	9.3
OPD Gun Range	6.4
USTA Entry Road	6.1
OPD Property and Evidence Facility	6.0
Fire Station No. 2	5.7
City Sidewalk Construction	2.9
Future OFD Training Facility (Land)	2.9

CITY OF ORLANDO, FLORIDA
Management's Discussion and Analysis
September 30, 2017

Business-type Activities:

Iron Bridge Wetlands Pump Station	\$	9.7
North Bumby Ave. Drainage Improvements		8.4
Lift Station No. 3		5.3
Richmond St. Drainage Improvements		2.5
Cherokee and Davis Drainage Improvements		2.0

Debt Outstanding

As of year-end, the City had \$1,008.6 million in debt (bonds, notes, etc.) outstanding compared to the \$1,299.7 million last year. Several key components occurred during the year which had a significant impact on the City's overall debt:

- The refunding of \$235.3 million in Contract Tourist Development Tax Payments Revenue Bonds, Series 2014A by Orange County;
- Proceeds of \$0.8 million were received from the State Revolving Fund (SRF) for water reclamation projects;
- The issuance of \$196.6 million of Senior Tourist Development Tax Refunding Revenue Bonds, Series 2017A and \$29.5 million of Second Lien Subordinate Tourist Development Tax Refunding Revenue Bonds, Series 2017B for the refunding of \$229.2 million of Senior Tourist Development Tax Revenue Bonds, Series 2008A and B and for the partial refunding of \$29.5 million of Third Lien Subordinate Tourist Development Tax Revenue Bonds, Series 2008C; and
- The normal debt service principal payments of approximately \$44.6 million.

See the Notes to Financial Statements on pages 100 through 116 for more detail on the City's outstanding debt.

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

	2017	2016
Governmental:		
Covenant	\$ 175.1	\$ 240.5
Tax Increment	226.4	182.5
SIB Loan	6.5	8.0
Capital Lease	2.3	4.2
Sub-total	410.3	435.2
Business Type:		
Water Reclamation System	90.4	95.3
Parking System	10.0	10.9
Orlando Venues	497.9	758.0
Stormwater	-	0.3
Sub-total	598.3	864.5
Total	\$ 1,008.6	\$ 1,299.7

Principal payments of \$31.2 million and \$13.4 million (on external bonds, leases, and loans) were made in the governmental and business-type activities, respectively. Internal loan principal payments of \$13.6 million and \$1.9 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).

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 Water Reclamation System programs have underlying ratings of Aa2/AA/AA+ and Aa2/AAA/AAA from Moody's Investors Service, Standard & Poor's, and Fitch Ratings, respectively.

CITY OF ORLANDO, FLORIDA
Management's Discussion and Analysis
September 30, 2017

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 2018 is \$1,214.1 million or 3.7% more than the FY 2017 adopted budget of \$1,171.1 million. The General Fund budget for FY 2018 is \$446.4 million or 5.3% greater than the FY 2017 adopted budget of \$424.1 million. The millage rate for FY 2018 remains unchanged at 6.6500 mills. For the third year in a row Solid Waste, Stormwater Utility, and Water Reclamation fees were not increased for FY 2018; in past years these fees were scheduled for automatic annual fee increases of between 4 and 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.



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**CITY OF ORLANDO, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2017**

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	
ASSETS				
Cash and Cash Equivalents	\$ 536,756,751	\$ 280,883,324	\$ 817,640,075	\$ 2,407,050
Securities Lending Collateral	156,290,719	-	156,290,719	-
Receivables (net)	29,242,422	15,159,256	44,401,678	541
Due From Other Governments	25,071,398	4,576,707	29,648,105	26,293
Internal Balances	(22,704,676)	22,704,676	-	-
Inventories	942,166	445,059	1,387,225	-
Prepays	2,302,086	3,302,665	5,604,751	-
Restricted Assets:				
Cash and Cash Equivalents	7,568,823	166,069,859	173,638,682	-
Investments	20,663,077	41,188,341	61,851,418	-
Capital Assets:				
Non-depreciable	265,891,843	241,995,041	507,886,884	-
Depreciable (Net)	423,832,583	1,288,287,040	1,712,119,623	12,477
Total Assets	1,445,857,192	2,064,611,968	3,510,469,160	2,446,361
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Outflows on Refunding Bond	5,316,992	2,240,830	7,557,822	-
Deferred Outflows - Pension Related	122,785,682	5,316,037	128,101,719	19,489
Total Deferred Outflows	128,102,674	7,556,867	135,659,541	19,489
LIABILITIES				
Accounts Payable	23,559,741	17,033,709	40,593,450	49,724
Accrued Liabilities	5,258,547	779,976	6,038,523	5,003
Accrued Interest Payable	6,449,024	2,638,861	9,087,885	-
Due to Other Governments	618,259	40,581	658,840	-
Advance Payments	12,144,243	42,666,248	54,810,491	-
Unearned Revenue	10,460,949	-	10,460,949	-
Securities Lending Obligations	156,290,719	-	156,290,719	-
Non-Current Liabilities				
Due Within One Year:				
Environmental Remediation	573,694	14,220	587,914	-
Compensated Absences	3,082,113	325,594	3,407,707	5,525
Loans/Leases Payable	4,546,825	5,742,971	10,289,796	-
Bonds Payable	20,213,492	3,540,000	23,753,492	-
Claims Liabilities	10,588,000	-	10,588,000	-
Due In More Than One Year:				
Environmental Remediation	5,540,850	-	5,540,850	-
Compensated Absences	35,444,299	3,744,337	39,188,636	63,543
Net Pension Liability	238,563,316	15,565,083	254,128,399	54,565
Loans/Leases Payable	17,200,314	190,278,413	207,478,727	-
Bonds Payable	368,337,788	398,725,594	767,063,382	-
Claims Liabilities	20,900,000	-	20,900,000	-
Total Liabilities	939,772,173	681,095,587	1,620,867,760	178,360
DEFERRED INFLOWS OF RESOURCES				
Deferred Inflows - Pension Related	8,345,305	375,705	8,721,010	1,343
Total Deferred Inflows	8,345,305	375,705	8,721,010	1,343
NET POSITION				
Net Investment in Capital Assets	538,126,016	1,107,936,768	1,646,062,784	12,477
Restricted for:				
Transportation	60,479,483	-	60,479,483	-
Debt Service	17,656,396	11,466,640	29,123,036	-
Housing and Community Development	381,685	-	381,685	-
Law Enforcement	3,221,548	-	3,221,548	-
Building Code Enforcement	14,869,316	-	14,869,316	-
911 Services	193,500	-	193,500	-
Capital Projects	36,311,737	4,561,349	40,873,086	-
Street Tree Replacement	673,876	-	673,876	-
Renewal and Replacement	4,755,007	13,997,009	18,752,016	-
Contractual Obligations	-	2,906,622	2,906,622	-
Science Center	98,342	-	98,342	-
Other Purposes	8,197	-	8,197	-
Unrestricted (Deficit)	(50,932,715)	249,829,155	198,896,440	2,273,670
Total Net Position	\$ 625,842,388	\$ 1,390,697,543	\$ 2,016,539,931	\$ 2,286,147

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, 2017**

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	\$ 16,353,149	\$ 1,759,191	\$ 90,201	\$ -	\$ (14,503,757)	\$ -	\$ (14,503,757)	\$ -
Housing and Community Development	8,846,471	12,566	7,519,213	-	(1,314,692)	-	(1,314,692)	-
Economic Development	25,256,398	18,422,787	109,352	149,022	(6,575,237)	-	(6,575,237)	-
Public Works	25,403,840	294,151	-	1,093,766	(24,015,923)	-	(24,015,923)	-
Transportation	16,846,658	14,531,648	1,567,285	3,146,541	2,398,816	-	2,398,816	-
Families, Parks, and Recreation	43,872,407	5,151,353	1,915,035	-	(36,806,019)	-	(36,806,019)	-
Police	162,775,323	18,195,772	8,207,625	16,935,755	(119,436,171)	-	(119,436,171)	-
Fire	121,050,999	15,541,395	228,838	3,026,155	(102,254,611)	-	(102,254,611)	-
Business and Financial Services	26,960,214	4,092,414	84,000	926,113	(21,857,687)	-	(21,857,687)	-
Orlando Venues	6,300,684	1,712,355	84,159	4,400	(4,499,770)	-	(4,499,770)	-
Community Redevelopment	12,501,992	-	-	-	(12,501,992)	-	(12,501,992)	-
General Government	4,759,203	13,022,899	696,893	-	8,960,589	-	8,960,589	-
Lynx/Transit	3,873,004	-	-	-	(3,873,004)	-	(3,873,004)	-
Interest on Long-Term Debt	18,448,377	-	-	-	(18,448,377)	-	(18,448,377)	-
Total governmental activities	493,248,719	92,736,531	20,502,601	25,281,752	(354,727,835)	-	(354,727,835)	-
Business-type Activities:								
Water Reclamation	92,097,918	107,009,450	-	7,852,933	-	22,764,465	22,764,465	-
Orlando Venues - Business	95,719,341	34,333,727	-	153,990,269	-	92,604,655	92,604,655	-
Parking	16,497,275	15,730,265	-	92,493	-	(674,517)	(674,517)	-
Stormwater Utility	20,907,470	23,299,669	-	4,243,096	-	6,635,295	6,635,295	-
Solid Waste	30,194,830	32,913,517	-	17,707	-	2,736,394	2,736,394	-
Total business-type activities	255,416,834	213,286,628	-	166,196,498	-	124,066,292	124,066,292	-
Total primary government	\$ 748,665,553	\$ 306,023,159	\$ 20,502,601	\$ 191,478,250	(354,727,835)	124,066,292	(230,661,543)	-
Component unit:								
Downtown Development Board	\$ 3,577,980	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (3,577,980)
Total component unit	\$ 3,577,980	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	(3,577,980)
General Revenues:								
Taxes:								
Property taxes, levied for general purposes					159,237,271	-	159,237,271	2,474,800
Local Option Fuel Tax					9,256,880	-	9,256,880	-
Franchise Fees					31,531,656	-	31,531,656	-
Public Service Taxes					44,795,341	-	44,795,341	-
Tax Increment Revenue					20,022,302	-	20,022,302	-
Local Business Tax					9,948,074	-	9,948,074	-
Grants and contributions not restricted to specific programs:								
Orlando Utilities Commission					59,061,240	-	59,061,240	-
State Sales Tax					41,787,222	-	41,787,222	-
Other					18,897,600	-	18,897,600	-
Investment Earnings					6,752,016	4,164,855	10,916,871	14,105
Payment from Primary Government					-	-	-	938,551
Miscellaneous					9,480,415	-	9,480,415	126,614
Gain on Sale of Land					4,961,827	-	4,961,827	-
Special item - TDT bond refunding					-	193,727,492	193,727,492	-
Transfers					20,249,027	(20,249,027)	-	-
Total General Revenues, Special Items and Transfers					435,980,871	177,643,320	613,624,191	3,554,070
Change in Net Position					81,253,036	301,709,612	382,962,648	(23,910)
Net position - Beginning					544,589,352	1,088,987,931	1,633,577,283	2,310,057
Net position - Ending					\$ 625,842,388	\$ 1,390,697,543	\$ 2,016,539,931	\$ 2,286,147

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, 2017**

	MAJOR FUNDS			Non-Major Governmental Funds	Total Governmental Funds
	General	Community Redevelopment Agency Funds	Capital Improvement		
ASSETS					
Current Cash and Cash Equivalents	\$ 134,517,109	\$ 32,663,246	\$ 72,993,505	\$ 123,289,091	\$ 363,462,951
Restricted Cash and Cash Equivalents	-	3,633,235	3,935,588	-	7,568,823
Restricted Investments	-	14,859,036	-	-	14,859,036
Securities Lending Collateral	156,290,719	-	-	-	156,290,719
Receivables (Net)					
Accounts Receivables	3,384,445	14,356	-	1,398	3,400,199
Taxes	509,970	-	-	279	510,249
Special Assessments	1,487,669	-	-	20,132	1,507,801
Due from Other Funds	2,207,000	-	-	-	2,207,000
Due from Other Governments	15,743,281	920	98,588	9,228,609	25,071,398
Prepaid Items	217,975	-	-	-	217,975
Inventories	519,609	-	-	21,184	540,793
Total Assets	<u>\$ 314,877,777</u>	<u>\$ 51,170,793</u>	<u>\$ 77,027,681</u>	<u>\$ 132,560,693</u>	<u>\$ 575,636,944</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$ 9,494,958	\$ 159,725	\$ 616,269	\$ 6,835,483	\$ 17,106,435
Accrued Liabilities	4,635,043	31,223	-	406,089	5,072,355
Advance Payments	8,177,168	235	854,689	3,112,151	12,144,243
Due to Other Funds	-	-	-	2,027,000	2,027,000
Due to Other Governments	617,101	-	126	1,032	618,259
Unearned Revenue	8,437,519	-	-	2,023,430	10,460,949
Obligations Under Securities Lending	156,290,719	-	-	-	156,290,719
Accrued Interest Payable	208,757	835,875	-	-	1,044,632
Total Liabilities	<u>187,861,265</u>	<u>1,027,058</u>	<u>1,471,084</u>	<u>14,405,185</u>	<u>204,764,592</u>
Deferred Inflows of Resources:					
Unavailable Revenue on Property and Casualty Insurance Premiums	3,366,500	-	-	-	3,366,500
Fund Balances:					
Nonspendable	737,584	-	-	22,184	759,768
Restricted	2,003,489	50,143,735	3,935,588	112,508,344	168,591,156
Committed	1,989,219	-	71,621,009	2,957,485	76,567,713
Assigned	21,715,729	-	-	2,686,673	24,402,402
Unassigned	97,203,991	-	-	(19,178)	97,184,813
Total Fund Balances	<u>123,650,012</u>	<u>50,143,735</u>	<u>75,556,597</u>	<u>118,155,508</u>	<u>367,505,852</u>
Total Liabilities, Deferred Inflows, and Fund Balances	<u>\$ 314,877,777</u>	<u>\$ 51,170,793</u>	<u>\$ 77,027,681</u>	<u>\$ 132,560,693</u>	<u>\$ 575,636,944</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, 2017**

Total fund balances of governmental funds \$ 367,505,852

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	1,240,395,541	
Less accumulated depreciation	<u>(611,857,896)</u>	628,537,645

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		23,824,173
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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	(173,560,308)	
Premium	(1,915,076)	
Current year premium amortization	343,543	
Deferred outflow of resources	260,295	
Current year amortization	(45,468)	
Compensated Absences	(37,567,799)	
Environmental Remediation Liability	(6,114,544)	
State Infrastructure Bank (SIB) loan payable	(6,513,888)	
Governmental leases payable	(2,276,251)	
Governmental internal loans payable	(193,863,909)	
Net Pension Liability	<u>(238,563,316)</u>	(659,816,721)

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

Deferred inflow of resources		3,366,500
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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	(8,345,305)	
Deferred outflows of resources related to pensions	<u>122,785,682</u>	114,440,377

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.

147,984,562

Total net position of governmental activities. \$ 625,842,388

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, 2017

	MAJOR FUNDS			Non-Major Governmental Funds	Total Governmental Funds
	General	Community Redevelopment Agency Funds	Capital Improvement		
REVENUES					
Taxes:					
Property	\$ 158,836,844	\$ -	\$ -	\$ 400,427	\$ 159,237,271
Local Option Fuel	-	-	-	9,256,879	9,256,879
Communication Services	13,497,529	-	-	-	13,497,529
Local Business	9,948,074	-	-	-	9,948,074
Utilities Services	31,297,812	-	-	-	31,297,812
Intergovernmental:					
Orlando Utilities Commission Contribution	59,061,240	-	-	-	59,061,240
State Sales Tax	41,787,222	-	-	-	41,787,222
Other Intergovernmental	20,483,911	45,282,432	-	16,940,709	82,707,052
Franchise Fees	31,531,656	-	-	-	31,531,656
Permits and Fees	6,710,139	-	38,977	23,235,560	29,984,676
Charges for Services	57,613,454	22,939	503,389	16,790,706	74,930,488
Fines and Forfeitures	4,747,636	-	-	-	4,747,636
Income on Investments	2,002,384	1,044,810	434,408	1,118,752	4,600,354
Securities Lending Income	1,428,309	-	-	-	1,428,309
Special Assessments	52,817	-	-	699,937	752,754
Other Revenues	8,205,734	3,180,649	731,396	770,998	12,888,777
Total Revenues	447,204,761	49,530,830	1,708,170	69,213,968	567,657,729
EXPENDITURES					
Current Operating:					
Executive Offices	22,402,599	-	-	911,425	23,314,024
Housing and Community Development	831,904	-	-	7,755,867	8,587,771
Economic Development	12,117,762	-	-	12,415,299	24,533,061
Public Works	9,267,965	-	-	1,003,954	10,271,919
Transportation	13,154,628	-	-	3,148,079	16,302,707
Families, Parks, and Recreation	33,933,081	-	-	1,915,037	35,848,118
Police	143,059,058	-	-	16,495,899	159,554,957
Fire	112,664,474	-	-	228,838	112,893,312
Business and Financial Services	29,563,310	-	-	-	29,563,310
Orlando Venues	698,369	-	-	2,928,058	3,626,427
Other Expenditures	21,333,528	-	-	701,600	22,035,128
Community Redevelopment Agency	-	17,921,202	-	-	17,921,202
Intergovernmental	-	-	-	3,873,004	3,873,004
Capital Improvements	-	1,357,722	26,019,440	30,259,526	57,636,688
Securities Lending Expenses:					
Interest and Agent Fees	1,032,457	-	-	-	1,032,457
Debt Service:					
Principal Payments	14,462,325	9,142,764	-	506,381	24,111,470
Interest and Other	7,773,945	11,274,807	-	47,868	19,096,620
Total Expenditures	422,295,405	39,696,495	26,019,440	82,190,835	570,202,175
Excess (Deficiency) of Revenues Over (Under) Expenditures	24,909,356	9,834,335	(24,311,270)	(12,976,867)	(2,544,446)
OTHER FINANCING SOURCES AND (USES)					
Transfers In	18,672,504	39,093,431	29,188,448	1,576,671	88,531,054
Transfers Out	(36,043,135)	(32,046,564)	(648,791)	(2,138,368)	(70,876,858)
Sale of Land	-	-	2,400,420	-	2,400,420
Total Other Financing Sources and (Uses)	(17,370,631)	7,046,867	30,940,077	(561,697)	20,054,616
Net Change in Fund Balances	7,538,725	16,881,202	6,628,807	(13,538,564)	17,510,170
Fund Balances - Beginning	116,111,287	33,262,533	68,927,790	131,694,072	349,995,682
Fund Balances - Ending	\$ 123,650,012	\$ 50,143,735	\$ 75,556,597	\$ 118,155,508	\$ 367,505,852

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, 2017**

Net change in fund balances - total governmental funds \$ 17,510,170

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	48,888,270	
Contributions of capital assets	20,896,477	
Less current year depreciation	<u>(26,703,251)</u>	43,081,496

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.

Principal and other debt service payments		24,111,470
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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	(25,000)	
Sale and lease back of OPD Headquarters	2,561,407	
Long-term accounts receivable	<u>3,576,994</u>	6,113,401

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		(586,230)
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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	(45,468)	
Amortization of current year bond premium	343,543	
Change in long-term liabilities	302,569	
Change in long-term compensated absences	(2,105,113)	
Pension Expense	<u>(21,950,935)</u>	(23,455,404)

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		757,321
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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>13,720,812</u>
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Change in net position of governmental activities		<u>\$ 81,253,036</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 Water Reclamation 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 91 through 93 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 Fund: 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 187).

**CITY OF ORLANDO, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2017**

	Business-type Activities		
	Enterprise Funds		
	Water Reclamation	Orlando Venues Fund	Parking System Fund
ASSETS			
Current Assets:			
Current Cash and Cash Equivalents	\$ 188,278,661	\$ 23,175,058	\$ 12,749,613
Accounts Receivable (Net)	8,565,578	3,747,333	61,051
Due From Other Governments	4,525,596	-	50,614
Inventories	445,059	-	-
Prepaid Items	-	3,302,434	-
Total Current Assets	<u>201,814,894</u>	<u>30,224,825</u>	<u>12,861,278</u>
Non-Current Assets:			
Restricted:			
Restricted Cash and Cash Equivalents	10,233,000	152,022,662	3,814,197
Investments	8,742,065	32,446,276	-
Loans Receivable from Other Funds	-	-	-
Capital Assets:			
Artwork	6,095	611,243	-
Land	31,739,352	92,051,161	17,065,153
Buildings	162,056,825	883,893,275	78,023,357
Improvements Other Than Buildings	280,918,588	46,842,889	2,671,787
Equipment	51,758,078	33,464,198	1,110,787
Vehicles	-	-	-
Wastewater and Stormwater Lines and Pump Stations	394,803,372	-	-
Less Accumulated Depreciation	(522,637,708)	(180,660,772)	(57,542,657)
Construction in Process	46,708,102	39,323,077	-
Total Non-Current Assets	<u>464,327,769</u>	<u>1,099,994,009</u>	<u>45,142,624</u>
Total Assets	<u>666,142,663</u>	<u>1,130,218,834</u>	<u>58,003,902</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflows on Refunding Bonds	-	2,240,830	-
Deferred Outflows - Pension Related	2,105,767	639,247	955,343
Total Deferred Outflows	<u>2,105,767</u>	<u>2,880,077</u>	<u>955,343</u>
LIABILITIES			
Current Liabilities:			
Accounts Payable	5,523,755	7,151,141	426,970
Accrued Liabilities	327,194	117,476	88,344
Due to Other Funds	-	-	-
Due To Other Governments	-	-	40,581
Accrued Interest Payable	1,029,927	1,608,934	-
Compensated Absences	149,810	45,894	24,025
Advance Payments	28,249,692	14,348,934	66,497
Current Portion of Loans from Other Funds	-	926,397	1,025,000
Current Portion of Loans/Leases Payable	3,791,574	-	-
Current Portion of Bonds Payable	1,415,000	2,125,000	-
Current Portion of Claims Liabilities	-	-	-
Total Current Liabilities	<u>40,486,952</u>	<u>26,323,776</u>	<u>1,671,417</u>
Non-Current Liabilities:			
Non-Current Compensated Absences	1,722,810	527,787	276,287
Net Pension Liability	6,308,802	1,822,676	2,745,212
Loans from Other Funds	-	41,511,280	8,932,083
Loans/Leases Due After One Year	49,835,050	90,000,000	-
Bonds Payable After One Year	35,325,925	363,399,669	-
Claims Liabilities After One Year	-	-	-
Total Non-Current Liabilities	<u>93,192,587</u>	<u>497,261,412</u>	<u>11,953,582</u>
Total Liabilities	<u>133,679,539</u>	<u>523,585,188</u>	<u>13,624,999</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows - Pension Related	150,339	44,016	67,313
NET POSITION			
Net Investment in Capital Assets	362,892,941	585,596,604	31,371,344
Restricted:			
Debt Service	5,345,651	6,120,989	-
Capital Projects	-	4,561,349	-
Renewal and Replacement	7,103,136	3,079,676	3,814,197
Contractual Obligations	2,838,022	68,600	-
Unrestricted	156,238,802	10,042,489	10,081,392
Total Net Position	<u>\$ 534,418,552</u>	<u>\$ 609,469,707</u>	<u>\$ 45,266,933</u>

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
\$ 32,764,244	\$ 23,915,748	\$ 280,883,324	\$ 173,100,605
101,182	2,684,112	15,159,256	-
-	497	4,576,707	-
-	-	445,059	401,373
231	-	3,302,665	2,084,111
<u>32,865,657</u>	<u>26,600,357</u>	<u>304,367,011</u>	<u>175,586,089</u>
-	-	166,069,859	-
-	-	41,188,341	5,804,041
-	-	-	246,258,669
-	-	617,338	-
1,634,912	71,165	142,561,743	555,768
771,935	1,399,919	1,126,145,311	8,304,203
22,267,942	425,000	353,126,206	2,200,463
1,881,791	446,698	88,661,552	7,222,510
-	-	-	118,854,427
174,381,852	-	569,185,224	-
(85,825,092)	(2,165,024)	(848,831,253)	(78,978,178)
12,423,364	361,417	98,815,960	3,220,783
127,536,704	539,175	1,737,540,281	313,442,686
160,402,361	27,139,532	2,041,907,292	489,028,775
-	-	2,240,830	5,102,165
676,253	939,427	5,316,037	-
676,253	939,427	7,556,867	5,102,165
2,921,437	1,024,626	17,047,929	6,453,306
105,948	141,014	779,976	186,192
-	-	-	180,000
-	-	40,581	-
-	-	2,638,861	5,404,392
44,577	61,288	325,594	76,689
1,125	-	42,666,248	-
-	-	1,951,397	-
-	-	3,791,574	1,851,000
-	-	3,540,000	12,915,000
-	-	-	10,588,000
3,073,087	1,226,928	72,782,160	37,654,579
512,638	704,815	3,744,337	881,924
1,941,272	2,747,121	15,565,083	-
-	-	50,443,363	-
-	-	139,835,050	11,106,000
-	-	398,725,594	252,899,199
-	-	-	20,900,000
2,453,910	3,451,936	608,313,427	285,787,123
5,526,997	4,678,864	681,095,587	323,441,702
46,872	67,165	375,705	-
127,536,704	539,175	1,107,936,768	61,379,976
-	-	11,466,640	-
-	-	4,561,349	-
-	-	13,997,009	-
-	-	2,906,622	-
27,968,041	22,793,755	227,124,479	109,309,262
<u>\$ 155,504,745</u>	<u>\$ 23,332,930</u>	<u>1,367,992,867</u>	<u>\$ 170,689,238</u>
		22,704,676	
		<u>\$ 1,390,697,543</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, 2017

	Business-type Activities		
	Enterprise Funds		
	Water Reclamation	Orlando Venues Fund	Parking System Fund
Operating Revenues			
User Charges	\$ 100,728,367	\$ 32,361,352	\$ 13,516,783
Fees	2,800	-	48,600
Parking Fines	-	-	1,875,619
Other	321,832	1,972,375	289,263
Total Operating Revenues	<u>101,052,999</u>	<u>34,333,727</u>	<u>15,730,265</u>
Operating Expenses			
Salaries, Wages, and Employee Benefits	21,558,994	9,143,908	6,894,849
Services and Supplies	44,241,409	24,671,162	7,968,747
Depreciation Expense	24,554,553	33,627,653	1,279,078
Total Operating Expenses	<u>90,354,956</u>	<u>67,442,723</u>	<u>16,142,674</u>
Operating Income (Loss)	<u>10,698,043</u>	<u>(33,108,996)</u>	<u>(412,409)</u>
Non-Operating Revenues (Expenses)			
Income on Investments	1,920,599	1,369,697	153,613
Impact Fees	5,956,451	-	-
Interest Expense	(2,052,297)	(27,855,000)	(518,975)
Loss on Disposal of Capital Assets	(575,751)	(523,644)	(5,810)
Total Non-Operating Revenues (Expenses)	<u>5,249,002</u>	<u>(27,008,947)</u>	<u>(371,172)</u>
Income (Loss) Before Contributions, Transfers, and Special Items	<u>15,947,045</u>	<u>(60,117,943)</u>	<u>(783,581)</u>
Federal and State Grants	-	2,000,004	-
Capital Contributions	7,852,933	128,206,499	92,493
Capital Contributions - Tourist Development Tax	-	23,783,766	-
Special Item - TDT Bonds Refunding	-	193,727,492	-
Transfers In	231,786	10,806,334	1,382,738
Transfers Out	(882,332)	(25,936,556)	-
Total Contributions, Transfers, and Special Items	<u>7,202,387</u>	<u>332,587,539</u>	<u>1,475,231</u>
Change in Net Position	23,149,432	272,469,596	691,650
Net Position - Beginning	<u>511,269,120</u>	<u>337,000,111</u>	<u>44,575,283</u>
Net Position - Ending	<u>\$ 534,418,552</u>	<u>\$ 609,469,707</u>	<u>\$ 45,266,933</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
\$ 23,299,669	\$ 32,669,758	\$ 202,575,929	\$ 136,426,155
-	-	51,400	-
-	-	1,875,619	-
-	243,759	2,827,229	6,771,734
<u>23,299,669</u>	<u>32,913,517</u>	<u>207,330,177</u>	<u>143,197,889</u>
6,478,417	9,113,602	53,189,770	11,118,121
9,043,457	22,228,698	108,153,473	101,247,338
5,793,095	35,127	65,289,506	11,307,162
<u>21,314,969</u>	<u>31,377,427</u>	<u>226,632,749</u>	<u>123,672,621</u>
<u>1,984,700</u>	<u>1,536,090</u>	<u>(19,302,572)</u>	<u>19,525,268</u>
489,260	231,686	4,164,855	1,664,676
-	-	5,956,451	-
(6,517)	-	(30,432,789)	(9,784,099)
<u>(88,616)</u>	<u>(107,839)</u>	<u>(1,301,660)</u>	<u>(470,471)</u>
<u>394,127</u>	<u>123,847</u>	<u>(21,613,143)</u>	<u>(8,589,894)</u>
<u>2,378,827</u>	<u>1,659,937</u>	<u>(40,915,715)</u>	<u>10,935,374</u>
-	-	2,000,004	-
4,243,096	17,707	140,412,728	3,140,970
-	-	23,783,766	-
-	-	193,727,492	-
258,036	-	12,678,894	3,633,303
<u>(5,616,446)</u>	<u>(492,587)</u>	<u>(32,927,921)</u>	<u>(1,038,471)</u>
<u>(1,115,314)</u>	<u>(474,880)</u>	<u>339,674,963</u>	<u>5,735,802</u>
1,263,513	1,185,057	298,759,248	16,671,176
<u>154,241,232</u>	<u>22,147,873</u>		<u>154,018,062</u>
<u>\$ 155,504,745</u>	<u>\$ 23,332,930</u>		<u>\$ 170,689,238</u>
		<u>2,950,364</u>	
		<u>\$ 301,709,612</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, 2017**

	Business-type Activities Enterprise Funds		
	Water Reclamation Fund	Orlando Venues Fund	Parking System Fund
Increase (Decrease) in Cash and Cash Equivalents:			
Cash Flows from Operating Activities:			
Receipts from Customers	\$ 98,669,616	\$ 36,850,403	\$ 15,871,565
Repayment of Loans from Other Funds	-	-	-
Payments to Suppliers	(32,482,684)	(27,362,785)	(8,616,254)
Payments to Employees	(11,874,974)	(6,584,209)	(3,313,294)
Payments to Internal Service Funds and Administrative Fees	(17,004,309)	(2,794,756)	(1,548,296)
Net Cash Provided by Operating Activities	<u>37,307,649</u>	<u>108,653</u>	<u>2,393,721</u>
Cash Flows from Noncapital Financing Activities:			
Transfers In	-	10,806,334	1,382,738
Transfers (Out)	(650,547)	(25,936,556)	-
Proceeds from Bonds and Loans	-	-	-
Principal Paid on Bonds and Loans	-	-	-
Interest Paid on Bonds and Loans	-	-	-
Net Cash Flows Provided by (Used in) Noncapital Financing Activities	<u>(650,547)</u>	<u>(15,130,222)</u>	<u>1,382,738</u>
Cash Flows from Capital and Related Financing Activities:			
Proceeds from Bonds, Loans, and Leases	832,276	6,310,804	-
Additions to Capital Assets	(20,569,055)	(20,419,344)	(4,762)
Principal Paid on Bonds, Interfund Loans, Loans, and Leases	(5,810,111)	(9,791,353)	(975,000)
Interest Paid on Bonds, Interfund Loans, Loans, and Leases	(2,096,876)	(39,216,228)	(518,975)
Capital Contributions from/to Other Governments, Developers, and Funds	-	122,577,449	92,493
Impact Fees Received	4,418,818	-	-
Disposal of Capital Assets	-	-	-
Tourist Development Tax (pass-through from Orange County)	-	23,783,766	-
Net Cash Flows Provided by (Used in) Capital and Related Financing Activities	<u>(23,224,948)</u>	<u>83,245,094</u>	<u>(1,406,244)</u>
Cash Flows from Investing Activities:			
Purchases of Investments	(50,859)	(21,147,869)	-
Proceeds from Sales and Maturities of Investments	(929)	33,730,431	-
Net Investment Income	1,920,599	1,369,697	153,612
Net Cash Flows Provided by Investing Activities	<u>1,868,811</u>	<u>13,952,259</u>	<u>153,612</u>
Net Change in Cash and Cash Equivalents	15,300,965	82,175,784	2,523,827
Cash and Cash Equivalents at Beginning of Year	<u>183,210,696</u>	<u>93,021,936</u>	<u>14,039,983</u>
Cash and Cash Equivalents at End of Year	<u>\$ 198,511,661</u>	<u>\$ 175,197,720</u>	<u>\$ 16,563,810</u>
Classified As:			
Current Assets	\$ 188,278,661	\$ 23,175,058	\$ 12,749,613
Restricted Assets	10,233,000	152,022,662	3,814,197
Totals	<u>\$ 198,511,661</u>	<u>\$ 175,197,720</u>	<u>\$ 16,563,810</u>

			Governmental Activities
Stormwater Utility Fund	Solid Waste Management Fund	Total Enterprise Funds	Internal Service Funds
\$ 23,307,769	\$ 32,925,857	\$ 207,625,210	\$ 143,406,769
-	-	-	15,854,728
(7,200,709)	(14,778,707)	(90,441,139)	(107,818,176)
(3,363,835)	(4,984,491)	(30,120,803)	(7,241,946)
(2,467,967)	(9,769,345)	(33,584,673)	(3,883,658)
<u>10,275,258</u>	<u>3,393,314</u>	<u>53,478,595</u>	<u>40,317,717</u>
258,036	-	12,447,108	3,640,753
(5,616,446)	(492,587)	(32,696,136)	(1,045,922)
-	-	-	8,173,000
-	-	-	(20,721,000)
-	-	-	(12,262,592)
<u>(5,358,410)</u>	<u>(492,587)</u>	<u>(20,249,028)</u>	<u>(22,215,761)</u>
-	-	7,143,080	-
(11,378,754)	(68,263)	(52,440,178)	(20,653,411)
(284,726)	-	(16,861,190)	-
(6,516)	-	(41,838,595)	-
-	17,707	122,687,649	-
-	-	4,418,818	-
-	-	-	48,005
-	-	23,783,766	-
<u>(11,669,996)</u>	<u>(50,556)</u>	<u>46,893,350</u>	<u>(20,605,406)</u>
-	-	(21,198,728)	(27,384)
-	-	33,729,502	1,024,455
489,260	231,686	4,164,854	1,664,676
<u>489,260</u>	<u>231,686</u>	<u>16,695,628</u>	<u>2,661,747</u>
(6,263,888)	3,081,857	96,818,545	158,297
<u>39,028,132</u>	<u>20,833,891</u>	<u>350,134,638</u>	<u>172,942,308</u>
<u>\$ 32,764,244</u>	<u>\$ 23,915,748</u>	<u>\$ 446,953,183</u>	<u>\$ 173,100,605</u>
\$ 32,764,244	\$ 23,915,748	\$ 280,883,324	\$ 173,100,605
-	-	166,069,859	-
<u>\$ 32,764,244</u>	<u>\$ 23,915,748</u>	<u>\$ 446,953,183</u>	<u>\$ 173,100,605</u>

(Continued)

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, 2017
(continued)**

	Business-type Activities Enterprise Funds		
	Water Reclamation Fund	Orlando Venues Fund	Parking System Fund
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities:			
Operating Income (Loss)	\$ 10,698,043	\$ (33,108,996)	\$ (412,409)
Adjustments Not Affecting Cash:			
Depreciation	24,554,553	33,627,653	1,279,078
Long Term Pension Expense	2,811,686	764,931	1,149,611
(Increase) Decrease in Assets and Deferred Outflows and Increase (Decrease) in Liabilities and Deferred Inflows:			
Accounts Receivable	255,878	(358,159)	(41,307)
Due from Other Governments	(2,639,262)	-	175,267
Inventory	(142,950)	-	-
Prepaid Items	-	(3,255,337)	-
Deferred Outflows	-	251,550	-
Loans to Other Funds	-	-	-
Accounts Payable	1,457,688	(681,393)	205,879
Accrued Liabilities	58,502	16,593	7,634
Compensated Absences	253,511	(23,023)	22,628
Pension Liability	-	-	-
Claims Payable	-	-	-
Deferred Inflows	-	-	-
Advance Payments	-	2,874,834	7,340
Total Adjustments	<u>26,609,606</u>	<u>33,217,649</u>	<u>2,806,130</u>
Net Cash Provided by Operating Activities	<u>\$ 37,307,649</u>	<u>\$ 108,653</u>	<u>\$ 2,393,721</u>
Noncash Investing, Capital, and Financing Activities:			
Contributed capital assets received	\$ 7,852,933	\$ 7,629,054	\$ -
Loss on disposal of capital assets	(575,751)	(523,644)	(5,810)
Special Item - TDT Bond Refunding	-	193,727,492	-

			Governmental Activities	
Stormwater Utility Fund	Solid Waste Management Fund	Total Enterprise Funds	Internal Service Funds	
\$ 1,984,700	\$ 1,536,090	\$ (19,302,572)	\$ 19,525,268	
5,793,095	35,127	65,289,506	11,307,162	
820,793	955,262	6,502,283	-	
(39,136)	12,340	(170,384)	1,377	
47,236	-	(2,416,759)	176,398	
-	-	(142,950)	27,502	
-	-	(3,255,337)	280,430	
-	201,970	1,964,984	1,613,668	
-	-	26,204	15,854,728	
1,511,464	486,729	1,599,805	(1,778,974)	
26,204	37,843	120,572	(22,387)	
130,902	110,749	363,865	(144,093)	
-	-	-	(2,504,522)	
-	-	-	(3,951,000)	
-	17,204	17,204	(67,840)	
-	-	2,882,174	-	
<u>8,290,558</u>	<u>1,857,224</u>	<u>72,781,167</u>	<u>20,792,449</u>	
<u>\$ 10,275,258</u>	<u>\$ 3,393,314</u>	<u>\$ 53,478,595</u>	<u>\$ 40,317,717</u>	
\$ 4,243,096	\$ -	\$ 19,725,083	\$ 3,220,882	
(88,616)	(107,839)	(1,301,660)	(470,471)	
-	-	193,727,492	-	

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



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FIDUCIARY FUNDS AND COMPONENT UNIT

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.

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

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, 2017**

	Employee Retirement Funds	Agency Fund
ASSETS		
Cash and Cash Equivalents	\$ 32,187,770	\$ 2,563,853
Cash with Fiscal Agents	150,000	-
Accounts Receivable	305,579	-
Prepaid Items	1,282,311	-
Investments, at Fair Value		
Fixed Income	385,572,845	-
Equity	564,530,120	-
Real Estate	71,958,119	-
Global Commingled Investments	117,646,377	-
Hedge Fund of Funds	65,345,545	-
Private Equity	11,728,094	-
Private Debt	28,922,818	-
Other	3,659,759	-
Defined Contribution Mutual Funds	213,975,628	-
Firefighter Share Plan Mutual Funds	12,463,224	-
Retiree Health Savings Mutual Funds	4,568,107	-
Securities Lending Collateral	77,526,692	-
Participant Loans	5,101,453	-
Total Assets	1,596,924,441	2,563,853
LIABILITIES		
Obligations Under Security Lending	77,526,692	-
Accounts Payable	736,592	2,563,853
Accrued Liabilities	1,323	-
Total Liabilities	78,264,607	\$ 2,563,853
NET POSITION		
Restricted for Employees' Pension Benefits, OPEB, and Other Purposes	\$ 1,518,659,834	

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, 2017**

	<u>Employee Retirement Funds</u>
ADDITIONS	
Contributions:	
Employer	\$ 81,353,964
State	4,562,936
State in Excess of 1997 Frozen Amounts	736,994
Plan Members	11,236,832
Plan Members State Shortfall	305,363
Plan Members Buyback	22,507
Total Contributions	<u>98,218,596</u>
Investment Income:	
<i>From Investment Activities</i>	
Net Increase (Decrease) in Fair Value of Investments	138,982,583
Interest and Dividends	12,947,997
Net Investment Income	<u>151,930,580</u>
Investment Activity Expenses:	
Investment Management Fees	(3,482,945)
Custodian Fees	(317,949)
Total Investment Expenses	<u>(3,800,894)</u>
Net Income from Investing Activities	<u>148,129,686</u>
<i>From Securities Lending Activities:</i>	
Security Lending Expenses:	
Interest and Agent Fees	(524,937)
Net Income from Securities Lending Activities	<u>(524,937)</u>
Total Net Investment Income	<u>147,604,749</u>
Total Additions, net	<u>245,823,345</u>
DEDUCTIONS	
Retirement Benefits	92,621,365
Retiree Healthcare Benefits	16,745,166
Long-Term Disability Benefits	283,391
Refunds of Contributions	194,476
Administrative Expense	597,633
Salaries, Wages and Employee Benefits	87,824
Total Deductions	<u>110,529,855</u>
Net Increase	135,293,490
Net Position - Restricted for Employees' Pension Benefits, OPEB, and Other Purposes:	
Beginning of year	1,383,366,344
End of year	<u>\$ 1,518,659,834</u>

The accompanying notes are an integral part of the financial statements

**CITY OF ORLANDO, FLORIDA
STATEMENT OF NET POSITION
COMPONENT UNIT
SEPTEMBER 30, 2017**

	<u>Downtown Development Board</u>
ASSETS	
Cash and Cash Equivalents	\$ 2,407,050
Receivables (Net)	541
Due From Other Governments	26,293
Capital assets:	
Depreciable (Net)	12,477
Total Assets	<u>2,446,361</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Outflows - Pension Related	<u>19,489</u>
LIABILITIES	
Accounts Payable	49,724
Accrued Liabilities	5,003
Compensated Absences	5,525
Long-term Liabilities:	
Compensated Absences	63,543
Net Pension Liability	54,565
Total Liabilities	<u>178,360</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred Inflows - Pension Related	<u>1,343</u>
NET POSITION	
Net Investment in Capital Assets	12,477
Unrestricted	<u>2,273,670</u>
Total Net Position	<u><u>\$ 2,286,147</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, 2017**

	<u>Expenses</u>	<u>Program Revenues</u>	<u>Charges for Services</u>	<u>Net (Expenses) Revenue and Changes in Net Position</u>
DOWNTOWN DEVELOPMENT BOARD				
Economic Development	\$ 3,577,980	\$ -		\$ (3,577,980)
General revenues:				
Property taxes, levied for general purposes				2,474,800
Investment Earnings				14,105
Payment from Primary Government				938,551
Miscellaneous				126,614
Total General Revenues				<u>3,554,070</u>
Change in Net Position				(23,910)
Net Position - Beginning				<u>2,310,057</u>
Net Position - Ending				<u>\$ 2,286,147</u>

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



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CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

TABLE OF CONTENTS

	Page
Note 1. Summary of Significant Accounting Policies	57
A. Financial Reporting Entity	57
B. Government-Wide and Fund Financial Statements	59
C. Basis of Presentation	60
D. Basis of Accounting	62
E. Encumbrances	62
F. Use of Restricted and Unrestricted Resources	62
G. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance	62
H. Revenues, Expenditures, and Expenses	67
Note 2. Stewardship, Compliance, and Accountability	68
A. Budgeting Policy	68
B. Excess of Expenditures Over Appropriations	68
C. Deficit Fund Balance/Net Position	68
Note 3. Property Taxes	68
Note 4. Deposits and Investments	69
A. Pooling of Cash and Investments	69
B. Trustee Portfolio	74
C. Fiduciary Activities	74
Note 5. Interfund Receivables and Payables	82
A. Net Position	82
B. Fund Balance	83
C. Interfund Transfers	85
Note 6. Capital Assets	86
Note 7. Commitments and Contingencies	87
Note 8. Risk Management	91
Note 9. Leases	93
Note 10. Long-Term Obligations	94
Note 11. Pension Plans	109
Note 12. Other Employee Benefits	119
Note 13. Other Post Employment Benefits	119
Note 14. Tax Abatements	130
Note 15. Component Unit	130
A. Downtown Development Board (DDB)	130
B. Capital Assets	131
Note 16. Joint Venture	131
A. Central Florida Fire Consortium	131
Note 17. Other Organizations	132
A. Orlando Utilities Commission (OUC)	132
B. Greater Orlando Aviation Authority (GOAA)	132

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

	Page
Note 18. Summary Disclosure of Significant Contingencies	132
A. Litigation	132
B. Federally Assisted Programs - Compliance Audits	133
C. Environmental Matters	133
Note 19. CRA Trust Funds	134
Note 20. Downtown South Neighborhood Improvement District (NID)	137
Note 21. Subsequent Events	137

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

NOTE 1. 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. Financial 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 it's 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, *The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34* (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. 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.

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, 2017

The OHA service area is Orange County and they currently control 6,141 rental units of which over 75% 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, 2017, the City paid approximately \$17,000 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 132. 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.

5. Implementation of New GASB Pronouncements:

In fiscal year ended September 30, 2017, the City adopted the following accounting standards.

The City adopted the provisions of GASB Statement 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans* (GASB 74), which was issued to improve the usefulness of information about postemployment benefits other than pensions (other postemployment benefits or OPEB) included in the general purpose external financial reports of state and local governmental OPEB plans for making decisions and assessing accountability. Note disclosure information requirements about the City's OPEB liabilities are addressed in the 2017 CAFR.

The City adopted the provisions of GASB Statement 77, *Tax Abatement Disclosures* (GASB 77) which 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. Note disclosure information requirements about the City's tax abatement agreements are addressed in the 2017 CAFR.

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. GASB 78 does not impact the City's financial statements since the City does not participate in a multiple-employer defined benefit pension plan.

The City adopted the provisions of GASB Statement 80, *Blending Requirements for Certain Component Units – an amendment of GASB Statement No. 14* (GASB 80) which was issued to amend the blending requirements for the financial statement presentation of component units of all state and local governments. This pronouncement did not impact the preparation of these financial statements.

The City adopted the provisions of GASB 85, *Omnibus 2017* (GASB 85) which was issued to address practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits. This pronouncement did not materially impact the preparation of these financial statements.

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

The City adopted the provisions of *GASB 86, Certain Debt Extinguishment Issues* (GASB 86) which was issued to establish standards of accounting and financial reporting for in-substance defeasance transactions in which cash and other monetary assets acquired with only existing resources, or resources other than the proceeds of refunding debt, are placed in an irrevocable trust for the sole purpose of extinguishing debt. This pronouncement did not impact the preparation of these financial statements.

6. 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 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). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. 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 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 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.

GASB Statement 87, *Leases* (GASB 87) was issued to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. The requirements of GASB 87 are effective for fiscal year 2021. The City is currently evaluating the impact that GASB 87 may have on its financial statements.

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.

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

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, Water Reclamation, etc.).

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.

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

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 Water Reclamation 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.

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.

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

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.

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, 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, *Accounting and Financial Reporting for Nonexchange Transactions* (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 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, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

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.

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

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 comingled 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, 2017 the allowance for doubtful accounts in the Governmental, Business-type, Internal Service, and Fiduciary funds was \$154,403, \$311,133, \$5,543, and \$13,322, respectively. In addition, the allowance for doubtful accounts in Governmental Activities is \$10,708,159.

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, 2017 are recorded as prepaid items in both the government-wide and fund financial statements. Prepaid items are reported as expenditures during the period benefited by the prepayment (consumption method).

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:

Capital assets, include property, plant, equipment, and infrastructure assets (e.g., roads, sidewalks and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. 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.

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

For intangible assets, the capital outlay must be greater than \$50,000. For software costs, the capital outlay must be greater than \$5,000 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 Water Reclamation Lines and Pump Stations	10 - 50
Other Infrastructure	10 - 50

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 was not capitalized during fiscal year 2017. Total interest incurred for business-type activities during the current fiscal year was \$30,432,789.

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.

When capital assets are disposed of, the cost and accumulated depreciation or amortization are removed from the accounts, and any resulting gain or loss is recognized in the government-wide and proprietary fund financial statements.

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.

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

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.

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 118 for the net pension liability as of September 30, 2017.

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.

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

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 \$17,553,100 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).

16. Fund Balance:

In the fund financial statements, governmental funds report the fund balance into classifications that comprise a hierarchy based on the extent to which the City is bound to honor constraints on specific purpose for which those funds can be spent. Fund balance is divided into five classifications. 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.

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

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.

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 2016 amounts have been reclassified to conform to the 2017 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 Water Reclamation 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., water reclamation, 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.

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

NOTE 2. 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 \$116,133. These over expenditures were funded from 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 \$113,457. These over expenditures were funded from higher than expected operating revenue (charges for services). The budgetary comparison schedule for the Forfeitures Act fund (a non-major governmental fund) has an excess of expenditures over appropriations of \$337,677. These over expenditures were funded from existing fund balance.

C. Deficit Fund Balance/Net Position

Fund	Type	Deficit
GOAA Police Fund	Nonmajor Governmental Fund	\$ 19,178
Construction Management Fund	Internal Service Fund	\$ 566,742

The deficit in the GOAA Police Fund (a non-major governmental fund) is due primarily to the accrual of September 2017 salaries. The deficit was funded in October 2017 when salaries were invoiced to and paid by GOAA.

The deficit in the Construction Management Fund (an internal service fund) improved from FY 2016 to FY 2017. The City has, and continues to review the rate structure for the Construction Management Fund. Continued adjustments to the rate structure will need to be made to cover the deficit, which will be done over the next few fiscal years.

NOTE 3: 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, 2017 was 6.6500 mills. Current tax collections (inclusive of legally available early payment discounts) for the City were approximately 99% 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.

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

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.

1. 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 water reclamation 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 Water Reclamation 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 water reclamation treatment facilities are recorded as a liability upon receipt. After completion of all legal requirements as stipulated by the City's water reclamation treatment policy, the monies are recorded as non-operating revenue in the year the requirements are met.

NOTE 4: DEPOSITS AND INVESTMENTS

A. Pooling of 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.

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

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, 2017, are classified in the accompanying financial statements as follows:

City-wide Cash and Investments

Primary Government:	
Cash and Cash Equivalents	\$ 991,278,757
Investments	61,851,418
Pension and Agency Funds:	
Cash and Cash Equivalents	34,901,623
Investments	1,480,370,636
Component Units:	
Cash and Cash Equivalents	2,407,050
Total Cash and Investments	\$ 2,570,809,484
Investment Schedules:	
Operating Portfolio	\$ 874,600,443
Trustee Portfolio	53,027,822
Fiduciary Funds Portfolio	1,480,370,636
Sub-total	2,407,998,901
Other Cash and Investments:	
Cash Deposits	49,384,770
SSGFC & Wells Fargo Reserve Funds	8,823,598
Securities Lending	143,528
Cash with Fiscal Agent	104,458,687
Total Cash and Investments	\$ 2,570,809,484

1. 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.

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.

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

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, 2017, the carrying amount of the City's deposits was \$49,384,770. 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.

(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).

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

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.

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.

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

As of September 30, 2017, 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	\$ 237,781,303	27.18%	Level 2	7.738 years	
Agencies (3)	26,371,914	3.02%	Level 2	1.696	
Direct Obligations	<u>264,153,217</u>	<u>30.20%</u>		7.135	AA+ / Aaa
Federal Instrumentality Debt (4)	<u>124,607,709</u>	<u>14.25%</u>	Level 2	3.507	AA+ / Aaa
Corporate Debt:					
Investment Grade Corporate	192,931,717	22.06%	Level 2	4.256	A- / A3
Specialty Risk:					
Non-U.S. Investment Grade	11,269,974	1.29%	Level 2	2.466	A / A1
High Yield	13,221,576	1.51%	Level 2	4.062	BB+ / Ba1
Emerging Markets	6,743,179	0.77%	Level 2	9.194	BBB / A3
Specialty Risk Total	<u>31,234,729</u>	<u>3.57%</u>		4.594	BBB / Baa1
Total Corporate Debt	<u>224,166,446</u>	<u>25.63%</u>		4.303	A- / A3
Asset-Backed:					
Corporate Loans	42,566,412	4.87%	Level 2		
Mortgage Loans	5,308,350	0.61%	Level 2		
Commingled Fund	27,342,853	3.12%	Level 2		
Total Asset-Backed	<u>75,217,615</u>	<u>8.60%</u>		0.886	AA / Aaa
Mortgage Backed Securities (5)	176,421,554	20.17%	Level 2	3.052	AA+ / Aaa
Municipal Debt	5,064,873	0.58%	Level 2	6.700	A+ / A2
Other Investments:					
Derivatives	1,367,401	0.16%	Level 2	2.190	
Money Market Investments (6)(8)	<u>146,437,459</u>	<u>16.74%</u>	N/A	0.107	AA+ / Aaa
Sub Total	<u>1,017,436,274</u>	<u>116.33%</u>			
Clarification Adjustment - Assets in More than One Category (7)	(142,835,831)	-16.33%			
Total Fair Value (1)	<u>\$ 874,600,443</u>	<u>100.00%</u>			
Effective Duration				3.880 years	AA / Aa1

- (1) Fair Value includes accrued interest. Total accrued interest at the end of the year was \$3,479,219.
- (2) Rated by Standard & Poor's and Moody's, respectively, as of September 30, 2017.
- (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
Notes to Financial Statements
September 30, 2017

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>
Other Investments:				
Money Market Funds (2)	\$ 53,027,822	100.00%	0.080	AAA / Aaa

(1) Rated by Standard & Poor's and Moody's, respectively, as of September 30, 2017.

(2) 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. 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.

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

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)	18%	18%	18%
Federal Instrumentalities and Agencies	1%	1%	1%
Aaa	1%	1%	1%
Aa2	1%	1%	1%
A1	2%	2%	2%
A2	1%	1%	1%
A3	74%	74%	74%
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 76 and 77 indicates the average effective duration of the three pension fund portfolios in the aggregate and by security type.

The schedule on pages 79 through 81 outlines the foreign currency exposure that each of the three defined benefit pension plans is subject to as of September 30, 2017. All of the investments are managed by third party money managers in external investment pools.

For the year ended September 30, 2017, the annual money-weighted rate of return on pension investments, net of pension plan investment expense, was 10.62%, 10.58%, and 10.58% 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. The schedule on the next page shows the target allocation of invested assets as of September 30, 2017.

For the year ended September 30, 2017, the annual money-weighted rate of return on OPEB investments, net of investment expense, was 9.85%.

Asset Class	Target Allocation
Domestic Equities	33%
Global Asset Allocation	20%
Fixed Income	15%
International Equities	12%
Private Equity	10%
Real Estate	5%
Private Debt	5%
Cash	0%
	100%

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

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	\$ 131,010	0.06%		\$ 234,775	0.07%	
U.S. Government Obligations	Level 2	12,111,070	5.86%	6.55	21,703,394	7.28%	6.55
Federal Instrumentalities and Agencies	Level 2	11,312	0.01%	0.01	20,272	0.22%	0.01
Asset Backed Securities	Level 2	1,253,592	0.61%	1.62	2,246,473	1.04%	1.62
Domestic Corporate	Level 1	5,193,797	2.51%	6.73	9,307,436	2.87%	6.73
Fixed Income Commingled Investments	Level 1	54,114,212	26.20%	4.71	77,036,187	22.20%	4.71
Total Fixed Income (1)		72,814,993	35.3%	5.10	110,548,537	33.68%	5.17
Short-term Investments (2)	Level 1	1,940,717	0.94%		1,101,121	0.67%	
Domestic Stocks	Level 1	56,679,944	27.44%		96,466,154	24.65%	
Global Commingled Investments	Level 3	20,614,038	9.98%		39,714,375	10.21%	
International Stocks	Level 1	32,162,553	15.57%		68,215,079	14.13%	
Commingled Real Estate Investments	Level 3	12,429,609	6.02%		18,957,449	5.14%	
Real Estate Investment Trusts	Level 1	251,935	0.12%		5,935,629	1.69%	
Hedge Fund of Funds	Level 3	9,660,945	4.68%		16,600,590	4.89%	
Private Equity	Level 3				4,560,925	1.35%	
Private Debt	Level 3				15,033,687	3.59%	
Total Defined Benefits Pension Plans and OPEB Investments		206,554,734	100.00%		377,133,546	100.00%	
Firefighter Share Plan Mutual Funds	Level 2	-			12,463,224		
Defined Contribution Mutual Funds	Level 2	-			-		
Retiree Health Savings Mutual Funds	Level 2	-			-		
Total Investments		\$ 206,554,734			\$ 389,596,770		

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.

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

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
\$ 329,854	0.06%		\$		- \$	- \$	695,638	
30,492,879	5.47%	6.55			-	-	64,307,344	6.55
28,482	0.01%	0.01			-	-	60,066	0.01
3,156,254	0.57%	1.62			-	-	6,656,319	1.62
13,076,781	2.35%	6.73			-	-	27,578,014	6.73
120,194,130	21.59%	4.71	32,217,008	29.55%	5.87	-	283,561,537	4.84
167,278,380	30.05%	5.13	32,217,008	29.55%	5.87	-	382,858,918	5.20
617,921	0.11%		2,713,927	2.49%		-	6,373,686	
137,935,904	24.78%		38,233,525	35.06%		-	329,315,527	
57,317,964	10.30%		20,992,257	19.25%		-	138,638,634	
98,960,853	17.78%		14,883,851	13.65%		-	214,222,336	
27,631,373	4.96%		-	0.00%		-	59,018,430	
6,752,124	1.21%		-	0.00%		-	12,939,689	
39,084,010	7.02%		-	0.00%		-	65,345,545	
7,167,169	1.29%		-	0.00%		-	11,728,094	
13,889,131	2.50%		-	0.00%		-	28,922,818	
556,634,829	100.00%		109,040,568	100.00%		-	1,249,363,677	
-			-			1,954,878	14,418,102	
-			-			213,975,628	213,975,628	
-			-			2,613,229	2,613,229	
\$ 556,634,829			\$ 109,040,568			\$ 218,543,735	\$ 1,480,370,636	

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

At September 30, 2017, 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, 2017. 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, 2017.

(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.

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

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	\$ 71,249	\$ -	\$ 196,632
GMO Global Balanced Asset Allocation Fund	Brazilian Real	N/A	74,392	-	205,307
GMO Global Balanced Asset Allocation Fund	British Pound Sterling	N/A	331,096	-	913,762
GMO Global Balanced Asset Allocation Fund	Canadian Dollar	N/A	2,096	-	5,783
GMO Global Balanced Asset Allocation Fund	Chilean Peso	N/A	5,239	-	14,458
GMO Global Balanced Asset Allocation Fund	Chinese Yuan	N/A	92,204	-	254,465
GMO Global Balanced Asset Allocation Fund	Colombian Peso	N/A	2,096	-	5,783
GMO Global Balanced Asset Allocation Fund	Czech Koruna	N/A	5,239	-	14,458
GMO Global Balanced Asset Allocation Fund	Danish Krone	N/A	9,430	-	26,025
GMO Global Balanced Asset Allocation Fund	Euro Currency	N/A	821,454	-	2,267,054
GMO Global Balanced Asset Allocation Fund	Hong Kong Dollar	N/A	423,300	-	1,168,227
GMO Global Balanced Asset Allocation Fund	Indian Rupee	N/A	222,128	-	613,030
GMO Global Balanced Asset Allocation Fund	Indonesian Rupiah	N/A	15,717	-	43,375
GMO Global Balanced Asset Allocation Fund	Israeli New Shekel	N/A	5,239	-	14,458
GMO Global Balanced Asset Allocation Fund	Japanese Yen	N/A	630,759	-	1,740,774
GMO Global Balanced Asset Allocation Fund	Malaysian Ringgit	N/A	3,143	-	8,675
GMO Global Balanced Asset Allocation Fund	Mexican Peso	N/A	13,621	-	37,591
GMO Global Balanced Asset Allocation Fund	New Zealand Dollar	N/A	7,334	-	20,242
GMO Global Balanced Asset Allocation Fund	Norwegian Krone	N/A	53,436	-	147,474
GMO Global Balanced Asset Allocation Fund	Philippine Piso	N/A	13,621	-	37,591
GMO Global Balanced Asset Allocation Fund	Polish Zloty	N/A	2,096	-	5,783
GMO Global Balanced Asset Allocation Fund	Qatari Rial	N/A	5,239	-	14,458
GMO Global Balanced Asset Allocation Fund	Russian Ruble	N/A	82,774	-	228,440
GMO Global Balanced Asset Allocation Fund	Singapore Dollar	N/A	5,239	-	14,458
GMO Global Balanced Asset Allocation Fund	South African Rand	N/A	28,290	-	78,075
GMO Global Balanced Asset Allocation Fund	South Korean Won	N/A	312,236	-	861,712
GMO Global Balanced Asset Allocation Fund	Swedish Krona	N/A	63,914	-	176,391
GMO Global Balanced Asset Allocation Fund	Swiss Franc	N/A	56,580	-	156,149
GMO Global Balanced Asset Allocation Fund	Taiwan Dollar	N/A	436,921	-	1,205,818
GMO Global Balanced Asset Allocation Fund	Thai Baht	N/A	118,398	-	326,757
GMO Global Balanced Asset Allocation Fund	Turkish Lira	N/A	56,580	-	156,149
GMO Global Balanced Asset Allocation Fund	UAE Dirham	N/A	7,334	-	20,242
GMO Global Balanced Asset Allocation Fund	Vietnamese Dong	N/A	2,096	-	5,783
Total			<u>\$ 3,980,490</u>	<u>\$ -</u>	<u>\$ 10,985,379</u>

Investment	Currency	Maturity	General Employee Fair Value	Firefighter Fair Value	Police Fair Value
Blackrock Global	Euro	N/A	\$ 1,520,447	\$ 3,025,095	\$ 4,260,218
Blackrock Global	British Pound Sterling	N/A	405,453	806,692	1,136,058
Blackrock Global	Europe	N/A	304,089	605,019	852,044
Blackrock Global	Japanese yen	N/A	912,268	1,815,057	2,556,131
Blackrock Global	Other Asia	N/A	506,816	1,008,365	1,420,073
Blackrock Global	Latin America	N/A	202,726	403,346	568,029
Blackrock Global	Rest of the world	N/A	202,726	403,346	568,029
Total			<u>\$ 4,054,525</u>	<u>\$ 8,066,920</u>	<u>\$ 11,360,582</u>

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

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	\$ -	\$ 934,252	\$ -
Wellington GAA	Bermuda Dollar	N/A	-	81,804	-
Wellington GAA	Brazilian Real	N/A	-	(3,733)	-
Wellington GAA	Canadian Dollar	N/A	-	340,373	-
Wellington GAA	Chilean Peso	N/A	-	30,865	-
Wellington GAA	Chinese Renminbi	N/A	-	241,328	-
Wellington GAA	Colombian Peso	N/A	-	6,626	-
Wellington GAA	Czech Republic Koruna	N/A	-	8,288	-
Wellington GAA	Denmark Krone	N/A	-	86,261	-
Wellington GAA	Egyptian Pound	N/A	-	16,263	-
Wellington GAA	Euro Currency	N/A	-	899,986	-
Wellington GAA	Hong Kong Dollar	N/A	-	161,967	-
Wellington GAA	Iceland Krona	N/A	-	397,216	-
Wellington GAA	Indian Rupee	N/A	-	1,185,315	-
Wellington GAA	Indonesian Rupiah	N/A	-	32,878	-
Wellington GAA	Israeli Shekel	N/A	-	196,331	-
Wellington GAA	Japanese Yen	N/A	-	652,559	-
Wellington GAA	Malaysian Ringgit	N/A	-	(7,760)	-
Wellington GAA	Mauritius Rupee	N/A	-	60,185	-
Wellington GAA	Mexican Peso	N/A	-	85,948	-
Wellington GAA	New Zealand Dollar	N/A	-	(308,629)	-
Wellington GAA	Norwegian Krone	N/A	-	389,612	-
Wellington GAA	Peru Sol	N/A	-	24,434	-
Wellington GAA	Philippine Peso	N/A	-	17,592	-
Wellington GAA	Polish Zloty	N/A	-	78,775	-
Wellington GAA	Russian Ruble	N/A	-	114,233	-
Wellington GAA	Singapore Dollar	N/A	-	164,078	-
Wellington GAA	South African Rand	N/A	-	77,387	-
Wellington GAA	South Korean Won	N/A	-	295,923	-
Wellington GAA	Swedish Krona	N/A	-	1,255,958	-
Wellington GAA	Swiss Franc	N/A	-	177,409	-
Wellington GAA	Taiwan Dollar	N/A	-	125,727	-
Wellington GAA	Thai Baht	N/A	-	(24,375)	-
Wellington GAA	Turkish Lira	N/A	-	(57,253)	-
Wellington GAA	British Pound Sterling	N/A	-	9,695	-
Total			\$ -	\$ 7,747,518	\$ -

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

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	Brazilian Real	N/A	\$ 27,523	\$ 39,181	\$ 61,131
Loomis Sayles Core Plus Full Discretion Trust	Colombian Peso	N/A	534,402	760,766	1,186,970
Loomis Sayles Core Plus Full Discretion Trust	Malaysian Ringgit	N/A	539,488	768,008	1,198,268
Loomis Sayles Core Plus Full Discretion Trust	Mexican Peso	N/A	806,990	1,148,818	1,792,420
Total			<u>\$ 1,908,403</u>	<u>\$ 2,716,773</u>	<u>\$ 4,238,789</u>

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	Danish Kroner	N/A	115,785	245,574	356,259
Artisan International Fund	European Euro	N/A	13,360,324	28,336,544	41,108,338
Artisan International Fund	Hong Kong Dollar	N/A	1,244,691	2,639,924	3,829,785
Artisan International Fund	Indonesian Rupiah	N/A	189,759	402,469	583,869
Artisan International Fund	Japanese Yen	N/A	2,682,357	5,689,138	8,253,335
Artisan International Fund	Korean Won	N/A	910,200	1,930,487	2,800,592
Artisan International Fund	Mexican Peso	N/A	16,081	34,108	49,480
Artisan International Fund	New Taiwan Dollar	N/A	421,329	893,618	1,296,387
Artisan International Fund	Swiss Franc	N/A	1,514,856	3,212,930	4,661,056
Artisan International Fund	British Pound Sterling	N/A	2,357,515	5,000,165	7,253,831
Total			<u>\$ 22,812,897</u>	<u>\$ 48,384,957</u>	<u>\$ 70,192,932</u>

(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, 2017.

(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. 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,

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

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, 2017 was 28 days for the operating pool and 23 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, 2017, the City of Orlando had no credit risk related to insufficient collateral.

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:

	Governmental	Enterprise
Debt Service Funds	\$ 3,633,235	\$ 4,933,686
Reserve Funds	20,663,077	42,037,385
Renewal and Replacement Funds	3,935,588	160,287,129
Total Restricted Assets	\$ 28,231,900	\$ 207,258,200

NOTE 5: INTERFUND RECEIVABLES AND PAYABLES

The following schedule represents interfund receivables and payables as of September 30, 2017:

	Interfund Receivables	Interfund Payables
Primary Government:		
Major Fund:		
General	\$ 2,207,000	\$ -
Non Major Governmental Funds:		
Grants Fund	-	1,520,000
GOAA Police	-	507,000
Internal Service Funds:		
Construction Management	-	180,000
Total	\$ 2,207,000	\$ 2,207,000

All interfund transactions represent cash transfers for operating purposes. All amounts owed to the General Fund were repaid during October 2017.

A. 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.

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

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.

ANALYSIS OF NET INVESTMENT IN CAPITAL ASSETS

Issue	Amount Outstanding (1)	Reserve Funds	Relendable Proceeds	Unspent Proceeds	Net
Governmental Activities					
Capital Leases	\$ 2,279,251	\$ -	\$ -	\$ -	\$ 2,279,251
Internal Loan Fund (2)	<u>205,371,430</u>	<u>5,804,041</u>	<u>19,925,173</u>	<u>30,323,057</u>	<u>149,319,159</u>
Total Governmental Activities	<u>\$ 207,650,681</u>	<u>\$ 5,804,041</u>	<u>\$ 19,925,173</u>	<u>\$ 30,323,057</u>	151,598,410
Capital Assets					689,724,426
Net Investment in Capital Assets					<u>\$ 538,126,016</u>
Business-type Activities					
Water Reclamation Revenue Bonds	\$ 36,740,925	\$ 2,965,971	\$ -	\$ 4,941,817	\$ 28,833,137
Water Reclamation SRF Loans	53,626,624	-	-	-	53,626,624
Parking Internal Loans	9,957,083	-	-	-	9,957,083
Orlando Venues Bonds and Loans	<u>495,721,516</u>	<u>27,463,407</u>	<u>-</u>	<u>138,329,640</u>	<u>329,928,469</u>
Total Business-type Activities	<u>\$ 596,046,148</u>	<u>\$ 30,429,378</u>	<u>\$ -</u>	<u>\$ 143,271,457</u>	422,345,313
Capital Assets					1,530,282,081
Net Investment in Capital Assets					<u>\$ 1,107,936,768</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 \$205,371,430 in the internal loan fund (as shown above) represents the total internal loan fund debt of \$252,425,000 as shown on page 105, plus unamortized discounts, premiums, and deferred expense on refunding bonds (\$21,244,034), less the loans made to the proprietary funds (\$52,394,760), less loans to the governmental funds that are not related to capital asset acquisition (\$15,902,844) (e.g., loans for economic development incentives).

B. 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

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

A schedule of City fund balances is provided below.

	General	Community Redevelopment	Capital	Non Major Governmental	
	Fund	Agency	Improvement	Funds	Total
Fund Balances:					
Nonspendable:					
Inventory	\$ 519,609	\$ -	\$ -	\$ 21,184	\$ 540,793
Prepaid Items	217,975	-	-	-	217,975
Permanent Funds	-	-	-	1,000	1,000
Sub-total	<u>737,584</u>	<u>-</u>	<u>-</u>	<u>22,184</u>	<u>759,768</u>
Restricted for:					
Housing and Community Development	-	-	-	459,220	459,220
Law Enforcement	-	-	-	2,913,051	2,913,051
911 Services	193,500	-	-	-	193,500
Cemetery Trust Fund	939	-	-	-	939
Orlando Public Library	939	-	-	-	939
Families, Parks, and Recreation	939	-	-	-	939
Transportation Projects	-	-	-	60,479,483	60,479,483
Debt Service Reserve	-	14,859,036	-	-	14,859,036
Debt Service Principal and Interest	-	2,797,360	-	-	2,797,360
Community Redevelopment	-	29,280,599	-	-	29,280,599
Building Code Enforcement	-	-	-	15,453,251	15,453,251
Law Enforcement Training	308,497	-	-	-	308,497
Capital Projects	-	3,206,740	-	33,104,997	36,311,737
Leu Gardens	-	-	-	98,342	98,342
Education	5,380	-	-	-	5,380
Street Tree Replacement	673,876	-	-	-	673,876
Renewal and Replacement	819,419	-	3,935,588	-	4,755,007
Sub-total	<u>2,003,489</u>	<u>50,143,735</u>	<u>3,935,588</u>	<u>112,508,344</u>	<u>168,591,156</u>
Committed to:					
Low and Very-Low Income Housing	125,396	-	-	-	125,396
Economic Development	1,863,823	-	-	-	1,863,823
Neighborhood Improvement	-	-	-	1,329,740	1,329,740
Capital Projects	-	-	71,621,009	-	71,621,009
Cemetery Trust Fund	-	-	-	1,627,745	1,627,745
Sub-total	<u>1,989,219</u>	<u>-</u>	<u>71,621,009</u>	<u>2,957,485</u>	<u>76,567,713</u>
Assigned to:					
Code Enforcement Board	3,062,909	-	-	-	3,062,909
Human Resources	726,419	-	-	-	726,419
Families, Parks, and Recreation	630,333	-	-	-	630,333
Subsequent Years Expenditures	1,844,815	-	-	572	1,845,387
Retirement Plan Administration	392,033	-	-	-	392,033
General Fund Projects	92,600	-	-	-	92,600
Geotechnical Testing	91,654	-	-	-	91,654
Securities Lending	143,528	-	-	-	143,528
Debt Service	9,453,245	-	-	337,608	9,790,853
Economic Development	4,587,849	-	-	-	4,587,849
Orlando Police Department Activities	70,153	-	-	-	70,153
School Crossing Guards	620,191	-	-	-	620,191
Special Assessments	-	-	-	2,348,493	2,348,493
Sub-total	<u>21,715,729</u>	<u>-</u>	<u>-</u>	<u>2,686,673</u>	<u>24,402,402</u>
Unassigned:	<u>97,203,991</u>	<u>-</u>	<u>-</u>	<u>(19,178)</u>	<u>97,184,813</u>
Total Fund Balances	<u>\$ 123,650,012</u>	<u>\$ 50,143,735</u>	<u>\$ 75,556,597</u>	<u>\$ 118,155,508</u>	<u>\$ 367,505,852</u>

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

C. 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:

Transfer From	Transfer To	Amount (in thousands)		Purpose
		2017	2016	
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	Orlando Venues Fund	2,322	2,924	Venue related items for debt service
General Fund	Orlando Venues Fund	729	729	Operating subsidy for Camping World Stadium
Stormwater Utility Fund	General Fund	5,586	-	Reimbursement for administrative services provided by the General Fund
Capital Contributions:				
Capital Improvement Fund	Orlando Venues Fund	-	1,000	Camping World Stadium technology initiatives
Community Redevelopment Agency	Orlando Venues Fund	5,000	-	Development of phase two of the Dr. Phillips Performing Arts Center
Orlando Venues Fund	General Fund	9,650	-	Return Orlando Venues Reserve due to refunding of the Series 2014A TDT Bonds
Orlando Venues Fund	Community Redevelopment Agency	16,275	-	Return Orlando Venues Reserve due to refunding of the series 2014A TDT Bonds
BETWEEN FUNDS WITHIN THE GOVERNMENTAL OR BUSINESS-TYPE COLUMNS: (1)				
Operating or Debt Subsidy:				
General Fund	Nonmajor Governmental Funds	\$ 1,522	\$ 1,522	Operating subsidy for H.P. Leu Gardens
General Fund	Internal Loan	2,500	2,500	Internal loan relendable proceeds
Building Code Enforcement Fund	General Fund	1,069	1,069	Cover the re-allocation of Code Enforcement overhead expenses
Capital Contributions:				
Risk Management Fund	Capital Improvement Fund	-	2,008	Project to strengthen security measures with goals to reduce City's exposure to liability claims
General Fund	Capital Improvement Fund	29,094	17,118	Annual funding for budgeted Capital projects

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

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

NOTE 6: CAPITAL ASSETS

1. Capital asset activity for the year ended September 30, 2017 was as follows:

	Primary Government			
	Beginning Balance	Additions	Transfers, Retirements and Other Adjustments	Ending Balance
Governmental Activities				
Non-Depreciable Assets:				
Land	\$ 191,037,792	\$ 16,237,940	\$ (8,188,269)	\$ 199,087,463
Artwork	5,559,852	4,400	-	5,564,252
Infrastructure in Progress	31,781,862	13,403,380	(18,688,779)	26,496,463
Construction in Progress	49,330,027	36,327,281	(50,913,643)	34,743,665
Depreciable Assets:				
Buildings	190,834,390	64,495,943	(318,864)	255,011,469
Improvements	185,178,869	-	(140,305)	185,038,564
Equipment	75,112,093	4,884,958	(19,028,144)	60,968,907
Motor Vehicles	104,292,693	19,718,902	(5,157,168)	118,854,427
Infrastructure	467,209,771	18,688,779	-	485,898,550
Intangibles	9,169,035	-	(272,296)	8,896,739
Totals at historical cost	<u>1,309,506,384</u>	<u>173,761,583</u>	<u>(102,707,468)</u>	<u>1,380,560,499</u>
Less accumulated depreciation for:				
Buildings	(96,099,444)	(3,410,892)	223,176	(99,287,160)
Improvements	(151,228,118)	(6,351,125)	1,509,895	(156,069,348)
Equipment	(63,592,342)	(5,222,472)	16,331,217	(52,483,597)
Motor Vehicles	(61,772,224)	(10,525,202)	4,905,504	(67,391,922)
Infrastructure	(297,333,998)	(11,635,907)	(1,385,540)	(310,355,445)
Intangibles	(4,612,877)	(864,815)	229,091	(5,248,601)
Total accumulated depreciation	<u>(674,639,003)</u>	<u>(38,010,413)</u>	<u>21,813,343</u>	<u>(690,836,073)</u>
Governmental activities capital assets, net	<u>\$ 634,867,381</u>	<u>\$ 135,751,170</u>	<u>\$ (80,894,125)</u>	<u>\$ 689,724,426</u>
Business-type Activities				
Non-Depreciable Assets:				
Land and land rights	\$ 142,593,661	\$ 33,184	\$ (65,102)	\$ 142,561,743
Artwork	617,338	-	-	617,338
Construction in Progress	66,928,224	68,703,025	(36,815,289)	98,815,960
Depreciable Assets:				
Buildings	1,124,623,621	1,635,203	(113,513)	1,126,145,311
Improvements	350,188,933	26,335,892	(23,398,619)	353,126,206
Equipment	93,759,614	27,523,331	(32,621,393)	88,661,552
Sewer Lines	529,613,146	42,766,850	(3,194,772)	569,185,224
Totals at historical cost	<u>2,308,324,537</u>	<u>166,997,485</u>	<u>(96,208,688)</u>	<u>2,379,113,334</u>
Less accumulated depreciation/amortization for:				
Buildings	(261,802,242)	(28,606,234)	96,508	(290,311,968)
Improvements	(199,303,575)	(13,235,792)	(24,515,487)	(237,054,854)
Equipment	(79,810,108)	(9,852,291)	30,074,540	(59,587,859)
Sewer Lines	(248,472,971)	(13,595,189)	191,588	(261,876,572)
Total accumulated depreciation	<u>(789,388,896)</u>	<u>(65,289,506)</u>	<u>5,847,149</u>	<u>(848,831,253)</u>
Business-type activities capital asset, net	<u>\$ 1,518,935,641</u>	<u>\$ 101,707,979</u>	<u>\$ (90,361,539)</u>	<u>\$ 1,530,282,081</u>
Depreciation expense was charged to governmental functions as follows:				
Executive Offices				\$ 254,426
Economic Development				635,773
Office of Business and Financial Services				2,826,253
Housing and Community Development				303,747
Community Redevelopment Agency				447,550
Public Works				12,957,962
Transportation				5,527,639
Families, Parks, & Recreation				7,343,811
Police				4,842,494
Fire				2,870,758
Total depreciation expense				<u>\$ 38,010,413</u>
Depreciation expense was charged to business-type funds as follows:				
Water Reclamation System				\$ 24,554,553
Orlando Venues				33,627,653
Parking System				1,279,078
Stormwater Utility				5,793,095
Solid Waste Management				35,127
Total depreciation expense				<u>\$ 65,289,506</u>

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

NOTE 7: COMMITMENTS AND CONTINGENCIES:

a. Construction Commitments – As of September 30, 2017 major outstanding construction commitments (in excess of \$1 million) were as follows:

<u>Project Description</u>	<u>Outstanding Commitment (in millions)</u>
Conserv II Biosolids Dewater - Water Reclamation	\$ 14.0
Colonial Pedestrian Bridge LAP	6.5
Vineland Road Drainage Improvements	3.6
Rapid Response Construction	3.4
Facilities Management (Energy Initiative)	2.9
Lift Station 5 Area Piping	2.7
Parramore South Pond	2.5
Central Boulevard Sanitary Sewer Improvements	2.4
New OPD Headquarters	1.6
Lift Station 5	1.5
W. Livingston Street Improvements	1.5
Lake Nona Radio Tower	1.4
Downtown Sanitary Sewer System	1.2
Performing Arts Center Stage 2	1.1
Fire Station 2 Remediation	1.1
Total Construction Commitments	<u>\$ 47.4</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, 2017, the related operating subsidy to the Lymmo system was \$781,182 from the Downtown CRA District and \$1,010,678 from the Parking Fund, which is net of a \$588,628 contribution to the Parking Fund from a City Project.

c. Development Related Commitments

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. 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. The City’s contribution 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.

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.

d. Downtown CRA District Development Incentives

Downtown Hotel Incentives – Pursuant to its policy, the CRA agreed to an incentive of up to \$606,000, for a hotel project including certain streetscape improvements, an informational kiosk, and public amenities. This incentive is being repaid through a special assessment, which is amortized over 15 years (through FY 2019) after an initial five-year, interest-only period. The outstanding assessment as of September 30, 2017 is \$43,792.

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

55 West – This project involved the redevelopment of Church Street Market, which was located between Orange Avenue and the CSX railroad. The original agreement included (but was not limited to) the repayment of a Special Assessment obligation used to finance 75% of the plaza area improvements, which is available to the public. During the 2016 fiscal year, the special assessment obligation was paid in full.

The CRA is also 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 was completed in 2007. The developer built 394,000 sq. ft. of office condominium, 100,000 sq. ft. of retail and restaurant space, 304 residential condominium units, and a related 1,650-space parking structure.

In December 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 restructured the original movie theatre incentive previously approved by the City and Community Redevelopment Agency.

The 2008 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 of the retail condominium portion of the assessment as of September 30, 2017 is \$1,166,664.

The CRA's payment of \$350,000 per year (as contemplated in the previously approved Plaza agreement) will continue through fiscal year 2019.

Pursuant to the original agreement, during the fiscal year ended September 30, 2017, the CRA made the tenth of twelve installments on the residential-only tax increment recapture.

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, 2017 is \$42,173, 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 includes approximately 253 residential apartments, 7,200 sq. ft. of ground floor retail space and an approximately 450 space parking garage.

The CRA agreed to provide a partial tax increment recapture for 11 years (through 2020). During the fiscal year ended September 30, 2017, the CRA made the eighth 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.

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

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. On May 4, 2017, the City transferred title of the Expo Centre to UCF.

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 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 an industry cluster for creative and tech businesses integrate with residential, retail and academia in a neighborhood that is connected to, and complements, the Parramore neighborhood and Downtown community.

In February 2011, the City entered into a 20-year Master Development Agreement (MDA) that established the rights and responsibilities between the City and Creative Village LLC (CVD) regarding management and redevelopment of the Creative Village site. CVD has the right to purchase a portion of the 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 agreed to coordination with CVD to identify appropriate federal grant opportunities to support the Creative Village project for a period of five years, which expired in 2016. The City also agreed to provide up to \$1 million toward other necessary items, such as environmental remediation. To date, a significant portion of the \$1 million allocation has been expended. 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, 2017, this commitment is still outstanding.

e. Community Enhancements - Remaining commitments for the Community Venues projects are shown below. Debt financing incurred as of September 30, 2017 for the Community Venues projects is included on page 95.

Performing Arts Center (PAC) - 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. Stage 2 will include a third concert hall.

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 at a cost of approximately \$315 million for land acquisition, design services, and Stage 1 construction of the PAC. The Dr. Phillips Center for the Performing Arts contributed about \$47.3 million for Stage 1 construction.

Stage 2 construction of the third hall for the Performing Arts Center began in fiscal year 2017. On October 24, 2016 the City Council approved the second amended and restated Orlando-Orange County Interlocal agreement which provided the funding arrangement for construction to begin. The total construction budget after the established Guaranteed Maximum Price is \$237.5 million, with approximately \$143 million coming from Tourist Development Tax funds, \$66 million from philanthropic contributions and the remaining from various sources. In FY 2017, \$25.9 million was spent on Stage 2 construction, with \$7.6M of that amount paid by the Dr. Phillips Center for the Performing Arts. Overall through FY 2017, nearly \$36 million has been spent on Stage 2 with \$13.5 million of that amount paid by the Performing Arts Center.

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

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.

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 2018 when final work is complete on the Varsity Clubs. Through September 30, 2017, the City has incurred \$207.5 million in costs with a remaining commitment of approximately \$150,000.

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 113 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 by mid 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, 2017, there was no outstanding balance on the line of credit.

g. 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.

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

At September 30, 2017, the City had encumbrance commitments in the Governmental Funds as follows:

<u>Major Funds and Non Major Funds</u>	<u>Encumbrances</u>
General Fund	\$ 1,936,469
Community Redevelopment Agency	739,957
Capital Improvement	6,033,488
Aggregate Non Major Funds	17,410,689
Total Encumbrances	\$ 26,120,603

NOTE 8: 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.

<u>Deductibles</u>	<u>Coverage</u>	<u>Limits of Coverage</u>
N/A	General Liability & Auto Liability	\$200,000 per person, \$300,000 per occurrence (Consistent with Florida Statutes 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.

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

The table below reflects the discounted and undiscounted estimates:

Estimated Risk Management Liability (1)		
(in thousands)		
	Discounted (2)	Undiscounted
Workers' Compensation	\$ 14,599	\$ 16,967
General Liability	8,930	9,936
Automobile Liability	4,002	4,335
Total	\$ 27,531	\$ 31,238

- (1) Actuarial projection excludes property liability. The reserve for property at September 30, 2017 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, 2017 and 2016						
(in thousands)						
	Property and Casualty		Workers' Compensation		Totals	
	2017	2016	2017	2016	2017	2016
Unpaid claims and claims adjustment expenses at beginning of fiscal year	\$ 19,442	\$ 20,835	\$ 15,997	\$ 15,669	\$ 35,439	\$ 36,504
Incurring claims and claim adjustment expenses:						
Provisions for insured events of the current fiscal year	6,548	6,539	4,451	4,401	10,999	10,940
Increase (Decrease) in provision for insured events of prior fiscal years	(8,968)	(3,795)	1,854	105	(7,114)	(3,690)
Total insured claims and claim adjustment expenses	(2,420)	2,744	6,305	4,506	3,885	7,250
Payments:						
Claims and claim adjustment expenses attributable to insured events of current fiscal year	(922)	(427)	(5,227)	(4,037)	(6,149)	(4,464)
Claims and claim adjustment expenses attributable to insured events of prior fiscal years	(1,579)	(3,710)	(108)	(141)	(1,687)	(3,851)
Total payments	(2,501)	(4,137)	(5,335)	(4,178)	(7,836)	(8,315)
Total unpaid claims and claim adjustment expenses at end of fiscal year	\$ 14,521	\$ 19,442	\$ 16,967	\$ 15,997	\$ 31,488	\$ 35,439

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

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 \$228,000. 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	\$	3,997
Claims incurred		56,787
Claims payments		<u>(56,186)</u>
Liability ending balance	\$	<u>4,598</u>

NOTE 9: 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:

Year Ending September 30	Lease Payments
2018	\$ 704,621
2019	704,621
2020	704,621
2021	778,019
2022	880,776
2023-2027	4,715,820
2028-2032	5,894,776
2033-2037	7,368,470
2038-2042	9,210,587
2043-2047	11,513,234
2048-2052	14,391,543
2053-2057	17,989,428
2058-2062	22,486,786
2063-2065	16,296,357

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 this lease with GOAA and various other leases for the year ended September 30, 2017 was \$3,167,784.

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

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

	<u>Governmental Activities</u>
Fiscal Year Ending	Radio System Improvements
<u>September 30</u>	<u>Improvements</u>
2018	\$ 1,175,132
2019	1,175,132
Total Minimum Lease Payments	2,350,264
Less Amount Representing Interest	<u>(74,013)</u>
Present Value of Minimum Lease Payments	<u>\$ 2,276,251</u>

The stated interest rate is 2.16% for the radio system improvements.

The assets acquired through capital leases are shown below. Depreciation expense for assets under capital leases was \$25,591 for Governmental Activities for the year ended September 30, 2017.

	<u>Governmental Activities</u>
Asset:	
Equipment	\$ 1,535,463
Less: Accumulated depreciation	<u>(1,535,463)</u>
Total	<u>\$ -</u>

NOTE 10: 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, \$958,614 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.

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

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, 2017:

	<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	\$ 6,513,888	2.45%	\$ 1,729,450
Community Redevelopment Agency--					
Republic Dr. (Universal Blvd) Series 2012	Refunding	29,430,000	19,880,000	3.00-5.00%	3,008,750
Republic Dr. (Universal Blvd) Series 2013	Capital Improvements	9,000,000	6,290,308	2.17%	864,993
Conroy Road Series 2012	Refunding	19,225,000	13,785,000	5.00%	1,947,750
Downtown CRA Series 2009A	Performing Arts Ctr.	14,475,000	9,845,000	5.00%	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	1,390,000	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>\$ 180,074,196</u>		
Internal Loan Fund --					
SSGFC Tax-exempt Series H	Refunding	18,510,000	12,957,000	(1)	(2)
Capital Improvement Special Revenue Bonds:					
Series 2007B	Public Safety projects	58,905,000	1,445,000	4.25%	1,482,931
Series 2009B	Refunding	15,965,000	15,965,000	5.00%	5,736,625
Series 2010B	Refunding	17,650,000	17,435,000	5.00%	6,554,375
Series 2010C	Refunding	40,260,000	8,940,000	5.00%	2,626,125
Series 2012A	Refunding	9,965,000	9,965,000	3.00%	1,219,230
Series 2014A	Refunding	6,205,000	1,825,000	1.99%	1,843,158
Series 2014B	Public Safety projects	62,205,000	62,205,000	5.00%	4,506,125
Series 2014C	Refunding	10,355,000	8,770,000	5.00%	1,338,500
Series 2014D	Refunding	12,450,000	10,770,000	5.00%	1,491,500
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	3.13-5.00%	7,045,891
Series 2016C	Public Safety Projects	26,425,000	26,425,000	4.00-5.00%	2,019,900
Series 2017A	Refunding	8,173,000	8,173,000	2.36%	4,291,402
Total		<u>354,618,000</u>	<u>252,425,000</u>		
Total Governmental Activities		<u>\$ 568,752,867</u>	<u>\$ 432,499,196</u>		
Business-Type Activities					
Wastewater Revenue Bonds	Water Reclamation Treatment and Refunding	\$ 36,170,000	\$ 32,240,000	2.00-5.00%	2,877,900
Series 2013					
State Revolving Fund Loans	Water Reclamation projects	93,191,798	53,626,624	1.59-2.66%	5,037,609
Total Water Reclamation		<u>\$ 129,361,798</u>	<u>\$ 85,866,624</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	27,225,000	4.00-5.00%	1,998,425
Senior Tourist Dev. Tax Bonds, Series 2008C	Events Center projects	87,270,000	25,710,000	5.50%	26,417,025
Contract Tourist Dev. Tax Bonds, Series 2017A	Community Venues	196,590,000	196,590,000	3.00-5.00%	15,309,500
Contract Tourist Dev. Tax Bonds, Series 2017B	Community Venues	27,760,000	27,760,000	3.00-5.00%	2,146,775
Capital Improvement Bonds					
Series 2009A	Events Center projects	11,950,000	3,910,000	4.78-4.99%	1,405,169
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	3.13-5.00%	1,503,125
Total Business-Type Activities		<u>\$ 635,206,798</u>	<u>\$ 501,246,624</u>		

- (1) These variable rate bonds and loans are subject to a 15% interest rate cap. The tax-exempt Series H loans had interest rates, LOC, and other charges of 0.12%, 0.45%, and 0.15% respectively, on September 30, 2017.
- (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.

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

b. Long-term liability activity for the year ended September 30, 2017 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	\$ 136,645,000	\$ -	\$ (3,040,000)	\$ 133,605,000	\$ 3,165,000
Republic Drive (Universal Blvd.) District	28,943,327	-	(2,773,019)	26,170,308	2,888,492
Conroy Road District	14,965,000	-	(1,180,000)	13,785,000	1,245,000
Capital Improvement bonds	195,904,474	10,038,766	(18,870,000)	187,073,240	12,915,000
Sunshine State Loans (SSGFC)	14,808,000	-	(1,851,000)	12,957,000	1,851,000
State Infrastructure Bank Loan	8,046,206	-	(1,532,318)	6,513,888	1,569,860
Leases payable	4,223,591	-	(1,947,340)	2,276,251	1,125,965
	<u>403,535,598</u>	<u>10,038,766</u>	<u>(31,193,677)</u>	<u>382,380,687</u>	<u>24,760,317</u>
Plus (Less) bond discounts and premiums	31,653,300	-	(3,735,568)	27,917,732	-
Total bonds, loans, and leases payable	<u>435,188,898</u>	<u>10,038,766</u>	<u>(34,929,245)</u>	<u>410,298,419</u>	<u>24,760,317</u>
Other liabilities:					
Other liabilities	757,321	-	(757,321)	-	-
Environmental remediation liability	6,066,945	119,250	(71,651)	6,114,544	573,694
Net Pension Liability	219,781,255	18,782,061	-	238,563,316	-
Compensated absences	36,565,392	5,503,768	(3,542,748)	38,526,412	3,082,113
Claims and judgments	35,439,000	3,981,715	(7,932,715)	31,488,000	10,588,000
Totals other liabilities	<u>298,609,913</u>	<u>28,386,794</u>	<u>(12,304,435)</u>	<u>314,692,272</u>	<u>14,243,807</u>
Governmental activities long-term liabilities	<u>\$ 733,798,811</u>	<u>\$ 38,425,560</u>	<u>\$ (47,233,680)</u>	<u>\$ 724,990,691</u>	<u>\$ 39,004,124</u>
Business-Type Activities:					
Bonds, loans and leases payable:					
Wastewater revenue bonds	\$ 33,610,000	\$ -	\$ (1,370,000)	\$ 32,240,000	\$ 1,415,000
State Revolving Fund loans	56,701,173	832,276	(3,906,825)	53,626,624	3,791,574
Parking - Internal loans	10,932,083	-	(975,000)	9,957,083	1,025,000
Orlando Venues - Internal loans	43,328,443	-	(890,766)	42,437,677	926,397
Orlando Venues SSGFC loans	90,000,000	-	-	90,000,000	-
Orlando Venues bonds	603,155,000	224,350,000	(502,125,000)	325,380,000	2,125,000
Stormwater Lease payable	284,726	-	(284,726)	-	-
	<u>838,011,425</u>	<u>225,182,276</u>	<u>(509,552,317)</u>	<u>553,641,384</u>	<u>9,282,971</u>
Plus (Less) bond discounts and premiums	26,497,585	36,433,322	(18,285,313)	44,645,594	-
Total bonds, loans, and leases payable	<u>864,509,010</u>	<u>261,615,598</u>	<u>(527,837,630)</u>	<u>598,286,978</u>	<u>9,282,971</u>
Environmental remediation liability	82,793	-	(68,573)	14,220 (1)	14,220
Net Pension Liability	10,097,985	5,467,098	-	15,565,083	-
Compensated absences	3,575,163	901,140	(406,372)	4,069,931	325,594
Business-type activities long-term liabilities	<u>\$ 878,264,951</u>	<u>\$ 267,983,836</u>	<u>\$ (528,312,575)</u>	<u>\$ 617,936,212</u>	<u>\$ 9,622,785</u>
Component Unit:					
Net Pension Liability	\$ 36,570	\$ 17,995	\$ -	\$ 54,565	\$ -
Compensated absences	55,632	18,443	(5,007)	69,068	5,525
Component unit long-term liabilities	<u>\$ 92,202</u>	<u>\$ 36,438</u>	<u>\$ (5,007)</u>	<u>\$ 123,633</u>	<u>\$ 5,525</u>

Reconciliation of long-term liability activity to summary of debt service requirements to maturity	
Total Governmental and Internal Service Fund Debt	\$ 434,775,447
Less Internal Loans provided to non-Governmental activities, as per above:	
Parking loans	(9,957,083)
Orlando Venues loans	(42,437,677)
Total Governmental activities debt (as per above)	<u>\$ 382,380,687</u>

(1) Liability is included in Accounts Payable in the fund financial statements



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CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

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

Fiscal Year	Governmental Activities			
	Community Redevelopment Agency	Internal Service Funds		
	CRA Tax Increment Bonds (1)	SSGFC Loans (2)	Capital Improvement 2012A	Capital Improvement 2007B,2009B 2010B, 2010C 2014A,B,C,D 2015A,2016A, B, C, 2017A
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	8,663,813	1,851,000	-	16,440,000
2023-2027	40,156,298	3,702,000	4,990,000	68,308,000
2028-2032	28,840,000	-	4,975,000	34,220,000
2033-2037	37,330,000	-	-	30,195,000
2038-2042	27,465,000	-	-	13,195,000
2043-2047	-	-	-	13,075,000
Total	173,560,308	12,957,000	9,965,000	229,503,000
Less:				
Payable Within One Year	(7,298,492)	(1,851,000)	-	(12,915,000)
Total	(7,298,492)	(1,851,000)	-	(12,915,000)
Less:				
Bond (Discount) Premium	1,571,533	-	521,290	25,824,909
Long-Term Principal Due After One Year	\$ 1,571,533	\$ -	\$ 521,290	\$ 25,824,909

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

2018	\$ 11,669,104	\$ 80,030	\$ 298,950	\$ 10,182,444
2019	11,377,459	66,692	219,230	9,527,478
2020	11,019,409	53,353	219,230	8,854,478
2021	10,664,686	40,015	219,230	8,155,353
2022	10,242,954	26,677	219,230	7,420,277
2023-2027	35,990,935	13,338	876,260	27,335,629
2028-2032	34,710,739	-	328,350	16,900,557
2033-2037	22,741,924	-	-	9,685,394
2038-2042	7,143,273	-	-	4,645,280
2043-2047	-	-	-	1,697,625
Total	\$ 155,560,483	\$ 280,105	\$ 2,380,480	\$ 104,404,515

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

2018	\$ 18,967,596	\$ 1,931,030	\$ 298,950	\$ 23,097,444
2019	18,961,759	1,917,692	219,230	22,717,478
2020	18,969,861	1,904,353	219,230	22,584,478
2021	18,936,639	1,891,015	219,230	22,390,353
2022	18,906,767	1,877,677	219,230	23,860,277
2023-2027	76,147,233	3,715,338	5,866,260	95,643,629
2028-2032	63,550,739	-	5,303,350	51,120,557
2033-2037	60,071,924	-	-	39,880,394
2038-2042	34,608,273	-	-	17,840,280
2043-2047	-	-	-	14,772,625
Total	\$ 329,120,791	\$ 13,237,105	\$ 12,345,480	\$ 333,907,515

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, 2017 of 0.12%, plus line of credit fees of 0.45%, and other charges of 0.15% for a total of 0.72% for the Series H Tax Exempt loan.

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

Total Principal Payments for Internal Service Funds	Capital Lease	State Infrastructure Bank (SIB) Loan	Total Principal Payments Governmental Activities
\$ 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
18,291,000	-	-	26,954,813
77,000,000	-	-	117,156,298
39,195,000	-	-	68,035,000
30,195,000	-	-	67,525,000
13,195,000	-	-	40,660,000
13,075,000	-	-	13,075,000
<u>252,425,000</u>	<u>2,276,251</u>	<u>6,513,888</u>	<u>434,775,447</u>
(14,766,000)	(1,125,965)	(1,569,860)	(24,760,317)
(14,766,000)	(1,125,965)	(1,569,860)	(24,760,317)
26,346,199	-	-	27,917,732
<u>\$ 11,580,199</u>	<u>\$ (1,125,965)</u>	<u>\$ (1,569,860)</u>	<u>\$ 3,157,415</u>
\$ 10,561,424	\$ 49,167	\$ 159,590	\$ 22,439,285
9,813,400	24,846	121,129	21,336,834
9,127,061	-	81,725	20,228,195
8,414,598	-	41,355	19,120,639
7,666,184	-	-	17,909,138
28,225,227	-	-	64,216,162
17,228,907	-	-	51,939,646
9,685,394	-	-	32,427,318
4,645,280	-	-	11,788,553
1,697,625	-	-	1,697,625
<u>\$ 107,065,100</u>	<u>\$ 74,013</u>	<u>\$ 403,799</u>	<u>\$ 263,103,395</u>
\$ 25,327,424	\$ 1,175,132	\$ 1,729,450	\$ 47,199,602
24,854,400	1,175,132	1,729,450	46,720,741
24,708,061	-	1,729,450	45,407,372
24,500,598	-	1,729,337	45,166,574
25,957,184	-	-	44,863,951
105,225,227	-	-	181,372,460
56,423,907	-	-	119,974,646
39,880,394	-	-	99,952,318
17,840,280	-	-	52,448,553
14,772,625	-	-	14,772,625
<u>\$ 359,490,100</u>	<u>\$ 2,350,264</u>	<u>\$ 6,917,687</u>	<u>\$ 697,878,842</u>

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

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

Fiscal Year	Business Type Activities			
	Water Reclamation State Revolving Fund	Water Reclamation Revenue Bonds	Tourist Dev. Tax Bonds	State Sales Tax Revenue Bonds
2018	\$ 3,791,574	\$ 1,415,000	\$ -	\$ 880,000
2019	3,884,215	1,470,000	4,885,000	910,000
2020	3,979,168	1,545,000	6,910,000	950,000
2021	4,076,492	1,620,000	7,125,000	985,000
2022	4,176,248	1,685,000	7,400,000	1,015,000
2023-2027	21,531,389	9,655,000	42,380,000	5,635,000
2028-2032	9,686,125	12,090,000	54,040,000	7,085,000
2033-2037	2,501,413	2,760,000	68,955,000	8,785,000
2038-2042	-	-	58,365,000	980,000
2042-2046	-	-	-	-
Total	<u>53,626,624</u>	<u>32,240,000</u>	<u>250,060,000</u>	<u>27,225,000</u>
Less:				
Payable Within One Year	(3,791,574)	(1,415,000)	-	(880,000)
Total	(3,791,574)	(1,415,000)	-	(880,000)
Less:				
Bond (Discount) Premium	-	4,500,925	35,347,670	4,180,991
Long-Term Principal Due After One Year	<u>\$ -</u>	<u>\$ 4,500,925</u>	<u>\$ 35,347,670</u>	<u>\$ 4,180,991</u>

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

2018	\$ 1,246,035	\$ 1,456,750	\$ 8,670,593	\$ 1,117,450
2019	1,153,394	1,391,700	12,159,200	1,081,950
2020	1,058,441	1,316,325	11,956,650	1,045,150
2021	961,116	1,245,300	11,710,675	1,011,650
2022	861,361	1,170,775	11,429,450	981,900
2022-2026	2,720,994	4,621,375	51,458,800	4,336,650
2027-2031	748,687	2,123,150	39,491,000	2,888,225
2032-2036	59,438	69,000	24,189,375	1,191,200
2037-2041	-	-	3,773,700	19,600
2042-2046	-	-	-	-
Total	<u>\$ 8,809,466</u>	<u>\$ 13,394,375</u>	<u>\$ 174,839,443</u>	<u>\$ 13,673,775</u>

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

2018	\$ 5,037,609	\$ 2,871,750	\$ 8,670,593	\$ 1,997,450
2019	5,037,609	2,861,700	17,044,200	1,991,950
2020	5,037,609	2,861,325	18,866,650	1,995,150
2021	5,037,608	2,865,300	18,835,675	1,996,650
2022	5,037,609	2,855,775	18,829,450	1,996,900
2023-2027	24,252,383	14,276,375	93,838,800	9,971,650
2028-2032	10,434,812	14,213,150	93,531,000	9,973,225
2033-2037	2,560,851	2,829,000	93,144,375	9,976,200
2038-2042	-	-	62,138,700	999,600
2043-2047	-	-	-	-
Total	<u>\$ 62,436,090</u>	<u>\$ 45,634,375</u>	<u>\$ 424,899,443</u>	<u>\$ 40,898,775</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, 2017 of 0.07%, plus line of credit fees of 0.45%, and other charges of 0.15%, for a total of 0.67% for the Series H Tax-Exempt loans.

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

Capital Improvement Series 2009A, 2009C & 2016B	SSGFC Orlando Venues Loans (1)	Total Principal Payments Business Type Activities	Total Principal Payments Governmental & Business Type Activities
\$ 1,245,000	\$ -	\$ 7,331,574	\$ 32,091,891
1,300,000	-	12,449,215	37,833,122
1,365,000	-	14,749,168	39,928,345
1,325,000	-	15,131,492	41,177,427
1,395,000	-	15,671,248	42,626,061
8,365,000	36,000,000	123,566,389	240,722,687
10,510,000	45,000,000	138,411,125	206,446,125
13,150,000	9,000,000	105,151,413	172,676,413
9,440,000	-	68,785,000	109,445,000
-	-	-	13,075,000
48,095,000	90,000,000	501,246,624	936,022,071
(1,245,000)	-	(7,331,574)	(32,091,891)
(1,245,000)	-	(7,331,574)	(32,091,891)
616,008	-	44,645,594	72,563,326
\$ 616,008	\$ -	\$ 44,645,594	\$ 72,563,326

\$ 3,177,094	\$ 606,293	\$ 16,274,215	\$ 38,713,500
3,114,619	606,293	19,507,156	40,843,990
3,049,550	606,293	19,032,409	39,260,604
2,983,800	606,293	18,518,834	37,639,473
2,915,800	606,293	17,965,579	35,874,717
13,155,387	2,425,171	78,718,377	142,934,539
9,926,548	909,439	56,087,049	108,026,695
5,768,750	-	31,277,763	63,705,081
1,025,595	-	4,818,895	16,607,448
-	-	-	1,697,625
\$ 45,117,143	\$ 6,366,075	\$ 262,200,277	\$ 525,303,672

\$ 4,422,094	\$ 606,293	\$ 23,605,789	\$ 70,805,391
4,414,619	606,293	31,956,371	78,677,112
4,414,550	606,293	33,781,577	79,188,949
4,308,800	606,293	33,650,326	78,816,900
4,310,800	606,293	33,636,827	78,500,778
21,520,387	38,425,171	202,284,766	383,657,226
20,436,548	45,909,439	194,498,174	314,472,820
18,918,750	9,000,000	136,429,176	236,381,494
10,465,595	-	73,603,895	126,052,448
-	-	-	14,772,625
\$ 93,212,143	\$ 96,366,075	\$ 763,446,901	\$ 1,461,325,743

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

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

On March 31, 2017, the City issued \$8,173,000 Capital Improvement Refunding Special Revenue Bonds, Series 2017A. Proceeds of the bonds were used to refund the City's outstanding Capital Improvement Special Revenue Bonds, Series 2011A.

On August 3, 2017, the City issued \$196,590,000 of Senior Tourist Development Tax Refunding Revenue Bonds, Series 2017A, and \$27,760,000 of Second Lien Subordinate Tourist Development Tax Refunding Revenue Bonds, Series 2017B. Proceeds from the Series 2017A and 2017B bonds were used to advance refund the City's outstanding Senior Tourist Development Tax Revenue Bonds, Series 2008A and 2017B, and partial refunding of Third Lien Subordinate Tourist Development Tax Revenue Bonds, Series 2008C.

<u>Covenant Debt Bond Series</u>	<u>True Interest Cost</u>	<u>Average Coupon Rate</u>	<u>Maturity Date</u>	<u>Net Proceeds</u>	<u>Underwriter Discount and Cost of Issuance</u>	<u>Net Premium</u>
2017A	2.359%	2.360%	10/1/2026	\$ 8,173,000	\$ 73,000	\$ -

<u>Tourist Development Tax Refunding Bond Series</u>	<u>True Interest Cost</u>	<u>Average Coupon Rate</u>	<u>Maturity Date</u>	<u>Net Proceeds</u>	<u>Underwriter Discount and Cost of Issuance</u>	<u>Net Premium</u>
2017A	3.485%	4.970%	11/1/2038	\$ 225,569,159	\$ 4,082,045	\$ 32,422,808
2017B	3.727%	4.907%	11/1/2038	30,905,651	1,025,752	4,010,514

g. Economic Reasoning for Refunding Bonds and Special Items:

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 2017A bonds was not to provide an economic gain to the City. The Series 2017A bonds were issued to make principal payments on the portions of the City's Designated Maturity Debt, Series 2011A (\$9,000,000) maturing on April 1, 2017.

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. The City reported a special item of \$193,727,492 in the Orlando Venues fund as a result of the refunding of the Series 2014A bonds.

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

The economic rationale to initiate the current year refunding for the Tourist Development Tax Revenue bonds is shown in the following schedule:

2016-2017 Bond Refunding Economic Reasoning			
	Senior Tourist Development Tax Refunding Revenue Bonds Series 2008ABC		Subordinate Tourist Development Tax Refunding Revenue Bonds Series 2008C
Bond Size			
Old Bonds (Outstanding)	\$ 229,220,000	\$	29,500,000
New Bonds (Series 2017A)	196,590,000		
New Bonds (Series 2017B)			27,760,000
Economic Gain			
Percentage	19.84%		30.12%
Dollars	\$ 45,487,009	\$	8,885,774
Average Annual Savings	3,320,976		865,147
Future Value Savings	73,061,466		19,033,239

Advance Refunded Bonds

The following schedule reflects the advance refunded bonds outstanding as of September 30, 2017:

<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 9/30/2017</u>
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	2/1/2018	26,590,000		25,880,000

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 Water Reclamation 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:

Water Reclamation System Revenue Bonds:

The Water Reclamation 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.

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

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 Water Reclamation bond covenants require that two separate debt service coverage tests be met (as discussed above). The City met both coverage tests for fiscal year 2017.

State of Florida Revolving Loan Program

The State of Florida Revolving Loan Program is junior and subordinate to the Water Reclamation Bonds Program. Proceeds from the loan program will be used to finance water reclamation capital projects and currently the City has ten 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% service fee. At September 30, 2017 the City had total loans outstanding of \$53,626,624 payable to the State. The net revenues of the water reclamation funds will be used to make the debt service payments.

	Interest Rate	Balance 10/1/2016	Additions	Reductions	Balance 9/30/2017	Due Within One Year
Loans Payable:						
State Revolving Loan 65001S	2.60%	\$ 17,096,980	\$ -	\$ 1,435,777	\$ 15,661,203	\$ 1,473,321
State Revolving Loan 65002P	2.66%	1,044,943	-	74,987	969,956	76,995
State Revolving Loan 65003P	2.66%	930,602	-	51,229	879,373	52,600
State Revolving Loan 65004O	2.56%	6,313,073	-	643,278	5,669,795	340,211
State Revolving Loan 65006O	2.49%	11,413,365	-	827,065	10,586,300	847,787
State Revolving Loan 48040O	2.47%	10,741,992	-	518,624	10,223,368	531,123
State Revolving Loan 48041O	1.72%	4,484,207	-	207,789	4,276,418	211,378
State Revolving Loan 48042O	1.59%	2,340,477	234,465	76,460	2,498,482	117,159
State Revolving Loan 48043O	1.72%	2,335,534	-	71,616	2,263,918	111,904
State Revolving Loan 48046O	0.30%	-	597,811	-	597,811	29,046
Total Loans Payable		<u>\$ 56,701,173</u>	<u>\$ 832,276</u>	<u>\$ 3,906,825</u>	<u>\$ 53,626,624</u>	<u>\$ 3,791,524</u>

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 2017.

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

Orlando Venues Revenue Bonds:

In August 2017, the City issued its Senior Tourist Development Tax Refunding Revenue Bonds (6th Cent Contract Payments), Series 2017A, and its Second Lien Subordinate Tourist Development Tax Refunding Revenue Bonds (6th Cent Contract Payments), Series 2017B, in the combined amount of \$224,350,000. The Series 2017A and Series 2017B Bonds were issued for the purpose of fully refunding the City's Tourist Development Tax Revenue Bonds, (6th Cent Contract Payments), Series 2008A, and Second Lien Subordinate Tourist Development Tax Revenue Bonds (6th Cent Contract Payments), Series 2008B, and partially refunding the Third Lien Subordinate Tourist Development Tax Revenue Bonds (6th Cent Contract Payments), Series 2008C. 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 a portion of the 6th Cent TDT revenues monthly to the City for the payment of the debt service on these bonds. These TDT revenues are 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, 2017, the total principal and interest paid was \$20.2 million and 6th Cent TDT revenue distributions received totaled \$23.8 million. Total principal and interest remaining on the Series 2017A, Series 2017B, and Series 2008C bonds as of September 30, 2017 is \$425 million, with annual requirements ranging from \$8.7 million in fiscal year 2018, to \$43.6 million in fiscal year 2039, the final year. However, the fiscal year 2039 amortization for Series C includes a bulleted principal payment of over \$25 million. If sufficient TDT revenues are available, the City will make planned targeted annual principal payments on Series 2008C and retire the principal early. In most years, required total annual debt service across all three series is around \$18.5 million. 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 2017.

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, 2017, the total principal and interest paid on the Series 2016 bonds was \$1,828,159, 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, 2017 is \$40.9 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.

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%.

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

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, 2017, the outstanding loan balance is \$6,513,888.

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 matured on September 1, 2016; and the Series 2009C bonds mature on September 1, 2037. As of September 30, 2017, the outstanding balance on all three bonds is \$60,800,000.

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, 2017, the outstanding balance on the bonds is \$72,805,000.

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, 2017, the outstanding balance on the bonds is \$19,880,000.

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 were used to fund capital improvements. The Series 2013 bonds mature on April 1, 2025. As of September 30, 2017, the outstanding balance on the bonds is \$6,290,308.

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, 2017, the outstanding balance on the bonds is \$13,785,000.

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.

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

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 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 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, 2017 totaled \$246,258,669 as reported on page 198. Of this amount, \$52,394,760 was loaned to the City's proprietary funds. The loans to proprietary funds are reported as liabilities in each respective fund. Governmental internal loans payable totaled \$193,863,909 as shown on the reconciliation on page 35.

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, 2017.

Variable Rate Debt Program. Amounts outstanding are in thousands.

Program	Series	Outstanding Amount	Number of Modes	Present Mode
Internal Loan:				
SSGFC	2004	\$ 12,957	N/A	CP
SSGFC	2007	40,000	N/A	CP
SSGFC	2008	50,000	N/A	CP
Total		\$ 102,957		

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

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 Fund
SSGFC Series H
Commercial Paper Notes

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)	47.5 basis points
Base	Par Amount of notes outstanding
Effective Rate (4)	47.5 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.
- (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.

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

NOTE 11: 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.

During the year ended September 30, 2017 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 \$1,275,622 and paid retirement benefits of \$418,584. At September 30, 2017, the Firefighters' Pension Fund included \$12,463,224 invested in participant Share Plan accounts and \$79,852 in cash, which can be used for Share Program expenses.

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

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 Police Officers Share Program, pursuant to Chapter 185, Florida Statutes. The Share Plan Program is funded by additional state premium tax revenues collected and held in reserve to provide extra benefits to participants in the plan. At September 30, 2017, \$4,283,842 in assets were reserved for the Share Plan Program and are included in the Police Pension Fund financial statements. The City anticipates that the first deposit into the Share Program will be made in fiscal year 2018. Share Program assets will be administered by a third party and will be included in the Police Pension Fund financial statements.

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, 2017, the fire pension plan balance included \$2,780,017 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, 2017, were \$3.1 million by the employees and \$7.2 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, 2017 financial statements 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 at September 30, 2017 will agree to the Change in Net Pension Liability schedule that is presented on pages 120 and 121. The respective plan's fiduciary net position used in the calculation is dated as of the measurement date of September 30, 2016 and will agree to the respective plan's financial statements as of September 30, 2016.

Employer contributions to the pension plan subsequent to the measurement date (i.e., the City's contributions made during the year ended September 30, 2017 and included in the respective pension plans) are reported as deferred outflows of resources.

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

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	3.75%	3.25%	2.35%
Salary Increases	4.05% to 6.35%, including inflation	3.75% to 6.25%, including inflation	3.00%, plus service based scale of 0.00% to 7.00%
Investment Rate of Return	7.50%	7.75%	7.75%, including inflation, net of pension plan investment expense
Mortality Table	Healthy and Disabled: Florida Retirement System tables, which 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.
Date of Last Experience Study	Last performed for the period October 1, 2009 to September 30, 2014.	Last performed for the period October 1, 2009 to September 30, 2014.	Last performed for the period October 1, 2009 to September 30, 2014.
<i>Discount Rate:</i>			
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
<i>Sensitivity of Net Pension Liability to the Single Discount Rate Assumption:</i>			
1% Decrease	6.50% - \$79,082,297	6.75% - \$155,612,032	6.75% - \$172,025,130
Current Single Discount Rate Assumption	7.50% - \$ 52,161,022	7.75% - \$102,169,797	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.

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, 2016 measurement date are summarized on the next page:

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

<i>Asset Class and Long-Term Expected Real Rate of Return:</i>	General Employees' Pension Fund	Firefighter Pension Fund	Police Pension Fund
Domestic Equities	4.3% - Large Cap 4.5% - Small/Mid Cap	4.3%	6.8%
Asset Backed Securities	N/A	4.5%	N/A
International Equities	4.8%	4.8%	7.5%
Fixed income / Core Bonds	1.6%	1.6%	1.8%
Global Asset Allocation	3.7%	3.8%	N/A
Hedge Funds	3.5%	3.5%	3.8%
Real Estate	3.3%	3.3%	4.6%
Private Equity	N/A	6.3%	N/A
Short-Term / Cash	N/A	N/A	N/A

Changes in Net Pension Liability. The net pension liability (calculated under the provisions of GASB 68) reported in the September 30, 2017 financial statements was measured as of September 30, 2016, 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:

General Employees' Pension Fund	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a)-(b)
Beginning Balance	\$ 232,954,929	\$ 199,212,230	\$ 33,742,699
Changes for the year:			
Service Cost	1,090,888	-	1,090,888
Interest on Total Pension Liability	17,971,823	-	17,971,823
Contributions - Employer	-	7,858,415	(7,858,415)
Contributions - Member	-	384,000	(384,000)
Difference between expected and actual experience of the Total Pension Liability	1,742,981	-	1,742,981
Assumption	22,106,819	-	22,106,819
Net investment income	-	16,354,093	(16,354,093)
Benefits paid	(17,400,071)	(17,400,071)	-
Plan administrative expense	-	(134,271)	134,271
Refunds	(39,598)	(39,598)	-
Other	(265,504)	(233,553)	(31,951)
Net changes	25,207,338	6,789,015	18,418,323
Ending Balance	\$ 258,162,267	\$ 206,001,245	\$ 52,161,022 (1)

(1) Includes \$54,565 related to the Downtown Development Board (a discretely presented component unit).

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

Firefighter Pension Fund	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a)-(b)
Beginning Balance	\$ 412,183,566	\$ 325,083,312	\$ 87,100,254
Changes for the year:			
Service Cost	13,512,240	-	13,512,240
Interest on Total Pension Liability	33,102,781	-	33,102,781
Difference between expected and actual experience of the Total Pension Liability	419,466	-	419,466
Changes of Assumptions	13,698,450	-	13,698,450
Contributions - Employer	-	13,481,066	(13,481,066)
Contributions - State Insurance	-	2,379,840	(2,379,840)
Contributions - Member	-	3,097,389	(3,097,389)
Net investment income	-	26,854,859	(26,854,859)
Benefits paid	(23,822,094)	(23,822,094)	-
Plan administrative expense	-	(149,760)	149,760
Net changes	<u>36,910,843</u>	<u>21,841,300</u>	<u>15,069,543</u>
Ending Balance	<u>\$ 449,094,409</u>	<u>\$ 346,924,612</u>	<u>\$ 102,169,797</u>

Police Pension Fund	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a)-(b)
Beginning Balance	\$ 586,124,165	\$ 477,051,308	\$ 109,072,857
Changes for the year:			
Service Cost	14,858,819	-	14,858,819
Interest on Total Pension Liability	44,111,066	-	44,111,066
Difference between expected and actual experience of the Total Pension Liability	520,170	-	520,170
Contributions - Employer	-	22,119,219	(22,119,219)
Contributions - State Insurance	-	2,155,329	(2,155,329)
Contributions - Member	-	4,423,731	(4,423,731)
Contributions - State Insurance Excess	-	721,088	(721,088)
Net investment income	-	39,481,720	(39,481,720)
Benefits paid	(33,898,235)	(33,898,235)	-
Plan administrative expense	-	(190,320)	190,320
Net changes	<u>25,591,820</u>	<u>34,812,532</u>	<u>(9,220,712)</u>
Ending Balance	<u>\$ 611,715,985</u>	<u>\$ 511,863,840</u>	<u>\$ 99,852,145</u>

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. For the fiscal year ended September 30, 2017, the City recognized pension expense under GASB 68 of \$30,055,362, \$26,778,244 and \$24,339,842 (and the City made contributions of \$7,411,177, \$27,359,700, and \$18,666,749) for the General Employees' Pension Fund, Police Pension Fund and Firefighter Pension Fund, respectively.

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

At September 30, 2017, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

General Employees' Pension Fund	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	\$ 10,340,827 (1)	\$ (1,255,958) (2)
Employer's contributions to the plan subsequent to the measurement of the total pension liability	7,411,177	-
Total	\$ 17,752,004	\$ (1,255,958)

(1) Includes \$19,489 related to the Downtown Development Board.

(2) Includes \$ 1,343 related to the Downtown Development Board.

Police Pension Fund	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 782,444	\$ -
Changes of Assumptions	12,976,124	-
Net difference between projected and actual earnings on pension plan investments	23,223,924	(4,331,564)
Employer's contributions to the plan subsequent to the measurement of the total pension liability	27,359,700	-
Total	\$ 64,342,192	\$ (4,331,564)

Firefighter Pension Fund	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 466,864	\$ (1,178,345)
Changes of Assumptions	11,415,375	-
Net difference between projected and actual earnings on pension plan investments	15,478,024	(1,956,486)
Employer's contributions to the plan subsequent to the measurement of the total pension liability	18,666,749	-
Total	\$ 46,027,012	\$ (3,134,831)

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

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):

General Employees' Pension Fund	
Fiscal Year Ended September 30:	Amount
2018	\$ 2,978,907
2019	2,978,906
2020	3,286,999
2021	(159,943)
2022	-
Police Pension Fund	
Fiscal Year Ended September 30:	Amount
2018	\$ 9,553,403
2019	9,553,403
2020	10,642,715
2021	2,901,407
2022	-
Firefighter Pension Fund	
Fiscal Year Ended September 30:	Amount
2018	\$ 6,478,573
2019	6,478,573
2020	7,037,321
2021	1,877,979
2022	2,352,986

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, 2017 was measured using the following dates:

Pension Plan	Actuarial Date	Measurement Date
General Employees' Pension Fund	September 30, 2016	September 30, 2017
Firefighter Pension Fund	October 1, 2016	September 30, 2017
Police Pension Fund	October 1, 2016	September 30, 2017

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, 2016.

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

The components of the net pension liability of the City's pension plans (calculated under the provisions of GASB 67) at September 30, 2017 were as follows:

	General Employees' Pension Fund	Firefighter Pension Fund	Police Pension Fund
Total Pension Liability	\$ 260,479,101	\$ 488,026,112	\$ 677,120,506
Plan Fiduciary Net Position	216,787,944	381,634,531 (1)	560,275,175
Net Pension Liability	<u>\$ 43,691,157</u>	<u>\$ 106,391,581</u>	<u>\$ 116,845,331</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	83.23%	78.20%	82.74%

(1) Plan Fiduciary Net Position does not include \$12,543,076 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, 2016. The total pension liability was rolled-forward from the valuation date to the plan year ended September 30, 2017 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%	2.76%
Salary Increases	4.05% to 6.35%, including inflation 3.25% to 6.25%, including inflation 3.00%, plus service based scale of 0.00% to 7.00%		
Investment Rate of Return	7.50%	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.		
Date of Last Experience Study	Last performed for the period October 1, 2009 to September 30, 2014.		
<i>Discount Rate:</i>			
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	3.50%	N/A	N/A
<i>Sensitivity of Net Pension Liability to the Single Discount Rate Assumption:</i>			
1% Decrease	6.50% - \$70,443,033	6.75% - \$164,661,898	6.75% - \$204,024,842
Current Single Discount Rate Assumption	7.50% - \$43,691,157	7.75% - \$106,391,581	7.75% - \$116,845,331
1% Increase	8.50% - \$21,019,093	8.75% - \$ 54,336,625	8.75% - \$ 45,380,418

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.

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

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, 2017 are summarized below:

<i>Asset Class and Long-Term Expected Real Rate of Return:</i>	General Employees' Pension Fund	Firefighter Pension Fund	Police Pension Fund
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%	7.7%
Fixed income / Core Bonds	1.6%	1.6%	2.1%
Global Asset Allocation	3.7%	3.8%	N/A
Hedge Funds	3.5%	3.5%	3.9%
Real Estate	3.3%	3.3%	5.2%
Private Equity	N/A	6.3%	10.9%
Short-Term / Cash	N/A	N/A	N/A

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

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

	General Employee			
	Defined Benefit (DB)	Defined Contribution (DC)	Firefighter	Police
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	\$ 5.1	None	None
Non-governmental investment in excess of 5%	None	N/A	None	None
MEMBERS:				
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	813	N/A	470	698
Inactive Plan Members Entitled to but not yet Receiving Benefits	72	N/A	3	15
Active Plan Members	126	1,455 (1)	481	723
	<u>1,011</u>	<u>1,455</u>	<u>954</u>	<u>1,436</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:				
City (percent of expected payroll)	90.90%	10.00% (9)	38.70% (8)	53.03% (8)
Participants	4.88%	3.00% (9)	7.49%	8.47% (10)
CONDENSED FINANCIAL (In Millions):				
Cash, Receivables, and Investments	\$ 216.8	\$ 214.0	\$ 394.6	\$ 560.5
Security Lending Collateral	12.5	0.0	25.9	39.1
Participant Loans	0.0	5.1	0.0	0.0
Total Assets	<u>229.3</u>	<u>219.1</u>	<u>420.5</u>	<u>599.6</u>
Security Lending Obligation	12.5	0.0	25.9	39.1
Other	0.0	0.0	0.4	0.2
Total Liabilities	<u>12.5</u>	<u>0.0</u>	<u>26.3</u>	<u>39.3</u>
Net Position	<u>\$ 216.8</u>	<u>\$ 219.1</u>	<u>\$ 394.2</u>	<u>\$ 560.3</u>
Contributions	\$ 7.8	\$ 10.4	\$ 21.8	\$ 32.4
Net Investment Income (Loss)	21.2	23.2	38.1	54.7
Benefits and Refunds	(18.0)	(12.3)	(24.1)	(38.3)
Other operating expenses	(0.1)	0.0	(0.2)	(0.3)
Transfers in(out)	0.0	0.0	0.0	0.0

- (1) For active plan members invested assets which are vested represent 95% and invested assets which are not vested represent 5%. An additional 819 former participants have terminated from the plan. For terminated plan members invested assets which are vested represent 97% and invested assets which are not vested represent 3%.
- (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%.
- (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

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

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 contribution for Firefighter and Police Pension Plans include actuarially estimated contributions from the State; the contributions received from the State were \$2,104,643 and \$2,458,293, respectively (excluding excess contributions of \$736,994 for Police, 50% of which will be used to offset the actuarially required amount and 50 % which is reserved for the Police share plan).
For all three defined benefit pension plans, the City made an October 1, 2016 contribution based on the amounts supplied by the actuaries.
- (9) The employer pays 7% and matches the employee contribution (up to 3%).
- (10) This is the contribution for Non-management Police employees as presented in the actuarial report. Police Management contributes 7.47%.

NOTE 12: 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.

NOTE 13: OTHER POST EMPLOYMENT BENEFITS

a. 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.

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

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 post employment 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 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 2017 fiscal year, the City contributed \$522,916 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, 2016, the date of the latest actuarial report:

	Defined Benefit OPEB Plan
Retirees and beneficiaries receiving benefits	1,877
Plan members entitled to, but not currently receiving benefits	444
Active plan members	2,827
Total	<u><u>5,148</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.

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

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 below:

	<u>Years of Service at Retirement</u>	<u>City Contribution</u>
General Employees under the Defined Benefit and Defined Contribution Pension Plans (hired before 1/1/2006)	Less than 10	0%
	10 to less than 15	50%
	15 to less than 20	75%
	20 or more	100%
Police	The City contribution is 95 to 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 95% of the HMO Premium.	
Fire	The City contribution is 95 to 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 95% of the HMO Premium.	

Effective January 1, 2014 for all current and future retirees, the maximum City contribution for non-Medicare eligible retirees is 95% of the HMO premium. The maximum City contribution percentage of the HMO premium will float with the contribution for active employees until the retiree is eligible for Medicare, at which time the City contribution for Medicare eligible retirees is 100% of the HMO premium.

Net OPEB Obligation and Annual OPEB Cost. The City's annual other post employment 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.

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

The City's annual OPEB cost for the fiscal year ended September 30, 2017 is shown below:

Annual required contribution	\$ 25,372,981
Contributions made	<u>(25,372,981)</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>
9/30/2015	\$ 21,399,758	100.0%	\$ -
9/30/2016	22,679,460	100.0%	-
9/30/2017	25,372,981	100.0%	-

Funded Status and Funding Progress. The funded status of the DB retiree healthcare plan as of September 30, 2016, the date of the latest actuarial valuation, was as follows:

Actuarial accrued liability	\$ 432,590,843
Actuarial value of plan assets	<u>100,281,110</u>
Unfunded actuarial accrued liability (UAAL)	<u><u>\$ 332,309,733</u></u>
Funded ratio	23.2%
Covered payroll	\$ 174,319,000
Unfunded actuarial accrued liability as a percentage of covered payroll	190.6%

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.

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

Significant actuarial methods and assumptions are shown below.

OPEB ACTUARIAL METHODS AND ASSUMPTIONS

	<u>General Employees'</u>	<u>Police</u>	<u>Fire</u>
ACTUARIAL VALUATION:			
Frequency	Annual	Annual	Annual
Basis for Fiscal Year 2017 Contribution	9/30/2015	9/30/2015	9/30/2015
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	7.50%	7.50%	7.50%
Salary Increases:			
Inflation and Other	3.75%	3.75%	3.75%
Merit, Longevity, etc.	(2)	(2)	(2)
Mortality Table	(3)	(4)	(5)
Healthcare Inflation Rate	8% initial 3.75% ultimate	8% initial 3.75% ultimate	8% initial 3.75% ultimate

- (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, 2017.
- (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 General Employees: (Healthy) The Florida Retirement System (FRS) Fully Generational Mortality. The Rates of Mortality are taken from 100% of the RP-2000 Annuitant White Collar Table, projected with scale BB for women, and 50% of the RP-2000 Annuitant White Collar Table and 50% of the RP-2000 Annuitant Blue Collar Table, projected with scale BB for men. (Disabled) The Florida Retirement System (FRS) Mortality. The Rates of Mortality are taken from 100% of the Disabled Female RP-2000 Mortality Table set forward two years with no projection scale for women, and 100% of the Disabled Male RP-2000 Mortality Table setback four years with no projection scale for men.
- (4) 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.
- (5) For Fire (Healthy), the Rates of Mortality are taken from The Combined RP 2000 Annuity Mortality Table projected forward 20 years for men and women using Scale AA. (Disabled) the Rates of Mortality are taken from The Combined RP-2000 Annuity Mortality Table projected forward 20 years for men and women.

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

Financial Statements. Separate financial reports for the DB and DC retirement healthcare plans are not prepared. The financial statements at September 30, 2017 are as follows:

	OPEB Trust Fund		OPEB Trust Fund
STATEMENT OF NET POSITION AT SEPTEMBER 30, 2017		STATEMENT OF CHANGES IN NET POSITION AT SEPTEMBER 30, 2017	
ASSETS		ADDITIONS	
Cash and Cash Equivalents	\$ 7,014,010	Employer Contributions	\$ 25,372,981
Investments, at Fair Value	109,040,568	Net Investment Gain	9,844,942
Total Assets	116,054,578	Total Additions	35,217,923
LIABILITIES		DEDUCTIONS	
Accounts Payable	11,181	Retiree Healthcare Benefits	16,744,185
NET POSITION		Administrative Expense	107,045
Restricted for OPEB Benefits	\$ 116,043,397	Total Deductions	16,851,230
		Increase in Net Position	18,366,693
		Net Position - Beginning of Year	97,676,704
		Net Position - End of Year	\$ 116,043,397

Net OPEB Liability - GASB 74. GASB 74 requires certain disclosures for OPEB plans, which include financial statements, notes to financial statements, required supplementary information, and the measurement of the net OPEB liability. The Total OPEB Liability and Net OPEB Liability are based on an actuarial valuation performed as of September 30, 2016. The Total OPEB Liability was rolled-forward from the valuation date to the fiscal year ended September 30, 2017 using generally accepted actuarial principles.

The components of the Net OPEB Liability of the City at September 30, 2017 were as follows:

Total OPEB Liability	\$ 641,481,863
Plan Fiduciary Net Position	116,043,397
Net OPEB Liability	\$ 525,438,466
Plan fiduciary net position as a percentage of the total OPEB liability	18.09%

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

Actuarial Methods and Assumptions. The Total OPEB Liability as of September 30, 2017 was calculated using the following actuarial assumptions:

Inflation	3.75%
Salary Increases	4.05% to 7.75%, including inflation
Investment Rate of Return	7.50%, net of expenses, including inflation
Post-Retirement & Pre Retirement Mortality	Male (General): The Florida Retirement System (FRS) Fully Generational Mortality: 50% of the RP-2000 Annuitant White Collar Table and 50% of the RP-2000 Annuitant Blue Collar Table, projected with scale BB. Female (General): The Florida Retirement System (FRS) Fully Generational Mortality: 100% of the RP-2000 Annuitant Blue Collar Table, projected with scale BB. Male & Female (Police): The Combined RP-2000 Annuity Mortality Table set forward 1 year for men and women. Male & Female (Fire): The Combined RP-2000 Annuity Mortality Table projected forward 20 years for men and women using Scale AA.
Disabled Mortality	Male (General): The Florida Retirement System (FRS) Mortality: 100% of the RP-2000 Disabled Male Table set back 4 years, with no projection scale. Female (General): The Florida Retirement System (FRS) Mortality: 100% of the RP-2000 Disabled Female Table set forward 2 years, with no projection scale. Male & Female (Police): The Combined RP-2000 Annuity Mortality Table set forward 1 year for men and women. Male & Female (Fire): The Combined RP-2000 Disabled Fully Generation Mortality Table, projected Scale using scale BB.
Health Care Trend Rates:	Trend starting at 8.50% and gradually decreasing to an ultimate trend rate of 3.75%.
Date of Last Experience Study:	Last performed for the period October 1, 2009 to September 30, 2014.

Other Information:

Notes: There were no benefit changes during the year.

The long-term expected rate of return on OPEB 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 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 target asset allocation as of September 30, 2017 are summarized below:

<u>Asset Class</u>	<u>Long-term Expected Real Rate of Return</u>
Domestic Equities - Large Cap	4.3%
Domestic Equities - Small/Mid Cap	4.5%
Global Asset Allocation	3.7%
Fixed Income	1.6%
International Equities	4.8%
Private Equity	6.3%
Real Estate	3.3%
Cash	N/A

Discount rate. A single discount rate of 4.76 percent was used to measure the total OPEB liability. The single discount rate was based on an expected rate of return on OPEB plan investments of 7.50 percent and a municipal bond rate of 3.50 percent. The projection of cash flows used to determine the single discount rate assumed that City contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position and future contributions were sufficient to finance the benefit payments through 2039. As a result, the long-term expected rate of return on OPEB plan investments was applied to projected benefit payments through 2039, and the municipal bond rate was applied to all benefit payments after that date.

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

Sensitivity of the net OPEB liability to changes in the discount rate. The following table presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current discount rate:

	1 % Decrease	Current Single Discount Rate Assumption	1% Increase
	3.76%	4.76%	5.76%
Total	\$ 627,741,386	\$ 525,438,466	\$ 443,566,635

Sensitivity of the net OPEB liability to changes in healthcare cost trend rates. The following table presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage point lower or 1-percentage point higher than the current healthcare cost trend rates:

	1 % Decrease	Current Healthcare Cost Trend Rate Assumption	1% Increase
Total	\$ 439,263,734	\$ 525,438,466	\$ 633,128,544

b. 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 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 ½ 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.

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

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:

Age at Disability	Maximum Benefit Period
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, 2017, the date of the latest actuarial valuation, the LTD Plan had 40 employees receiving disability benefits.

Funded status and funding progress:

At September 30, 2017, the most recent actuarial valuation date, the LTD Plan was 598% funded. The actuarial accrued liability for benefits was \$1,292,857 and the actuarial value of assets was \$7,730,523 resulting in a funding excess of \$6,437,666.

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

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

	Fiscal Year Ended September 30, 2017	Fiscal Year Ended September 30, 2016	Fiscal Year Ended September 30, 2015
Annual Required Contribution (ARC)	\$ -	\$ -	\$ -
Interest on Net OPEB Asset	(4,508)	(4,599)	(4,994)
Adjustment to ARC	(7,026)	(7,018)	(7,208)
Annual OPEB cost (expense)	2,518	2,419	2,214
Total Employer Contributions	-	-	-
Decrease in Net OPEB Asset	(2,518)	(2,419)	(2,214)
Net OPEB Asset - Beginning of Year	120,215	122,634	124,848
Net OPEB Asset - End of Year	\$ 117,697	\$ 120,215	\$ 122,634

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

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
9/30/15	\$ 2,214	N/A (1)	\$ 122,634
9/30/16	2,419	N/A (1)	120,215
9/30/17	2,518	N/A (1)	117,697

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

The actuarial methods and assumptions used include:

Valuation date	September 30, 2017
Actuarial cost method	Individual entry-age normal
Amortization method	Level Dollar Closed
Remaining amortization periods	26 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.

Financial statements of the LTD Plan at September 30, 2017 and for the plan year then ended are as follows:

STATEMENT OF NET POSITION		STATEMENT OF CHANGES IN NET POSITION	
AT SEPTEMBER 30, 2017		AT SEPTEMBER 30, 2017	
	Employees'		Employees'
	Disability Fund		Disability Fund
ASSETS		ADDITIONS	
Cash and Cash Equivalents	\$ 7,580,523	Investment Income	\$ 70,455
Cash with Fiscal Agents	150,000	DEDUCTIONS	
Total Assets	7,730,523	Long-term Disability Benefits	283,391
LIABILITIES		Administrative Expense	22,260
Liabilities	-	Total Deductions	305,651
NET POSITION		Decrease in Net Position	(235,196)
Restricted for OPEB Benefits	\$ 7,730,523	Net Position - Beginning of Year	7,965,719
		Net Position - End of Year	\$ 7,730,523

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

Net LTD OPEB Liability (Asset) - GASB 74. GASB 74 requires certain disclosures for OPEB plans, which include financial statements, notes to financial statements, required supplementary information, and the measurement of the net OPEB liability (asset). The Total LTD OPEB liability and Net LTD OPEB liability (asset) are based on an actuarial valuation performed as of September 30, 2015. The Total LTD OPEB Liability was rolled-forward from the valuation date to the fiscal year ended September 30, 2017 using generally accepted actuarial principles.

The components of the Net LTD OPEB asset of the City at September 30, 2017 were as follows:

Total LTD OPEB Liability	\$	1,079,790
Plan Fiduciary Net Position		7,730,523
Net LTD OPEB Liability (Asset)	\$	<u>(6,650,733)</u>
Plan fiduciary net position as a percentage of the total OPEB asset		715.93%

Actuarial Methods and Assumptions. The Total LTD OPEB asset as of September 30, 2017 was calculated using the following actuarial assumptions:

Investment Rate of Return	3.75%, net of expenses, including inflation
Disabled Mortality	The Florida Retirement System (FRS) Mortality. For women, 100% of the Disabled Female RP-2000 Mortality Table set forward two years with no projection scale. For men, 100% of the Disabled Male RP-2000 Mortality Table set back four years with no projection scale, effective with the September 30, 2015 valuation.

Other Information:

Notes There were no benefit changes during the year.

Discount rate. A Single Discount Rate of 3.75% was used to measure the total LTD OPEB asset. This Single Discount Rate was based on the expected rate of return on OPEB plan investment of 3.75%. The projection of cash flows used to determine this Single Discount Rate assumed that no member contributions and no future employer contributions will be made. Based on these assumptions, the OPEB 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 OPEB plan investments was applied to all periods of projected benefit payments to determine the total LTD OPEB asset.

Sensitivity of the net LTD OPEB asset to changes in the discount rate. The following table presents the net LTD OPEB asset of the City, as well as what the City's net LTD OPEB asset would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current discount rate:

	1% Decrease	Current Single Discount Rate Assumption	2% Increase
	2.75%	3.75%	4.75%
Total	\$(6,602,945)	\$(6,650,733)	\$(6,694,638)

Sensitivity of the net LTD OPEB liability to changes in healthcare cost trend rates. Since the LTD Benefits is a function of a specific percentage of salary at the time of disability, healthcare trend rates are not applicable. Therefore, a healthcare cost trend sensitivity was not performed by the actuary.

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

NOTE 14: TAX ABATEMENTS

The City provides tax abatement programs subject to the requirements of GASB Statement No. 77. The City negotiates the terms of the tax abatement agreements on an individual basis. See pages 87 through 88 for the other economic incentive commitments made by the City and CRA.

Economic Development Incentive Programs

The City enters into tax abatement agreements under Florida Statute 166.021 for the purpose of economic development activities including, but not limited to, developing or improving infrastructure and making grants to private enterprises for the expansion of businesses existing in the community, or the attraction of new businesses in the community. The abatements are given to participating businesses who make timely payment of ad valorem, tangible and/or intangible taxes for the year, which the rebate payment is applicable. Rebates are based on a percentage as transcribed within the individual agreements and may be subject to an annual and/or overall maximum. There are currently no provisions to recapture abated taxes under this program. For the fiscal year ended September 30, 2017, taxes abated through this program was \$56,829.

The City's CRA provides economic incentives in the form of Tax Increment Rebates under Florida Statute 163 Part III. These incentives help support its commitment to continual redevelopment and revitalization of downtown Orlando, and helps improve the local economy by attracting businesses, creating jobs thus help generating additional tax increment revenue in the Downtown Redevelopment Area. Individual agreements normally include obligatory performance benchmarks on behalf of the recipients. Tax increment rebates are paid directly to the developer in the amount ranging from 25% to 35% of taxable assessed value less the base year value transcribed in the individual agreements, and if applicable are subject to an annual and/or overall maximum. There are currently no provisions to recapture abated taxes under this program. For the fiscal year-ended September 30, 2017, taxes abated through this program totaled \$770,312.

NOTE 15. 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.

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

B. Capital Assets

Capital asset activity for the year ended September 30, 2017 for the Downtown Development Board is shown below.

	Component Unit Capital Asset Activity			Ending Balance 9/30/2017
	Beginning Balance 10/1/2016	Additions	Transfers and Retirements	
Depreciable Assets:				
Improvements	\$ 6,303	\$ -	\$ -	\$ 6,303
Equipment	62,153	1,796	(32,456)	31,493
Totals at historical cost	<u>68,456</u>	<u>1,796</u>	<u>(32,456)</u>	<u>37,796</u>
Less accumulated depreciation for:				
Improvements	(5,799)	(252)	-	(6,051)
Equipment	(26,570)	(7,967)	15,269	(19,268)
Total accumulated depreciation	<u>(32,369)</u>	<u>(8,219)</u>	<u>15,269</u>	<u>(25,319)</u>
Component unit capital assets, net	<u>\$ 36,087</u>	<u>\$ (6,423)</u>	<u>\$ (17,187)</u>	<u>\$ 12,477</u>

NOTE 16. 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:

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 Fire Rescue Institute at Valencia College, which was created 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.

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

NOTE 17. 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, 2017, franchise fee and dividend revenues from OUC totaled \$87,400,102 (\$59,061,240 for the dividend payment and \$28,338,862 for the franchise fee equivalent) and \$2,754,035 was due from OUC and recorded in Due from Other Governments.

At September 30, 2017, the City owed OUC approximately \$1,006,013 for uncollectible customer billings that were remitted to the City (approximately \$238,035, \$69,978, and \$698,000 from the Water Reclamation, 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, 2017 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. Effective October 1, 2015 the City and GOAA entered into an amended and restated Operation and Use Agreement which extends the original agreement for a new 50 year term commencing October 1, 2015 and expiring on September 30, 2065.

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, 2017, the revenue for these services was \$13,259,165. Additionally, the City also provides fire protection services for GOAA at the Orlando Executive Airport and in FY 2017 the revenue for these services was \$545,896.

NOTE 18. 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 95 and 96). 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.

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

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, 2017 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	\$ 6,066,945	\$ 82,793	\$ 6,149,738
Expected additional future outlays, increase in liability estimates	2,815,307	-	2,815,307
Fiscal year 2017 outlays for environmental remediation	(185,877)	(6,637)	(192,514)
Reduction in liability estimates	(957,431)	(52,456)	(1,009,887)
Estimated recoveries from third parties or tax credits	(1,624,400)	(9,480)	(1,633,880)
Environmental remediation liability, end of year	<u>\$ 6,114,544</u>	<u>\$ 14,220</u>	<u>\$ 6,128,764</u>

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.

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

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, 2017, 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 \$1,344,250.

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, 2017, 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, 2017, 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, 2017, the estimated remediation obligation for this site is \$473,694.

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, 2017, 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, 2017, the estimated remediation obligation for this site is \$14,220.

NOTE 19. 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 following schedules 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, 2017, 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 in Note 10.

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

Downtown District Trust Fund

Source of Deposits	<u>Date</u>	<u>Amount</u>
City of Orlando	12/31/2016	\$ 14,612,406
Orange County	12/30/2016	9,744,607
Downtown Development Board	12/31/2016	2,016,801
Build America Bond Subsidy	2/7/2017	1,536,436
Build America Bond Subsidy	8/8/2017	1,536,436
Income on Investments	Monthly	423,354
Total Deposits		<u>\$ 29,870,040</u>

Purpose of Withdrawals	<u>Date</u>	<u>Amount</u>
Transfer to Debt Service Account - Series 2009 Bonds	12/31/2016	\$ 6,298,010
Transfer to Debt Service Account - Series 2010 Bonds	12/31/2016	6,860,944
Transfer to Debt Service Account - Internal Loans	12/31/2016	3,055,597
Transfer to Debt Service Account - SIB Loan (Sun Rail)	12/31/2016	750,000
Transfer to Debt Service Account - Events Center	Monthly	907,985
Transfer to Debt Service Account - Performing Arts Center	Monthly	130,374
Transfer to Debt Service Account - Citrus Bowl	Monthly	72,418
Transfer to Downtown CRA Operating Fund	12/31/2016	7,004,311
Transfer to Downtown CRA Operating Fund	5/1/2017	1,536,436
Transfer to Downtown CRA Operating Fund	9/30/2017	1,536,436
Other Debt Service	Various	4,006
Total Withdrawals		<u>\$ 28,156,517</u>

Principal and Interest on Indebtedness	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Series 2009A Bonds	\$ 1,705,000	\$ 531,323	\$ 2,236,323
Series 2009C Bonds	-	3,678,936	3,678,936
Series 2010A Bonds	1,335,000	99,917	1,434,917
Series 2010B Bonds	-	4,965,532	4,965,532
Internal Loans	1,399,745	228,368	1,628,113
Totals	<u>\$ 4,439,745</u>	<u>\$ 9,504,076</u>	<u>\$ 13,943,821</u>

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

Republic Drive (Universal Blvd.) Trust Fund

Source of Deposits	<u>Date</u>	<u>Amount</u>
City of Orlando	12/31/2016	\$ 7,533,073
Orange County	12/30/2016	5,023,598
Transfer from Debt Service Account	5/1/2017	86,821
Income on Investments	Monthly	21,279
Total Deposits		<u><u>\$ 12,664,771</u></u>

Purpose of Withdrawals	<u>Date</u>	<u>Amount</u>
Transfer to Debt Service Account - Series 2012 Bonds	12/31/2016	\$ 2,961,500
Transfer to Debt Service Account - Series 2013 Bonds	12/31/2016	857,255
Surplus Increment Revenue to Orange County	1/26/2017	3,538,085
Surplus Increment Revenue to City of Orlando	1/31/2017	5,305,490
Total Withdrawals		<u><u>\$ 12,662,330</u></u>

Principal and Interest on Indebtedness	<u>Principal</u>	<u>Interest</u>	<u>Other</u>	<u>Total</u>
Series 2012 Bonds	\$ 2,060,000	\$ 896,753	\$ 6,000	\$ 2,962,753
Series 2013 Bonds	713,019	144,236	2,000	859,255
Total Debt Service	<u><u>\$ 2,773,019</u></u>	<u><u>\$ 1,040,989</u></u>	<u><u>\$ 8,000</u></u>	<u><u>\$ 3,822,008</u></u>

Conroy Road Trust Fund

Source of Deposits	<u>Date</u>	<u>Amount</u>
City of Orlando	12/31/2016	\$ 3,114,651
Orange County	12/30/2016	2,077,075
Transfer in from Debt Service Account	5/1/2017	47,271
Income on Investments	Monthly	8,014
Total Deposits		<u><u>\$ 5,247,011</u></u>

Purpose of Withdrawals	<u>Date</u>	<u>Amount</u>
Transfer to Debt Service Account - Series 2012 Bonds	12/31/2016	\$ 1,900,750
Surplus Increment Revenue to Orange County	1/26/2017	1,337,700
Surplus Increment Revenue to City of Orlando	1/31/2017	2,005,931
Total Withdrawals		<u><u>\$ 5,244,381</u></u>

Principal and Interest on Indebtedness	<u>Principal</u>	<u>Interest</u>	<u>Other</u>	<u>Total</u>
Series 2012 Bonds	\$ 1,180,000	\$ 715,742	\$ 6,000	\$ 1,901,742

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2017

NOTE 20. DOWNTOWN SOUTH NEIGHBORHOOD IMPROVEMENT DISTRICT (NID)

As of September 30, 2017, the Downtown South NID's Balance Sheet was comprised of:

Cash	\$ 1,373,387
Accounts Receivable	279
Due from Other Governments	4,535
Current Liabilities	<u>(48,461)</u>
Fund Balance	<u>\$ 1,329,740</u>

For the year-ended September 30, 2017, the Downtown South NID's Statement of Revenues, Expenditures, and Changes in Fund Balance was comprised of:

Property Taxes	\$ 400,427
Other Revenues	151,667
Income on Investments	<u>18,609</u>
Total Revenues	570,703
Events and Marketing	(21,161)
Other Contractual Services	(146,100)
Salaries & Wages	(21,519)
Other	<u>(4,616)</u>
Total Expenditures	(193,396)
Increase in Fund Balance	<u>\$ 377,307</u>

NOTE 21. SUBSEQUENT EVENTS

State Revolving Fund (SRF) Loan Program, WW480440 - On December 11, 2017, the City Council approved a resolution authorizing the application for funding under the SRF loan program for \$12.9 million. The proceeds will be used for Iron Bridge Water Reclamation Facility Dewatering Improvements project.

City of Orlando, Capital Improvement Refunding Special Revenue Bonds, Series 2018A - On March 19, 2018 the City Council approved a resolution authorizing the issuance of Capital Improvement Refunding Special Revenue Bonds, Series 2018A. The resolution authorizes the issuance of up to \$9.3 million in bonds to refund \$9.97 million in outstanding Capital Improvement Special Revenue Bonds, Series 2012A. The resolution also provides for paying the transaction's financing costs.



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OTHER REQUIRED
SUPPLEMENTARY INFORMATION



GATEWAY



ORLANDO

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, 2017**

	Budgeted Amounts		Actual Amounts	Variance With
	Original	Final	(Budgetary Basis)	Final Budget Positive (Negative)
Resources (inflows):				
Taxes:				
Property	\$ 159,311,274	\$ 159,311,274	\$ 158,836,844	\$ (474,430)
Communication Services	12,600,000	13,510,000	13,497,529	(12,471)
Local Business	8,415,000	9,940,000	9,948,074	8,074
Utilities Services	29,865,000	29,865,000	31,297,812	1,432,812
Intergovernmental:				
Orlando Utilities Commission Contribution	58,200,000	59,055,000	59,061,240	6,240
State Sales Tax	40,300,000	41,545,000	41,787,222	242,222
Other Intergovernmental	18,622,284	20,357,284	20,258,803	(98,481)
Franchise Fees	32,000,000	31,270,000	31,531,656	261,656
Permits and Fees	5,656,300	6,576,300	6,710,139	133,839
Charges for Services	52,271,375	55,098,106	57,637,548	2,539,442
Fines and Forfeitures	3,460,678	4,425,318	4,747,636	322,318
Income on Investments	760,448	1,680,448	2,002,384	321,936
Special Assessments	10,000	10,000	52,817	42,817
Other Revenues	7,600,550	9,371,341	8,406,748	(964,593)
Transfers from Other Funds	8,915,600	18,672,504	18,672,504	-
Amounts available for appropriation	437,988,509	460,687,575	464,448,956	3,761,381
Charges to Appropriations (outflows):				
Executive Offices	23,056,461	24,604,616	22,567,279	2,037,337
Housing and Community Development	888,877	888,877	837,096	51,781
Economic Development	15,266,247	15,441,099	12,356,459	3,084,640
Public Works	10,019,120	10,071,054	9,362,151	708,903
Transportation	15,176,277	14,697,294	13,178,350	1,518,944
Families, Parks, and Recreation	33,042,095	34,341,345	34,166,674	175,671
Police	137,907,511	144,291,347	143,237,271	1,054,076
Fire	108,947,123	110,541,306	112,717,778	(2,176,472)
Business and Financial Services	30,593,300	35,577,477	30,238,779	5,338,698
Orlando Venues	540,737	689,160	704,395	(15,235)
Non-departmental:				
Other Expenditures	28,935,379	20,341,761	21,597,913	(1,256,152)
Debt Service	19,115,802	22,765,880	22,236,270	529,610
Transfers to Other Funds	16,044,655	36,035,928	36,043,135	(7,207)
Total	439,533,584	470,287,144	459,242,550	11,044,594
Excess (Deficiency) of Resources Over Charges to Appropriations	(1,545,075)	(9,599,569)	5,206,406	14,805,975
Fund Balance Allocation	1,545,075	9,599,569	-	(9,599,569)
Excess (Deficiency) of Resources Over Charges to Appropriations-Restated	\$ -	\$ -	\$ 5,206,406	\$ 5,206,406
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.			\$ 464,448,956	
Differences - budget to GAAP:				
Securities Lending Income is not budgeted as a source of resources			1,428,309	
Issuance of Debt are inflows of budgetary resources but are not revenues for financial reporting purposes.			-	
Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes.			(18,672,504)	
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.			\$ 447,204,761	
Uses/outflows of resources				
Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.			\$ 459,242,550	
Differences - budget to GAAP:				
Securities Lending expenditures are not budgeted as a use of resources			1,032,459	
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.			(1,936,469)	
Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes			(36,043,135)	
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances-governmental funds.			\$ 422,295,405	

**CITY OF ORLANDO, FLORIDA
BUDGETARY COMPARISON SCHEDULE
COMMUNITY REDEVELOPMENT AGENCY
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance With Final Budget Positive (Negative)
	Original	Final		
Resources (inflows):				
Other Intergovernmental	\$ 46,055,469	\$ 46,055,469	\$ 45,282,432	\$ (773,037)
Charges for Services	-	-	22,939	22,939
Income on Investments	211,114	211,114	1,044,810	833,696
Other	3,072,873	3,072,873	3,180,649	107,776
Transfers from Other Funds	-	-	16,275,283	16,275,283
Amounts available for appropriation	<u>49,339,456</u>	<u>49,339,456</u>	<u>65,806,113</u>	<u>16,466,657</u>
Charges to Appropriations (outflows):				
Community Redevelopment Agency	20,849,962	30,728,015	18,661,159	12,066,856
Capital Improvements	2,263,569	4,290,116	1,357,722	2,932,394
Debt Service	22,678,056	21,466,987	20,417,571	1,049,416
Transfers to Other Funds	4,311,523	10,522,592	9,228,417	1,294,175
Total	<u>50,103,110</u>	<u>67,007,710</u>	<u>49,664,869</u>	<u>17,342,841</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	(763,654)	(17,668,254)	16,141,244	33,809,498
Fund Balance Allocation	763,654	17,668,254	-	(17,668,254)
Excess (Deficiency) of Resources Over Charges to Appropriations	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,141,244</u>	<u>\$ 16,141,244</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. \$ 65,806,113

Differences - budget to GAAP:

Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes. (16,275,283)

Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds. \$ 49,530,830

Uses/outflows of resources

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule. \$ 49,664,869

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. (739,957)

Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes. (9,228,417)

Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances-governmental funds. \$ 39,696,495



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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
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017**

**SCHEDULE OF FUNDING PROGRESS
OTHER POST EMPLOYMENT BENEFITS
DEFINED BENEFIT RETIREE HEALTHCARE PLAN**
(Dollar amounts in millions)

Actuarial Valuation Date	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
9/30/11	\$ 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%
9/30/16	100.28	432.59	332.31	23.2%	174.32	190.63%

**SCHEDULE OF EMPLOYER CONTRIBUTIONS (1)
OTHER POST EMPLOYMENT BENEFITS
DEFINED BENEFIT RETIREE HEALTHCARE PLAN**
(Dollar amounts in millions)

Fiscal Year Ended 9/30	Annual Required Contribution	Percentage Contributed
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%
2017	25.37	100.0%

(1) For information regarding contribution percentage rates see Notes on page 121. For actuarial methods and assumptions see Notes on page 123.

**CITY OF ORLANDO, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017**

**SCHEDULE OF CHANGES IN NET PENSION LIABILITY
GENERAL EMPLOYEES' PENSION FUND
(Dollar amounts in thousands)**

Measurement Date:	<u>9/30/2017</u>	<u>9/30/2016</u>	<u>9/30/2015</u>	<u>9/30/2014</u>
Total Pension Liability				
Service Cost	\$ 1,118	\$ 1,091	\$ 1,327	\$ 1,417
Interest on the total pension liability	18,729	17,972	17,862	17,585
Differences between expected and actual experience	431	1,743	(520)	-
Changes of Assumptions	39	22,107	-	-
Benefit payments, including refunds on member contributions	(18,000)	(17,440)	(16,650)	(14,335)
Other Deductions	-	(266)	-	-
Net change in total pension liability	<u>2,317</u>	<u>25,207</u>	<u>2,019</u>	<u>4,667</u>
Total pension liability - beginning	258,162	232,955	230,936	226,269
Total pension liability - ending (a)	<u>\$ 260,479</u>	<u>\$ 258,162</u>	<u>\$ 232,955</u>	<u>\$ 230,936</u>
Plan fiduciary net position				
Contributions - employer	\$ 7,411	\$ 7,858	\$ 8,720	\$ 9,057
Contributions - member	346	384	431	508
Net investment income	21,239	16,354	(909)	17,016
Benefit payments, including refunds on member contributions	(18,000)	(17,440)	(16,650)	(14,335)
Administrative expenses	(127)	(134)	(89)	(111)
Other	(82)	(233)	(305)	-
Net change in plan fiduciary net position	<u>10,787</u>	<u>6,789</u>	<u>(8,802)</u>	<u>12,135</u>
Plan fiduciary net position - beginning	206,001	199,212	208,014	195,879
Plan fiduciary net position - ending (b)	<u>\$ 216,788</u>	<u>\$ 206,001</u>	<u>\$ 199,212</u>	<u>\$ 208,014</u>
Net pension liability - ending (a) - (b)	<u>\$ 43,691</u>	<u>\$ 52,161</u>	<u>\$ 33,743</u>	<u>\$ 22,922</u>

NOTE: Four years of data is available for GASB 67 and GASB 68. Ultimately ten years of data will be presented.

Notes to Schedule:

The Florida Retirement System adopted the use of new pre-retirement mortality tables. The new pre-retirement mortality tables use the RP-2000 Employee tables corresponding to the previously adopted healthy post-retirement tables. This was effective for the 9/30/2017 calculation.

**CITY OF ORLANDO, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017**

**SCHEDULE OF CHANGES IN NET PENSION LIABILITY
POLICE PENSION FUND
(Dollar amounts in thousands)**

Measurement Date:	<u>9/30/2017</u>	<u>9/30/2016</u>	<u>9/30/2015</u>	<u>9/30/2014</u>
Total Pension Liability				
Service Cost	\$ 15,794	\$ 14,859	\$ 15,339	\$ 15,244
Interest on the total pension liability	47,146	44,111	41,992	40,086
Change of benefit terms	809			
Differences between expected and actual experience	8,223	520	549	-
Changes of assumptions	31,781	-	19,464	-
Benefit payments, including refunds on member contributions	<u>(38,349)</u>	<u>(33,898)</u>	<u>(32,226)</u>	<u>(30,804)</u>
Net change in total pension liability	65,404	25,592	45,118	24,526
Total pension liability - beginning	<u>611,716</u>	<u>586,124</u>	<u>541,006</u>	<u>516,480</u>
Total pension liability - ending (a)	<u>\$ 677,120</u>	<u>\$ 611,716</u>	<u>\$ 586,124</u>	<u>\$ 541,006</u>
Plan fiduciary net position				
Contributions - employer	\$ 27,360	\$ 24,274	\$ 23,956	\$ 21,535
Contributions - member	4,632	4,424	4,323	4,399
Contributions - state insurance excess	368	721	436	249
Net investment income	54,661	39,482	(366)	40,857
Benefit payments, including refunds on member contributions	<u>(38,349)</u>	<u>(33,898)</u>	<u>(32,226)</u>	<u>(30,804)</u>
Administrative expenses	<u>(261)</u>	<u>(190)</u>	<u>(161)</u>	<u>(179)</u>
Net change in plan fiduciary net position	48,411	34,813	(4,038)	36,057
Plan fiduciary net position - beginning	<u>511,864</u>	<u>477,051</u>	<u>481,089</u>	<u>445,032</u>
Plan fiduciary net position - ending (b)	<u>\$ 560,275</u>	<u>\$ 511,864</u>	<u>\$ 958,140</u>	<u>\$ 481,089</u>
Net pension liability - ending (a) - (b)	<u>\$ 116,845</u>	<u>\$ 99,852</u>	<u>\$ (372,016)</u>	<u>\$ 59,917</u>

NOTE: Four years of data is available for GASB 67 and GASB 68. Ultimately ten years of data will be presented.

Notes to Schedule:

Benefit Changes: Included for the first time in the September 30, 2017 GASB 67 disclosure are the following plan changes; actuarially equivalent survivor benefit options for non-spousal beneficiaries, and the normal form of the retirement benefit has changed from a straight life annuity to a 10-year certain and life annuity.

Change of Assumptions: The mortality assumption was changed in the October 1, 2016 actuarial valuation and is included for the first time in the September 30, 2017 GASB 67 disclosure.

**CITY OF ORLANDO, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017**

**SCHEDULE OF CHANGES IN NET PENSION LIABILITY
FIREFIGHTER PENSION FUND**

(Dollar amounts in thousands)

Measurement Date:	<u>9/30/2017</u>	<u>9/30/2016</u>	<u>9/30/2015</u>	<u>9/30/2014</u>
Total Pension Liability				
Service Cost	\$ 14,059	\$ 13,512	\$ 12,956	\$ 12,949
Interest on the total pension liability	34,975	33,103	31,389	29,568
Differences between expected and actual experience	13,626	419	(1,767)	205
Changes of assumptions	-	13,698	-	-
Benefit payments, including refunds on member contributions	(23,728)	(23,822)	(19,601)	(20,338)
Net change in total pension liability	<u>38,932</u>	<u>36,910</u>	<u>22,977</u>	<u>22,384</u>
Total pension liability - beginning	449,094	412,184	389,207	366,823
Total pension liability - ending (a)	<u>\$ 488,026</u>	<u>\$ 449,094</u>	<u>\$ 412,184</u>	<u>\$ 389,207</u>
Plan fiduciary net position				
Contributions - employer	\$ 16,562	\$ 13,481	\$ 13,350	\$ 12,939
Contributions - nonemployer contributing member	2,105	2,380	2,346	2,410
Contributions - member	3,118	3,097	3,073	3,123
Net investment income	36,821	26,855	639	27,157
Benefit payments, including refunds on member contributions	(23,728)	(23,822)	(19,601)	(20,339)
Administrative expenses	(168)	(150)	(163)	(121)
Net change in plan fiduciary net position	<u>34,710</u>	<u>21,841</u>	<u>(356)</u>	<u>25,169</u>
Plan fiduciary net position - beginning (1)	346,925	325,084	325,440	300,271
Plan fiduciary net position - ending (b) (1)	<u>\$ 381,635</u>	<u>\$ 346,925</u>	<u>\$ 325,084</u>	<u>\$ 325,440</u>
Net pension liability - ending (a) - (b)	<u>\$ 106,391</u>	<u>\$ 102,169</u>	<u>\$ 87,100</u>	<u>\$ 63,767</u>

NOTE: Four years of data is available for GASB 67 and GASB 68. Ultimately ten years of data will be presented..

(1) Does not include Fire Share Plan Assets.

Notes to Schedule:

The mortality assumption was updated to match the Florida Retirement System (FRS) mortality assumption used in the July 1, 2015 FRS Actuarial Valuation.

**CITY OF ORLANDO, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017**

**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 Payroll (c)	Contributions as a Percentage of Covered Payroll (b / c)
9/30/17	\$ 7.41	\$ 7.41	\$ -	\$ 7.54	98.3%
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%

NOTES TO SCHEDULE

Valuation Date: September 30, 2016
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	8 years layered
Asset Valuation Method	4-Year smoothed market
Wage Inflation	3.75%
Salary Increases	4.05% to 6.35% including inflation
Investment Rate of Return	7.50%
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 Florida Retirement System mortality tables which use variations of the fully generational RP-2000 Mortality Tables with projection scale BB.

Other Information:

Notes	There were no benefit changes reflected in the Total Pension Liability as of September 30, 2017.
Cost-of-Living Adjustments	2% compounded annually, first beginning the later 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, 2017**

**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 Payroll (c)	Contributions as a Percentage of Covered Payroll (b / c)
9/30/17	\$ 27.36	\$ 27.36	\$ -	\$ 53.92	50.7%
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%

NOTES TO SCHEDULE

Valuation Date: October 1, 2016
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 2.76% annual increases
Remaining Amortization Period	Effective period of 8 years remaining as of October 1, 2016
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
Retirement Rates	Group specific rates based on years of service 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

The following assumption changes are reflected in the Actuarially Determined Contribution as of September 30, 2017.

The investment return assumption was lowered from 8.00% to 7.75%

The inflation and long-term payroll growth assumptions were both lowered from 3.75% to 3.00%

Modest decreases were made in the salary scale rates in the first 10 years of service with the inflation component of the salary scale being lowered from 3.75% to 3.00% per year.

Retirement rates were modified to better reflect actual experience and expected future patterns

The disability rates were lowered to one third of the existing rates and the assumption for disabilities in the line of duty was changed from 95% to 90%.

The turnover rates were changed from a select and ultimate assumption based on age and service to a service-only based set of rates. The new rates start at 4.50% and decrease to 0.00% after 20 years of service.

The percentage of beneficiaries paid assumption was lowered from 61% to 50%.

**CITY OF ORLANDO, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017**

**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 Payroll (c)	Contributions as a Percentage of Covered Payroll (b / c)
9/30/17	\$ 18.66	\$ 18.66	\$ -	\$ 41.97	44.5%
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%

NOTES TO SCHEDULE

Valuation Date: October 1, 2016

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
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: Florida Retirement System special risk mortality projected with Scale BB generationally Disabled: Florida Retirement System disabled mortality projected with Scale BB generationally

Other Information:

Changes Since Prior Report	The mortality assumption was updated to match the Florida Retirement System (FRS) mortality assumption used in the July 1, 2015 FRS Actuarial Valuation.
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, 2017**

**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	
9/30/17	10.62%
9/30/16	8.98%
9/30/15	-0.52%
9/30/14	8.67%
Firefighter Pension Fund	
9/30/17	10.58%
9/30/16	8.70%
9/30/15	0.39%
9/30/14	9.02%
Police Pension Fund	
9/30/17	10.58%
9/30/16	8.65%
9/30/15	0.06%
9/30/14	9.12%

NOTE: Four years of data is available for GASB 67.

**CITY OF ORLANDO, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017**

**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						
9/30/17	\$ 260.48	\$ 216.79	\$ 43.69	83.2%	\$ 7.54	579.4%
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)						
9/30/17	\$ 488.02	\$ 381.63	\$ 106.39	78.2%	\$ 41.97	253.5%
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						
9/30/17	\$ 677.12	\$ 560.28	\$ 116.84	82.7%	\$ 53.91	216.7%
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: Four years of data is available for GASB 67 and GASB 68. Ultimately ten years of data will be presented.

**CITY OF ORLANDO, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017**

**SCHEDULE OF CHANGES IN NET OPEB LIABILITY
AND RELATED RATIOS
(Dollar amounts in thousands)**

	9/30/2017
Total OPEB Liability	
Service Cost	\$ 16,697,453
Interest on the total OPEB liability	28,336,360
Changes of assumptions	(38,241,697)
Benefit payments, including refunds on member contributions	(16,744,185)
Net change in total OPEB liability	(9,952,069)
Total OPEB liability - beginning	651,433,932
Total OPEB liability - ending (a)	\$ 641,481,863
Plan fiduciary net position	
Contributions - employer	\$ 25,372,981
Contributions - member	-
OPEB plan net investment income	9,844,942
Benefit payments, including refunds on member contributions	(16,744,185)
OPEB plan administrative expense	(107,045)
Other	-
Net change in plan fiduciary net position	18,366,693
Plan fiduciary net position - beginning	97,676,704
Plan fiduciary net position - ending (b)	\$ 116,043,397
Net OPEB liability - ending (a) - (b)	\$ 525,438,466
Plan fiduciary net position as a percentage of the total OPEB liability	18.09%
Covered payroll	\$ 174,317,923
Net OPEB liability as a percentage of covered payroll	301.43%

NOTE: One year of data is available for GASB 74.

See assumptions used in footnotes on pages 135 and 136.

**CITY OF ORLANDO, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017**

**SCHEDULE OF CONTRIBUTIONS
OTHER POST EMPLOYMENT BENEFITS
(Dollar amounts in millions)**

Fiscal Year Ended	Actuarially Determined Contribution (a)	Contributions in Relation to the Actuarially Determined Contributions (b)	Contribution Deficiency (a - b)	Covered Payroll (c)	Contributions as a Percentage of Covered Payroll (b / c)
9/30/17	\$ 25.37	\$ 25.37	\$ -	\$ 174.32	14.55%

NOTES TO SCHEDULE

Valuation Date:

September 30, 2016

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	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Open
Remaining Amortization Period	30 years
Asset Valuation Method	4-Year smoothed market
Wage Inflation	2.50%
Salary Increases	3.75% to 7.75%, including inflation
Investment Rate of Return	7.50%, net of expenses, including inflation
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition.
Post-Retirement & Pre Retirement Mortality	The Florida Retirement System (FRS) Fully Generational : 50%-100% of RP-2000 Annuitant White Collar/Blue Collar Table or the Combined RP-2000 Annuity Mortality Table , Projected with scale AA or BB
Disabled Mortality	The Florida Retirement System (FRS) Mortality: using 100% of the RP- 2000 Disabled Table (General), the Combined RP-2000 Annuity Mortality Table (Police) and the Combined RP-2000 Disabled Fully Generation Mortality Table (Fire)
Health Care Trend Rates:	Trend starting at 8.0% and gradually decreasing to an ultimate trend rate of 3.75%.
Aging factors	The tables used in developing the retiree premium are based on a recent Society of Actuaries study of health costs.
Expenses	Investment and administrative expenses are net of the investment returns.

Other Information:

Notes There were no benefit changes during the year.

NOTE: One year of data is available for GASB 74. Ultimately ten years of data will be presented.

**CITY OF ORLANDO, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017**

**SCHEDULE OF INVESTMENT RETURNS
OTHER POST EMPLOYMENT BENEFITS**

Fiscal Year Ending	Annual Money Weighted Rate of Return, Net of Investment Expense
9/30/2017	9.85%

NOTE: One year of data is available for GASB 74. Ultimately ten years will be presented.

**CITY OF ORLANDO, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017**

**SCHEDULE OF CHANGES IN NET LTD OPEB LIABILITY
AND RELATED RATIOS
(Dollar amounts in thousands)**

	<u>9/30/2017</u>
Total LTD OPEB Liability	
Service Cost	\$ -
Interest on the total LTD OPEB liability	44,150
Differences between expected and actual experience	-
Benefit payments, including refunds on member contributions	<u>(283,390)</u>
Net change in total LTD OPEB liability	(239,240)
Total LTD OPEB liability - beginning	1,319,030
Total LTD OPEB liability - ending (a)	<u>\$ 1,079,790</u>
Plan fiduciary net position	
Contributions - employer	\$ -
Contributions - member	-
Net investment income	70,455
Benefit payments, including refunds on member contributions	(283,390)
Administrative expenses	(22,260)
Other	-
Net change in plan fiduciary net position	<u>(235,195)</u>
Plan fiduciary net position - beginning	7,965,718
Plan fiduciary net position - ending (b)	<u>\$ 7,730,523</u>
Net LTD OPEB liability (asset) - ending (a) - (b)	<u>\$ (6,650,733)</u>
Plan fiduciary net position as a percentage of the total LTD OPEB asset	715.93%
Covered payroll	N/A
Net LTD OPEB liability as a percentage of covered payroll	N/A

NOTE: One year of data is available for GASB 74. Ultimately 10 years of data will be presented.

Notes to Schedule:

N/A

**CITY OF ORLANDO, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017**

**SCHEDULE OF CONTRIBUTIONS
LTD OTHER POST EMPLOYMENT BENEFITS
(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 Payroll (c)	Contributions as a Percentage of Covered Payroll (b / c)
9/30/17	\$ -	\$ -	\$ -	\$ -	-

NOTES TO SCHEDULE

Valuation Date:

September 30, 2015

1 day prior to the beginning of the fiscal year biennium in which contributions are reported.

Methods and Assumptions Used to Actuarially Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Dollar, Closed
Remaining Amortization Period	28 years
Asset Valuation Method	Market value
Inflation	2.50%
Salary Increases	3.75% Long-term wage growth
Investment Rate of Return	3.75%, net of OPEB plan investment expense, including inflation
Retirement Age	N/A
Mortality	The (Disabled) Florida Retirement System Mortality: RP-2000 Disabled Annuitant Tables for Males and Females; set back 4 years for Males and set forward 2 years for Females
Health Care Trend Rates	N/A
Aging factors	N/A
Expenses	Investment expenses are net of the investment returns

Other Information:

Notes

There were no benefit changes during the year.

NOTE: One year of data is available for GASB 74. Ultimately 10 years of data will be presented.

**CITY OF ORLANDO, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017**

**SCHEDULE OF INVESTMENT RETURNS
LTD OTHER POST EMPLOYMENT BENEFITS**

Fiscal Year Ending	Annual Money Weighted Rate of Return, Net of Investment Expense
<u>9/30/17</u>	<u>1.22%</u>

NOTE: One year of data is available for GASB 74. Ultimately 10 years of data will be presented.



COMBINING STATEMENTS



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, 2017**

	<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	\$ 29,426,791	\$ -	\$ 21,607	\$ -	\$ 3,206,740
Restricted Cash and Cash Equivalents	-	2,726,252	-	539,260	-
Restricted Investments	-	9,931,477	-	3,016,375	-
Accounts Receivables	14,356	-	-	-	-
Due from Other Governments	920	-	-	-	-
Total Assets	<u>\$ 29,442,067</u>	<u>\$ 12,657,729</u>	<u>\$ 21,607</u>	<u>\$ 3,555,635</u>	<u>\$ 3,206,740</u>
LIABILITIES					
Accounts Payable	\$ 159,088	\$ -	\$ 637	\$ -	\$ -
Accrued Liabilities	31,223	-	-	-	-
Advance Payments	235	-	-	-	-
Accrued Interest Payable	-	-	-	491,250	-
Total Liabilities	<u>190,546</u>	<u>-</u>	<u>637</u>	<u>491,250</u>	<u>-</u>
FUND BALANCES					
Restricted	29,251,521	12,657,729	20,970	3,064,385	3,206,740
Total Fund Balances	<u>29,251,521</u>	<u>12,657,729</u>	<u>20,970</u>	<u>3,064,385</u>	<u>3,206,740</u>
Total Liabilities and Fund Balances	<u>\$ 29,442,067</u>	<u>\$ 12,657,729</u>	<u>\$ 21,607</u>	<u>\$ 3,555,635</u>	<u>\$ 3,206,740</u>

Conroy Road Revenue Funds	Conroy Road Debt Service	Total CRA Funds
\$ 8,108	\$ -	\$ 32,663,246
-	367,723	3,633,235
-	1,911,184	14,859,036
-	-	14,356
-	-	920
<u>\$ 8,108</u>	<u>\$ 2,278,907</u>	<u>\$ 51,170,793</u>
\$ -	\$ -	\$ 159,725
-	-	31,223
-	-	235
-	344,625	835,875
<u>-</u>	<u>344,625</u>	<u>1,027,058</u>
8,108	1,934,282	50,143,735
<u>8,108</u>	<u>1,934,282</u>	<u>50,143,735</u>
<u>\$ 8,108</u>	<u>\$ 2,278,907</u>	<u>\$ 51,170,793</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, 2017**

	Downtown Trust Fund	Downtown Debt Service	Republic Drive Trust Fund	Republic Drive Debt Service	Republic Drive Construction
REVENUES					
Other Intergovernmental	\$ 26,411,970	\$ -	\$ 13,678,736	\$ -	\$ -
Charges for Services	22,939	-	-	-	-
Income on Investments	846,484	53,825	21,279	55,004	30,494
Other Revenues	3,180,649	-	-	-	-
Total Revenues	<u>30,462,042</u>	<u>53,825</u>	<u>13,700,015</u>	<u>55,004</u>	<u>30,494</u>
EXPENDITURES					
Community Redevelopment Agency	5,733,996	-	8,843,575	-	-
Capital Improvements	1,357,722	-	-	-	-
Principal Payments	-	5,189,745	-	2,773,019	-
Interest and Other	-	9,504,076	-	1,048,989	-
Total Expenditures	<u>7,091,718</u>	<u>14,693,821</u>	<u>8,843,575</u>	<u>3,822,008</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>23,370,324</u>	<u>(14,639,996)</u>	<u>4,856,440</u>	<u>(3,767,004)</u>	<u>30,494</u>
OTHER FINANCING SOURCES (USES)					
Transfers In	16,275,283	16,964,551	86,821	3,818,755	-
Transfers Out	(24,981,898)	(1,211,069)	(3,818,755)	(86,821)	-
Total Other Financing Sources (Uses)	<u>(8,706,615)</u>	<u>15,753,482</u>	<u>(3,731,934)</u>	<u>3,731,934</u>	<u>-</u>
Net change in fund balances	14,663,709	1,113,486	1,124,506	(35,070)	30,494
Fund balances - beginning	<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>
Fund balances - ending	<u>\$ 29,251,521</u>	<u>\$ 12,657,729</u>	<u>\$ 20,970</u>	<u>\$ 3,064,385</u>	<u>\$ 3,206,740</u>

Conroy Road Revenue Funds	Conroy Road Debt Service	Total CRA Funds
\$ 5,191,726	\$ -	\$ 45,282,432
-	-	22,939
8,014	29,710	1,044,810
-	-	3,180,649
<u>5,199,740</u>	<u>29,710</u>	<u>49,530,830</u>
3,343,631	-	17,921,202
-	-	1,357,722
-	1,180,000	9,142,764
-	721,742	11,274,807
<u>3,343,631</u>	<u>1,901,742</u>	<u>39,696,495</u>
<u>1,856,109</u>	<u>(1,872,032)</u>	<u>9,834,335</u>
47,271	1,900,750	39,093,431
<u>(1,900,750)</u>	<u>(47,271)</u>	<u>(32,046,564)</u>
<u>(1,853,479)</u>	<u>1,853,479</u>	<u>7,046,867</u>
2,630	(18,553)	16,881,202
<u>5,478</u>	<u>1,952,835</u>	<u>33,262,533</u>
<u>\$ 8,108</u>	<u>\$ 1,934,282</u>	<u>\$ 50,143,735</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

Impact Fees

Accounts for the receipt and disbursement of transportation and parks impact fees, used exclusively for capital projects (or related debt services).

CAPITAL PROJECTS FUNDS

Public Safety Construction

Accounts for the accumulation of resources for capital construction projects, which includes Public Safety and Energy Efficiency construction projects.

**CITY OF ORLANDO, FLORIDA
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2017**

	<u>Special Revenue Funds</u>				
	<u>Housing & Urban Development Grants</u>	<u>State Housing Partnership Fund</u>	<u>Grant Fund</u>	<u>Forfeitures Act</u>	<u>Special Assessments</u>
ASSETS					
Current Cash and Cash Equivalents	\$ 431,530	\$ 1,681,979	\$ 6,110	\$ 3,025,072	\$ 2,686,124
Receivables (Net)					
Accounts Receivables	-	-	-	572	-
Taxes	-	-	-	-	-
Special Assessments	-	-	-	-	20,132
Due from Other Governments	1,477,738	-	1,730,453	-	-
Inventories	-	-	-	-	-
Total Assets	<u>\$ 1,909,268</u>	<u>\$ 1,681,979</u>	<u>\$ 1,736,563</u>	<u>\$ 3,025,644</u>	<u>\$ 2,706,256</u>
LIABILITIES AND FUND BALANCES					
BALANCES					
Liabilities:					
Accounts Payable	\$ 1,086,081	\$ 129,037	\$ 52,116	\$ 167,416	\$ 23
Accrued Liabilities	22,663	-	-	-	-
Advance Payments	-	-	-	-	-
Due to Other Funds	-	-	1,520,000	-	-
Due to Other Governments	-	-	-	-	-
Unearned Revenue	341,304	1,552,942	109,052	-	20,132
Total Liabilities	<u>1,450,048</u>	<u>1,681,979</u>	<u>1,681,168</u>	<u>167,416</u>	<u>20,155</u>
Fund Balances:					
Nonspendable	-	-	-	-	-
Restricted	459,220	-	55,395	2,857,656	-
Committed	-	-	-	-	-
Assigned	-	-	-	572	2,686,101
Unassigned	-	-	-	-	-
Total Fund Balances	<u>459,220</u>	<u>-</u>	<u>55,395</u>	<u>2,858,228</u>	<u>2,686,101</u>
Total Liabilities and Fund Balances	<u>\$ 1,909,268</u>	<u>\$ 1,681,979</u>	<u>\$ 1,736,563</u>	<u>\$ 3,025,644</u>	<u>\$ 2,706,256</u>

Special Revenue Funds

Downtown South Neighborhood Improvement District	H.P. Leu Gardens	Cemetery	Building Code Enforcement	GOAA Police	Gas Tax
\$ 1,373,387	\$ 153,542	\$ 1,685,495	\$ 16,044,967	\$ 5,078	\$ 15,352,958
-	-	826	-	-	-
279	-	-	-	-	-
4,535	-	-	-	4,427,735	1,587,186
-	21,184	-	-	-	-
<u>\$ 1,378,201</u>	<u>\$ 174,726</u>	<u>\$ 1,686,321</u>	<u>\$ 16,044,967</u>	<u>\$ 4,432,813</u>	<u>\$ 16,940,144</u>
\$ 46,504	\$ 6,051	\$ 52,859	\$ 446,142	\$ 3,740,958	\$ 374,104
1,957	27,158	4,704	145,574	204,033	-
-	20,972	-	-	-	-
-	-	-	-	507,000	-
-	1,019	13	-	-	-
-	-	-	-	-	-
<u>48,461</u>	<u>55,200</u>	<u>57,576</u>	<u>591,716</u>	<u>4,451,991</u>	<u>374,104</u>
-	21,184	1,000	-	-	-
-	98,342	-	15,453,251	-	16,566,040
1,329,740	-	1,627,745	-	-	-
-	-	-	-	-	-
-	-	-	-	(19,178)	-
<u>1,329,740</u>	<u>119,526</u>	<u>1,628,745</u>	<u>15,453,251</u>	<u>(19,178)</u>	<u>16,566,040</u>
<u>\$ 1,378,201</u>	<u>\$ 174,726</u>	<u>\$ 1,686,321</u>	<u>\$ 16,044,967</u>	<u>\$ 4,432,813</u>	<u>\$ 16,940,144</u>

(Continued)

**CITY OF ORLANDO, FLORIDA
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2017
(Continued)**

	Special Revenue Funds	Capital Projects Funds	Total Non-Major Governmental Funds
	Impact Fees	Public Safety Construction	
ASSETS			
Current Cash and Cash Equivalents	\$ 47,003,660	\$ 33,839,189	\$ 123,289,091
Receivables (Net)			
Accounts Receivables	-	-	1,398
Taxes	-	-	279
Special Assessments	-	-	20,132
Due from Other Governments	962	-	9,228,609
Inventories	-	-	21,184
Total Assets	\$ 47,004,622	\$ 33,839,189	\$ 132,560,693
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts Payable	\$ -	\$ 734,192	\$ 6,835,483
Accrued Liabilities	-	-	406,089
Advance Payments	3,091,179	-	3,112,151
Due to Other Funds	-	-	2,027,000
Due to Other Governments	-	-	1,032
Unearned Revenue	-	-	2,023,430
Total Liabilities	3,091,179	734,192	14,405,185
Fund Balances:			
Nonspendable	-	-	22,184
Restricted	43,913,443	33,104,997	112,508,344
Committed	-	-	2,957,485
Assigned	-	-	2,686,673
Unassigned	-	-	(19,178)
Total Fund Balances	43,913,443	33,104,997	118,155,508
Total Liabilities and Fund Balances	\$ 47,004,622	\$ 33,839,189	\$ 132,560,693



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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, 2017**

	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	6,089,244	1,429,969	8,430,403	245,615	-
Permits and Fees	-	-	-	-	-
Charges for Services	-	-	-	388,199	-
Income on Investments	3,825	34,249	-	30,154	24,890
Special Assessments	-	-	-	-	699,937
Other Revenues	61,310	21,669	45,672	-	8
Total Revenues	<u>6,154,379</u>	<u>1,485,887</u>	<u>8,476,075</u>	<u>663,968</u>	<u>724,835</u>
EXPENDITURES					
Current Operating:					
Executive Offices	-	-	35,225	-	-
Housing and Community Development	6,269,208	1,486,659	-	-	-
Economic Development	-	-	169,789	-	-
Public Works	-	-	1,003,954	-	-
Transportation	-	-	3,148,079	-	-
Families, Parks, and Recreation	-	-	1,915,037	-	-
Police	-	-	1,110,645	1,484,740	-
Fire	-	-	228,838	-	-
Orlando Venues	-	-	81,858	-	-
Other Expenditures	-	-	696,893	-	4,707
Intergovernmental	-	-	-	-	-
Capital Improvements	-	-	-	-	-
Debt Service:					
Principal Payments	-	-	-	-	506,381
Interest and Other	-	-	-	-	47,868
Total Expenditures	<u>6,269,208</u>	<u>1,486,659</u>	<u>8,390,318</u>	<u>1,484,740</u>	<u>558,956</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(114,829)</u>	<u>(772)</u>	<u>85,757</u>	<u>(820,772)</u>	<u>165,879</u>
OTHER FINANCING SOURCES AND (USES)					
Transfers In	-	-	-	-	4,671
Transfers Out	-	-	-	-	(790,390)
Total Other Financing Sources and (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(785,719)</u>
Net Change in Fund Balances	<u>(114,829)</u>	<u>(772)</u>	<u>85,757</u>	<u>(820,772)</u>	<u>(619,840)</u>
Fund Balances - Beginning	<u>574,049</u>	<u>772</u>	<u>(30,362)</u>	<u>3,679,000</u>	<u>3,305,941</u>
Fund Balances - Ending	<u>\$ 459,220</u>	<u>\$ -</u>	<u>\$ 55,395</u>	<u>\$ 2,858,228</u>	<u>\$ 2,686,101</u>

Special Revenue Funds

Downtown South Neighborhood Improvement District	H.P. Leu Gardens	Cemetery	Building Code Enforcement	GOAA Police	Gas Tax
\$ 400,427	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	9,256,879
151,667	-	-	-	593,811	-
-	-	-	11,325,597	-	350
-	1,430,467	1,697,727	1,407	13,259,165	13,705
18,609	2,030	16,755	147,612	-	128,864
-	-	-	-	-	-
-	7,625	2,157	122,092	-	133,968
<u>570,703</u>	<u>1,440,122</u>	<u>1,716,639</u>	<u>11,596,708</u>	<u>13,852,976</u>	<u>9,533,766</u>
-	-	876,200	-	-	-
-	-	-	-	-	-
193,396	-	-	12,052,114	-	-
-	-	-	-	-	-
-	-	-	-	13,900,514	-
-	-	-	-	-	-
-	2,846,200	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	3,873,004
-	-	-	-	-	6,756,825
-	-	-	-	-	-
<u>193,396</u>	<u>2,846,200</u>	<u>876,200</u>	<u>12,052,114</u>	<u>13,900,514</u>	<u>10,629,829</u>
<u>377,307</u>	<u>(1,406,078)</u>	<u>840,439</u>	<u>(455,406)</u>	<u>(47,538)</u>	<u>(1,096,063)</u>
-	1,522,000	50,000	-	-	-
-	(47,003)	-	(1,069,190)	-	-
-	<u>1,474,997</u>	<u>50,000</u>	<u>(1,069,190)</u>	<u>-</u>	<u>-</u>
377,307	68,919	890,439	(1,524,596)	(47,538)	(1,096,063)
952,433	50,607	738,306	16,977,847	28,360	17,662,103
<u>\$ 1,329,740</u>	<u>\$ 119,526</u>	<u>\$ 1,628,745</u>	<u>\$ 15,453,251</u>	<u>\$ (19,178)</u>	<u>\$ 16,566,040</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, 2017
(Continued)**

	<u>Special Revenue Funds</u>	<u>Capital Projects Funds</u>	<u>Total Non-Major Governmental Funds</u>
	<u>Impact Fees</u>	<u>Public Safety Construction</u>	
REVENUES			
Taxes:			
Property	\$ -	\$ -	\$ 400,427
Local Option Fuel	-	-	9,256,879
Other Intergovernmental	-	-	16,940,709
Permits and Fees	11,909,613	-	23,235,560
Charges for Services	36	-	16,790,706
Income on Investments	524,067	187,697	1,118,752
Special Assessments	-	-	699,937
Other Revenues	376,497	-	770,998
Total Revenues	<u>12,810,213</u>	<u>187,697</u>	<u>69,213,968</u>
EXPENDITURES			
Current Operating:			
Executive Offices	-	-	911,425
Housing and Community Development	-	-	7,755,867
Economic Development	-	-	12,415,299
Public Works	-	-	1,003,954
Transportation	-	-	3,148,079
Families, Parks, and Recreation	-	-	1,915,037
Police	-	-	16,495,899
Fire	-	-	228,838
Orlando Venues	-	-	2,928,058
Other Expenditures	-	-	701,600
Intergovernmental	-	-	3,873,004
Capital Improvements	5,647,846	17,854,855	30,259,526
Debt Service:			
Principal Payments	-	-	506,381
Interest and Other	-	-	47,868
Total Expenditures	<u>5,647,846</u>	<u>17,854,855</u>	<u>82,190,835</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>7,162,367</u>	<u>(17,667,158)</u>	<u>(12,976,867)</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers In	-	-	1,576,671
Transfers Out	(231,785)	-	(2,138,368)
Total Other Financing Sources and (Uses)	<u>(231,785)</u>	<u>-</u>	<u>(561,697)</u>
Net Change in Fund Balances	6,930,582	(17,667,158)	(13,538,564)
Fund Balances - Beginning	<u>36,982,861</u>	<u>50,772,155</u>	<u>131,694,072</u>
Fund Balances - Ending	<u>\$ 43,913,443</u>	<u>\$ 33,104,997</u>	<u>\$ 118,155,508</u>

**CITY OF ORLANDO, FLORIDA
BUDGETARY COMPARISON SCHEDULE
CAPITAL IMPROVEMENT FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance With Final Budget Positive (Negative)
	Original	Final		
Resources (inflows):				
Permits and Fees	\$ -	\$ -	\$ 38,977	\$ 38,977
Charges for Services	-	86,286	503,389	417,103
Income on Investments	633,985	642,935	434,408	(208,527)
Other	-	400,000	731,396	331,396
Sale of Land	-	2,429,790	2,400,420	(29,370)
Transfers from Other Funds	9,178,433	29,339,010	29,188,448	(150,562)
Amounts available for appropriation	9,812,418	32,898,021	33,297,038	399,017
Charges to Appropriations (outflows):				
Capital Improvements:				
Executive Offices	-	3,528,752	270,871	3,257,881
Economic Development	-	3,968,089	1,158,837	2,809,252
Families, Parks, and Recreation	2,000,000	3,800,580	2,638,520	1,162,060
Business and Financial Services	2,639,342	39,831,828	12,102,537	27,729,291
Fire	1,000,000	4,305,680	2,670,273	1,635,407
Police	1,000,000	1,385,344	897,004	488,340
Public Works	1,900,000	15,470,387	10,844,516	4,625,871
Transportation	-	4,983,044	504,596	4,478,448
Orlando Venues	1,639,091	4,905,663	802,364	4,103,299
Non-departmental:				
Other Expenditures	633,985	13,585,569	163,410	13,422,159
Transfers to Other Funds	588,628	648,791	648,791	-
Total	11,401,046	96,413,727	32,701,719	63,712,008
Excess (Deficiency) of Resources Over Charges to Appropriations	(1,588,628)	(63,515,706)	595,319	64,111,025
Fund Balance Allocation	1,588,628	63,515,706	-	(63,515,706)
Excess (Deficiency) of Resources Over Charges to Appropriations	\$ -	\$ -	\$ 595,319	\$ 595,319

**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.	\$ 33,297,038
Differences - budget to GAAP:	
Sale of Land are inflows of budgetary resources but are not revenues for financial reporting purposes.	(2,400,420)
Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes.	(29,188,448)
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	\$ 1,708,170

Uses/outflows of resources

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.	\$ 32,701,719
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.	(6,033,488)
Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes.	(648,791)
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances-governmental funds.	\$ 26,019,440

**CITY OF ORLANDO, FLORIDA
BUDGETARY COMPARISON SCHEDULE
HOUSING AND URBAN DEVELOPMENT GRANTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance With Final Budget Positive (Negative)
	Original	Final		
Resources (inflows):				
Other Intergovernmental	\$ 6,536,497	\$ 6,536,961	\$ 6,089,244	\$ (447,717)
Income on Investments	-	-	3,825	3,825
Other	-	85,103	61,310	(23,793)
Amounts available for appropriation	<u>6,536,497</u>	<u>6,622,064</u>	<u>6,154,379</u>	<u>(467,685)</u>
Charges to Appropriations (outflows):				
Current Operating:				
Housing and Community Development	6,536,497	11,756,241	6,331,595	5,424,646
Total	<u>6,536,497</u>	<u>11,756,241</u>	<u>6,331,595</u>	<u>5,424,646</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	-	(5,134,177)	(177,216)	4,956,961
Fund Balance Allocation	-	5,134,177	-	(5,134,177)
Excess (Deficiency) of Resources Over Charges to Appropriations	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (177,216)</u>	<u>\$ (177,216)</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.

\$ 6,154,379

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.

\$ 6,154,379

Uses/outflows of resources

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.

\$ 6,331,595

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

(62,387)

 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.

\$ 6,269,208

**CITY OF ORLANDO, FLORIDA
BUDGETARY COMPARISON SCHEDULE
STATE HOUSING PARTNERSHIP
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance With Final Budget Positive (Negative)
	Original	Final		
Resources (inflows):				
Other Intergovernmental	\$ 1,661,844	\$ 1,661,844	\$ 1,429,969	\$ (231,875)
Income on Investments	-	18,925	34,249	15,324
Other	-	12,188	21,669	9,481
Amounts available for appropriation	1,661,844	1,692,957	1,485,887	(207,070)
Charges to Appropriations (outflows):				
Current Operating:				
Housing and Community Development	1,661,844	2,975,728	1,486,659	1,489,069
Total	1,661,844	2,975,728	1,486,659	1,489,069
Excess (Deficiency) of Resources Over Charges to Appropriations	-	(1,282,771)	(772)	1,281,999
Fund Balance Allocation	-	1,282,771	-	(1,282,771)
Excess (Deficiency) of Resources Over Charges to Appropriations	\$ -	\$ -	\$ (772)	\$ (772)

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.

\$ 1,485,887

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.

\$ 1,485,887

Uses/outflows of resources

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.

\$ 1,486,659

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.

\$ 1,486,659

**CITY OF ORLANDO, FLORIDA
BUDGETARY COMPARISON SCHEDULE
GRANT FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance With Final Budget Positive (Negative)
	Original	Final		
Resources (inflows):				
Other Intergovernmental	\$ -	\$ 5,127,708	\$ 8,430,403	\$ 3,302,695
Other	-	28,400	45,672	17,272
Amounts available for appropriation	-	5,156,108	8,476,075	3,319,967
Charges to Appropriations (outflows):				
Current Operating:				
Executive Offices	-	394,347	35,225	359,122
Housing and Community Development	-	-	-	-
Economic Development	-	165,476	169,789	(4,313)
Public Works	-	2,831,865	2,028,681	803,184
Families, Parks, and Recreation	-	4,274,253	1,915,036	2,359,217
Police	-	1,439,561	1,110,645	328,916
Fire	-	337,336	242,043	95,293
Orlando Venues	-	128,860	81,858	47,002
Transportation	-	15,111,056	9,937,363	5,173,693
Nondepartmental	-	1,602,034	696,893	905,141
Transfers to Other Funds	-	-	-	-
Total	-	26,284,788	16,217,533	10,067,255
Excess (Deficiency) of Resources Over Charges to Appropriations	-	(21,128,680)	(7,741,458)	13,387,222
Fund Balance Allocation	-	21,128,680	-	(21,128,680)
Excess (Deficiency) of Resources Over Charges to Appropriations	\$ -	\$ -	\$ (7,741,458)	\$ (7,741,458)

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.

\$ 8,476,075

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.

\$ 8,476,075

Uses/outflows of resources

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.

\$ 16,217,533

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

(7,827,215)

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.

\$ 8,390,318

**CITY OF ORLANDO, FLORIDA
BUDGETARY COMPARISON SCHEDULE
FORFEITURES ACT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance With Final Budget Positive (Negative)
	Original	Final		
Resources (inflows):				
Other Intergovernmental	\$ -	\$ -	\$ 245,615	\$ 245,615
Charges for Services	-	-	388,199	388,199
Income (Loss) on Investments	-	-	30,154	30,154
Other	-	-	-	-
Amounts available for appropriation	-	-	663,968	663,968
Charges to Appropriations (outflows):				
Current Operating:				
Police	449,956	1,369,773	1,707,450	(337,677)
Total	449,956	1,369,773	1,707,450	(337,677)
Excess (Deficiency) of Resources Over Charges to Appropriations	(449,956)	(1,369,773)	(1,043,482)	326,291
Fund Balance Allocation	449,956	1,369,773	-	(1,369,773)
Excess (Deficiency) of Resources Over Charges to Appropriations	\$ -	\$ -	\$ (1,043,482)	\$ (1,043,482)

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.

\$ 663,968

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.

\$ 663,968

Uses/outflows of resources

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.

\$ 1,707,450

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

(222,710)

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.

\$ 1,484,740

**CITY OF ORLANDO, FLORIDA
BUDGETARY COMPARISON SCHEDULE
SPECIAL ASSESSMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance With Final Budget Positive (Negative)
	Original	Final		
Resources (inflows):				
Income on Investments	\$ -	\$ -	\$ 24,890	\$ 24,890
Special Assessments	1,479,096	1,479,096	699,937	(779,159)
Other Revenue	-	-	8	8
Transfers from Other Funds	4,671	4,671	4,671	-
Amounts available for appropriation	<u>1,483,767</u>	<u>1,483,767</u>	<u>729,506</u>	<u>(754,261)</u>
Charges to Appropriations (outflows):				
Current Operating:				
Other Expenditures	4,671	4,671	4,671	-
Debt Service	1,507,427	1,507,427	554,285	953,142
Transfer to Other Funds	-	784,484	790,390	(5,906)
Total	<u>1,512,098</u>	<u>2,296,582</u>	<u>1,349,346</u>	<u>947,236</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	<u>(28,331)</u>	<u>(812,815)</u>	<u>(619,840)</u>	<u>192,975</u>
Fund Balance Allocation	<u>28,331</u>	<u>812,815</u>	<u>-</u>	<u>(812,815)</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (619,840)</u>	<u>\$ (619,840)</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.

\$ 729,506

Differences - budget to GAAP:

Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes.

(4,671)

Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.

\$ 724,835

Uses/outflows of resources

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.

\$ 1,349,346

Differences - budget to GAAP:

Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes.

(790,390)

Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances-governmental funds.

\$ 558,956

**CITY OF ORLANDO, FLORIDA
BUDGETARY COMPARISON SCHEDULE
DOWNTOWN SOUTH NEIGHBORHOOD
IMPROVEMENT DISTRICT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance With Final Budget Positive (Negative)
	Original	Final		
Resources (inflows):				
Taxes:				
Property	\$ 394,458	\$ 394,458	\$ 400,427	\$ 5,969
Income on Investments	-	-	18,609	18,609
Other Intergovernmental	151,667	151,667	151,667	-
Amounts available for appropriation	<u>546,125</u>	<u>546,125</u>	<u>570,703</u>	<u>24,578</u>
Charges to Appropriations (outflows):				
Current Operating:				
Economic Development	546,125	546,125	193,396	352,729
Total	<u>546,125</u>	<u>546,125</u>	<u>193,396</u>	<u>352,729</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	-	-	377,307	377,307
Fund Balance Allocation	-	-	-	-
Excess (Deficiency) of Resources Over Charges to Appropriations	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 377,307</u>	<u>\$ 377,307</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.

\$ 570,703

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.**

\$ 570,703

Uses/outflows of resources

Actual amounts (budgetary basis) "total charges to appropriations"
from the budgetary comparison schedule.

\$ 193,396

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.**

\$ 193,396

**CITY OF ORLANDO, FLORIDA
BUDGETARY COMPARISON SCHEDULE
H.P. LEU GARDENS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance With Final Budget Positive (Negative)
	Original	Final		
Resources (inflows):				
Charges for Services	\$ 1,256,500	\$ 1,256,500	\$ 1,430,467	\$ 173,967
Income on Investments	-	-	2,030	2,030
Other	10,000	10,000	7,625	(2,375)
Transfers from Other Funds	1,522,000	1,522,000	1,522,000	-
Amounts available for appropriation	<u>2,788,500</u>	<u>2,788,500</u>	<u>2,962,122</u>	<u>173,622</u>
Charges to Appropriations (outflows):				
Current Operating:				
Orlando Venues	2,788,500	2,748,085	2,864,218	(116,133)
Transfers to Other Funds	-	47,003	47,003	-
Total	<u>2,788,500</u>	<u>2,795,088</u>	<u>2,911,221</u>	<u>(116,133)</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	-	(6,588)	50,901	57,489
Fund Balance Allocation	-	6,588	-	(6,588)
Excess (Deficiency) of Resources Over Charges to Appropriations	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 50,901</u>	<u>\$ 50,901</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.

\$ 2,962,122

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.**

\$ 1,440,122

Uses/outflows of resources

Actual amounts (budgetary basis) "total charges to appropriations"
from the budgetary comparison schedule.

\$ 2,911,221

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

(18,018)

Transfers to other funds are outflows of budgetary resources
but are not expenditures for financial reporting purposes.

(47,003)

**Total expenditures as reported on the statement of revenues,
expenditures, and changes in fund balances-governmental
funds.**

\$ 2,846,200

**CITY OF ORLANDO, FLORIDA
BUDGETARY COMPARISON SCHEDULE
CEMETERY FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance With Final Budget Positive (Negative)
	Original	Final		
Resources (inflows):				
Charges for Services	\$ 700,000	\$ 700,000	\$ 1,697,727	\$ 997,727
Income on Investments	13,350	13,350	16,755	3,405
Other	240	240	2,157	1,917
Transfers from Other Funds	50,000	50,000	50,000	-
Amounts available for appropriation	763,590	763,590	1,766,639	1,003,049
Charges to Appropriations (outflows):				
Current Operating:				
Executive Offices	763,590	763,590	877,047	(113,457)
Transfers to Other Funds	-	-	-	-
Total	763,590	763,590	877,047	(113,457)
Excess (Deficiency) of Resources Over Charges to Appropriations	-	-	889,592	889,592
Fund Balance Allocation	-	-	-	-
Excess (Deficiency) of Resources Over Charges to Appropriations	\$ -	\$ -	\$ 889,592	\$ 889,592

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.

\$ 1,766,639

Differences - budget to GAAP:

Transfers from other funds are inflows of budgetary resources
but are not revenues for financial reporting purposes.

(50,000)

**Total revenues as reported on the statement of revenues,
expenditures, and changes in fund balances - governmental
funds.**

\$ 1,716,639

Uses/outflows of resources

Actual amounts (budgetary basis) "total charges to appropriations"
from the budgetary comparison schedule.

\$ 877,047

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

(847)

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.**

\$ 876,200

**CITY OF ORLANDO, FLORIDA
BUDGETARY COMPARISON SCHEDULE
BUILDING CODE ENFORCEMENT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance With Final Budget Positive (Negative)
	Original	Final		
Resources (inflows):				
Permits and Fees	\$ 9,500,000	\$ 9,500,000	\$ 11,327,004	\$ 1,827,004
Income on Investments	188,194	188,194	147,612	(40,582)
Other	-	-	122,092	122,092
Amounts available for appropriation	9,688,194	9,688,194	11,596,708	1,908,514
Charges to Appropriations (outflows):				
Current Operating:				
Economic Development	14,936,411	21,742,292	12,080,027	9,662,265
Transfers to Other Funds	1,069,190	1,069,190	1,069,190	-
Total	16,005,601	22,811,482	13,149,217	9,662,265
Excess (Deficiency) of Resources Over Charges to Appropriations	(6,317,407)	(13,123,288)	(1,552,509)	11,570,779
Fund Balance Allocation	6,317,407	13,123,288	-	(13,123,288)
Excess (Deficiency) of Resources Over Charges to Appropriations	\$ -	\$ -	\$ (1,552,509)	\$ (1,552,509)

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.

\$ 11,596,708

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.

\$ 11,596,708

Uses/outflows of resources

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.

\$ 13,149,217

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

(27,913)

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.

\$ 12,052,114

**CITY OF ORLANDO, FLORIDA
BUDGETARY COMPARISON SCHEDULE
GOAA POLICE FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017**

	<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	\$ 234,518	\$ 234,518	\$ 593,811	\$ 359,293
Charges for Services	14,080,893	14,080,893	13,259,165	(821,728)
Amounts available for appropriation	<u>14,315,411</u>	<u>14,315,411</u>	<u>13,852,976</u>	<u>(462,435)</u>
Charges to Appropriations (outflows):				
Current Operating:				
Police	14,315,411	14,315,411	13,900,514	414,897
Total	<u>14,315,411</u>	<u>14,315,411</u>	<u>13,900,514</u>	<u>414,897</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	-	-	(47,538)	(47,538)
Fund Balance Allocation	-	-	-	-
Excess (Deficiency) of Resources Over Charges to Appropriations	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (47,538)</u>	<u>\$ (47,538)</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.

\$ 13,852,976

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.

\$ 13,852,976

Uses/outflows of resources

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.

\$ 13,900,514

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.

\$ 13,900,514

**CITY OF ORLANDO, FLORIDA
BUDGETARY COMPARISON SCHEDULE
GAS TAX FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance With Final Budget Positive (Negative)
	Original	Final		
Resources (inflows):				
Taxes:				
Local Option Fuel	\$ 8,250,000	\$ 8,250,000	\$ 9,256,879	\$ 1,006,879
Charges for Services	-	-	13,705	13,705
Income on Investments	210,254	210,254	128,864	(81,390)
Other	-	-	134,318	134,318
Amounts available for appropriation	<u>8,460,254</u>	<u>8,460,254</u>	<u>9,533,766</u>	<u>1,073,512</u>
Charges to Appropriations (outflows):				
Intergovernmental	3,873,000	3,873,000	3,873,004	(4)
Capital Improvements	5,309,780	18,409,598	9,929,472	8,480,126
Total	<u>9,182,780</u>	<u>22,282,598</u>	<u>13,802,476</u>	<u>8,480,122</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	(722,526)	(13,822,344)	(4,268,710)	9,553,634
Fund Balance Allocation	722,526	13,822,344	-	(13,822,344)
Excess (Deficiency) of Resources Over Charges to Appropriations	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (4,268,710)</u>	<u>\$ (4,268,710)</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.

\$ 9,533,766

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.

\$ 9,533,766

Uses/outflows of resources

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.

\$ 13,802,476

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

(3,172,647)

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.

\$ 10,629,829

**CITY OF ORLANDO, FLORIDA
BUDGETARY COMPARISON SCHEDULE
IMPACT FEES FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance With Final Budget Positive
	Original	Final		(Negative)
Resources (inflows):				
Permits and Fees	\$ 4,691,000	\$ 4,691,000	\$ 11,909,613	\$ 7,218,613
Charges for Services	-	-	36	36
Income (Loss) on Investments	375,831	375,831	524,067	148,236
Contributions, Donations and Grants	-	-	-	-
Other	-	398,910	376,497	(22,413)
Transfers from Other Funds	-	-	-	-
Amounts available for appropriation	<u>5,066,831</u>	<u>5,465,741</u>	<u>12,810,213</u>	<u>7,344,472</u>
Charges to Appropriations (outflows):				
Capital Improvements	9,609,233	32,268,705	5,926,539	26,342,166
Transfers to Other Funds	-	231,785	231,785	-
Total	<u>9,609,233</u>	<u>32,500,490</u>	<u>6,158,324</u>	<u>26,342,166</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	(4,542,402)	(27,034,749)	6,651,889	33,686,638
Fund Balance Allocation	4,542,402	27,034,749	-	(27,034,749)
Excess (Deficiency) of Resources Over Charges to Appropriations	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,651,889</u>	<u>\$ 6,651,889</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.

\$ 12,810,213

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.

\$ 12,810,213

Uses/outflows of resources

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.

\$ 6,158,324

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

(278,693)

Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes.

(231,785)

Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances-governmental funds.

\$ 5,647,846

**CITY OF ORLANDO, FLORIDA
BUDGETARY COMPARISON SCHEDULE
PUBLIC SAFETY CONSTRUCTION FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance With Final Budget Positive (Negative)
	Original	Final		
Resources (inflows):				
Income on Investments	\$ -	\$ -	\$ 187,697	\$ 187,697
Issuance of Debt	-	-	-	-
Amounts available for appropriation	-	-	187,697	187,697
Charges to Appropriations (outflows):				
Capital Improvements:				
Business and Financial Services	-	25,650,921	9,285,031	16,365,890
Public Works	-	21,780,889	12,704,514	9,076,375
Police	-	1,840,000	1,399,999	440,001
Fire	-	259,787	265,570	(5,783)
Total	-	49,531,597	23,655,114	25,876,483
Excess (Deficiency) of Resources Over Charges to Appropriations	-	(49,531,597)	(23,467,417)	26,064,180
Fund Balance Allocation	-	49,531,597	-	49,531,597
Excess (Deficiency) of Resources Over Charges to Appropriations	\$ -	\$ -	\$ (23,467,417)	\$ 23,467,417

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.

\$ 187,697

Differences - budget to GAAP:

Bond and loan proceeds are inflows of budgetary resources
but are not revenues for financial reporting purposes.

-

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.**

\$ 187,697

Uses/outflows of resources

Actual amounts (budgetary basis) "total charges to appropriations"
from the budgetary comparison schedule.

\$ 23,655,114

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

(5,800,259)

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.**

\$ 17,854,855

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, 2017**

	Governmental Activities Internal Service Funds		
	Fleet Management	Risk Management	Internal Loan
ASSETS			
Current Assets:			
Current Cash and Cash Equivalents	\$ 51,162,358	\$ 48,502,852	\$ 43,858,307
Inventories	401,373	-	-
Prepaid Items	-	739,111	-
Total Current Assets	<u>51,563,731</u>	<u>49,241,963</u>	<u>43,858,307</u>
Non-Current Assets:			
Restricted:			
Investments	-	-	5,804,041
Loans Receivable from Other Funds	-	-	246,258,669
Capital Assets:			
Land	555,768	-	-
Buildings	8,292,454	-	-
Improvements Other Than Buildings	1,704,577	-	-
Equipment	4,638,298	192,368	-
Vehicles	118,854,427	-	-
Less Accumulated Depreciation	(76,344,104)	(143,353)	-
Construction in Process	3,220,783	-	-
Total Non-Current Assets	<u>60,922,203</u>	<u>49,015</u>	<u>252,062,710</u>
Total Assets	<u>112,485,934</u>	<u>49,290,978</u>	<u>295,921,017</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Expense on Refunding Bonds	-	-	5,102,165
LIABILITIES			
Current Liabilities:			
Accounts Payable	894,580	331,601	5,583
Accrued Liabilities	58,402	13,323	-
Due to Other Funds	-	-	-
Accrued Interest Payable	-	-	5,404,392
Compensated Absences	18,386	8,708	-
Current Portion of Loans/Leases Payable	-	-	1,851,000
Current Portion of Bonds Payable	-	-	12,915,000
Current Portion of Claims Liabilities	-	10,588,000	-
Total Current Liabilities	<u>971,368</u>	<u>10,941,632</u>	<u>20,175,975</u>
Non-Current Liabilities:			
Non-Current Compensated Absences	211,439	100,140	-
Loans/Leases Due After One Year	-	-	11,106,000
Bonds Payable After One Year	-	-	252,899,199
Claims Liabilities After One Year	-	20,900,000	-
Total Non-Current Liabilities	<u>211,439</u>	<u>21,000,140</u>	<u>264,005,199</u>
Total Liabilities	<u>1,182,807</u>	<u>31,941,772</u>	<u>284,181,174</u>
NET POSITION			
Net Investment in Capital Assets	60,922,203	49,015	-
Unrestricted	50,380,924	17,300,191	16,842,008
Total Net Position	<u>\$ 111,303,127</u>	<u>\$ 17,349,206</u>	<u>\$ 16,842,008</u>

**Governmental Activities
Internal Service Funds**

Construction Management	Health Care	Facilities Management	Total Internal Service Funds
\$ 5,045	\$ 27,863,312	\$ 1,708,731	\$ 173,100,605
-	-	-	401,373
-	1,345,000	-	2,084,111
<u>5,045</u>	<u>29,208,312</u>	<u>1,708,731</u>	<u>175,586,089</u>
-	-	-	5,804,041
-	-	-	246,258,669
-	-	-	555,768
-	-	11,749	8,304,203
-	-	495,886	2,200,463
-	-	2,391,844	7,222,510
-	-	-	118,854,427
-	-	(2,490,721)	(78,978,178)
-	-	-	3,220,783
-	-	408,758	313,442,686
<u>5,045</u>	<u>29,208,312</u>	<u>2,117,489</u>	<u>489,028,775</u>
-	-	-	5,102,165
973	4,601,130	619,439	6,453,306
49,033	2,419	63,015	186,192
180,000	-	-	180,000
-	-	-	5,404,392
27,342	215	22,038	76,689
-	-	-	1,851,000
-	-	-	12,915,000
-	-	-	10,588,000
<u>257,348</u>	<u>4,603,764</u>	<u>704,492</u>	<u>37,654,579</u>
314,439	2,467	253,439	881,924
-	-	-	11,106,000
-	-	-	252,899,199
-	-	-	20,900,000
<u>314,439</u>	<u>2,467</u>	<u>253,439</u>	<u>285,787,123</u>
<u>571,787</u>	<u>4,606,231</u>	<u>957,931</u>	<u>323,441,702</u>
-	-	408,758	61,379,976
(566,742)	24,602,081	750,800	109,309,262
<u>\$ (566,742)</u>	<u>\$ 24,602,081</u>	<u>\$ 1,159,558</u>	<u>\$ 170,689,238</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, 2017**

	Governmental Activities Internal Service Funds		
	Fleet Management	Risk Management	Internal Loan
Operating Revenues			
User Charges	\$ 31,367,005	\$ 9,507,361	\$ 10,675,232
Other	1,401,293	628,685	27,051
Total Operating Revenues	<u>32,768,298</u>	<u>10,136,046</u>	<u>10,702,283</u>
Operating Expenses			
Salaries, Wages, and Employee Benefits	3,476,889	900,705	-
Services and Supplies	15,728,477	7,025,845	27,862
Depreciation Expense	11,207,770	14,654	-
Total Operating Expenses	<u>30,413,136</u>	<u>7,941,204</u>	<u>27,862</u>
Operating Income (Loss)	<u>2,355,162</u>	<u>2,194,842</u>	<u>10,674,421</u>
Non-Operating Revenues (Expenses)			
Income on Investments	501,168	437,448	424,279
Interest Expense	-	-	(9,784,099)
Gain (Loss) on Disposal of Capital Assets	(333,312)	(16,541)	-
Total Non-Operating Revenues (Expenses)	<u>167,856</u>	<u>420,907</u>	<u>(9,359,820)</u>
Income (Loss) Before Contributions and Transfers	<u>2,523,018</u>	<u>2,615,749</u>	<u>1,314,601</u>
Capital Contributions	3,090,170	2,795	-
Transfers In	-	-	3,290,390
Transfers Out	(321,526)	(577,984)	-
	<u>2,768,644</u>	<u>(575,189)</u>	<u>3,290,390</u>
Change in Net Position	5,291,662	2,040,560	4,604,991
Net Position - Beginning	106,011,465	15,308,646	12,237,017
Net Position - Ending	<u>\$ 111,303,127</u>	<u>\$ 17,349,206</u>	<u>\$ 16,842,008</u>

**Governmental Activities
Internal Service Funds**

Construction Management	Health Care	Facilities Management	Total Internal Service Funds
\$ 3,401,627	\$ 59,473,500	\$ 22,001,430	\$ 136,426,155
280,192	4,131,856	302,657	6,771,734
<u>3,681,819</u>	<u>63,605,356</u>	<u>22,304,087</u>	<u>143,197,889</u>
2,979,483	118,792	3,642,252	11,118,121
697,251	59,899,813	17,868,090	101,247,338
-	-	84,738	11,307,162
<u>3,676,734</u>	<u>60,018,605</u>	<u>21,595,080</u>	<u>123,672,621</u>
<u>5,085</u>	<u>3,586,751</u>	<u>709,007</u>	<u>19,525,268</u>
(3,026)	283,844	20,963	1,664,676
-	-	-	(9,784,099)
-	-	(120,618)	(470,471)
<u>(3,026)</u>	<u>283,844</u>	<u>(99,655)</u>	<u>(8,589,894)</u>
2,059	3,870,595	609,352	10,935,374
-	-	48,005	3,140,970
60,000	-	282,913	3,633,303
-	(125,000)	(13,961)	(1,038,471)
<u>60,000</u>	<u>(125,000)</u>	<u>316,957</u>	<u>5,735,802</u>
62,059	3,745,595	926,309	16,671,176
(628,801)	20,856,486	233,249	154,018,062
<u>\$ (566,742)</u>	<u>\$ 24,602,081</u>	<u>\$ 1,159,558</u>	<u>\$ 170,689,238</u>

**CITY OF ORLANDO, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017**

	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	\$ 32,770,800	\$ 10,136,046	\$ 10,702,283
Repayment of Loans from Other Funds	-	-	15,854,728
Loans to Other Funds	-	-	-
Payments to Suppliers	(15,790,340)	(11,853,385)	(33,217)
Payments to Employees	(2,086,079)	(621,078)	-
Payments to Internal Service Funds and Administrative Fees	(2,050,483)	(254,840)	-
Net Cash Flows Provided by (Used In) Operating Activities	<u>12,843,898</u>	<u>(2,593,257)</u>	<u>26,523,794</u>
Cash Flows from Noncapital Financing Activities:			
Transfers In	-	-	3,297,840
Transfers (Out)	(321,526)	(577,984)	(7,451)
Proceeds from Bonds and Loans	-	-	8,173,000
Inter Fund Services	-	-	-
Principal Paid on Bonds and Loans	-	-	(20,721,000)
Interest Paid on Bonds and Loans	-	-	(12,262,592)
Net Cash Flows Provided by (Used in) Noncapital Financing Activities	<u>(321,526)</u>	<u>(577,984)</u>	<u>(21,520,203)</u>
Cash Flows from Capital and Related Financing Activities:			
Additions to Capital Assets	(20,611,692)	-	-
Disposal of Capital Assets	-	-	-
Net Cash Flows Provided by (Used in) Capital and Related Financing Activities	<u>(20,611,692)</u>	<u>-</u>	<u>-</u>
Cash Flows from Investing Activities:			
Purchases of Investments	-	-	(27,384)
Proceeds from Sales and Maturities of Investments	-	-	1,024,455
Interest Income on Investments	501,168	437,448	424,279
Net Cash Flows Provided by Investing Activities	<u>501,168</u>	<u>437,448</u>	<u>1,421,350</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(7,588,152)	(2,733,793)	6,424,941
Cash and Cash Equivalents at Beginning of Year	<u>58,750,510</u>	<u>51,236,645</u>	<u>37,433,366</u>
Cash and Cash Equivalents at End of Year	<u>\$ 51,162,358</u>	<u>\$ 48,502,852</u>	<u>\$ 43,858,307</u>

Construction Management	Health Care	Facilities Management	Total Internal Service Funds
\$ 3,861,820	\$ 63,606,733	\$ 22,329,087	\$ 143,406,769
-	-	-	15,854,728
-	-	-	-
(1,285,713)	(59,020,796)	(19,834,725)	(107,818,176)
(2,127,337)	(86,837)	(2,320,615)	(7,241,946)
<u>(690,888)</u>	<u>(190,373)</u>	<u>(697,074)</u>	<u>(3,883,658)</u>
<u>(242,118)</u>	<u>4,308,727</u>	<u>(523,327)</u>	<u>40,317,717</u>
60,000	-	282,913	3,640,753
-	(125,000)	(13,961)	(1,045,922)
-	-	-	8,173,000
-	-	-	-
-	-	-	(20,721,000)
-	-	-	(12,262,592)
<u>60,000</u>	<u>(125,000)</u>	<u>268,952</u>	<u>(22,215,761)</u>
-	-	(41,719)	(20,653,411)
-	-	48,005	48,005
-	-	6,286	(20,605,406)
-	-	-	(27,384)
-	-	-	1,024,455
<u>(3,026)</u>	<u>283,844</u>	<u>20,963</u>	<u>1,664,676</u>
<u>(3,026)</u>	<u>283,844</u>	<u>20,963</u>	<u>2,661,747</u>
(185,144)	4,467,571	(227,126)	158,297
<u>190,189</u>	<u>23,395,741</u>	<u>1,935,857</u>	<u>172,942,308</u>
<u>\$ 5,045</u>	<u>\$ 27,863,312</u>	<u>\$ 1,708,731</u>	<u>\$ 173,100,605</u>

**CITY OF ORLANDO, FLORIDA
 COMBINING STATEMENT OF CASH FLOWS
 INTERNAL SERVICE FUNDS
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017
 (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)	\$ 2,355,162	\$ 2,194,842	\$ 10,674,421
Adjustments Not Affecting Cash:			
Depreciation	11,207,770	14,654	-
(Increase) Decrease in Assets and Increase (Decrease) in Liabilities:			
Accounts Receivable	-	-	-
Inventory	(3,602)	-	-
Due from Government	2,502	-	-
Prepaid Items	-	143,559	-
Deferred Outflow	519,343	128,115	-
Loans to Other Funds	-	-	15,854,728
Accounts Payable	(427,980)	(894,889)	(5,355)
Accrued Liabilities	7,039	(784)	-
Compensated Absences	16,454	(21,019)	-
Pension Liability	(810,521)	(201,127)	-
Claims Payable	-	(3,951,000)	-
Deferred Inflow	(22,269)	(5,608)	-
Total Adjustments	<u>10,488,736</u>	<u>(4,788,099)</u>	<u>15,849,373</u>
Net Cash Provided by (Used In)			
Operating Activities	<u>\$ 12,843,898</u>	<u>\$ (2,593,257)</u>	<u>\$ 26,523,794</u>
Noncash Investing, Capital, and Financing Activities:			
Capital asset donations received	\$ 3,090,170	\$ 82,707	\$ -
Loss on Disposal of Capital Assets	(333,312)	(16,541)	-

Construction Management	Health Care	Facilities Management	Total Internal Service Funds
\$ 5,085	\$ 3,586,751	\$ 709,007	\$ 19,525,268
-	-	84,738	11,307,162
-	1,377	-	1,377
-	-	25,000	176,398
180,000	-	-	27,502
-	136,871	-	280,430
419,290	11,646	535,274	1,613,668
-	-	-	15,854,728
704	595,129	(1,046,583)	(1,778,974)
(37,510)	158	8,710	(22,387)
(133,099)	(4,412)	(2,017)	(144,093)
(658,236)	(18,284)	(816,354)	(2,504,522)
-	-	-	(3,951,000)
(18,352)	(509)	(21,102)	(67,840)
<u>(247,203)</u>	<u>721,976</u>	<u>(1,232,334)</u>	<u>20,792,449</u>
\$ (242,118)	\$ 4,308,727	\$ (523,327)	\$ 40,317,717
\$ -	\$ -	\$ 48,005	\$ 3,220,882
-	-	(120,618)	(470,471)



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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, 2017**

	<u>Firefighters' Pension Funds</u>	<u>Police Pension Funds</u>	<u>General Employees' Pension Funds</u>
ASSETS			
Cash and Cash Equivalents	\$ 4,721,254	\$ 3,839,109	\$ 9,032,874
Cash with Fiscal Agents	-	-	-
Accounts Receivable	305,579	-	-
Prepaid Items	-	-	1,282,311
Investments, at Fair Value:			
Fixed Income	110,548,537	167,278,380	72,814,993
Equity	164,681,233	236,896,757	88,842,497
Real Estate	24,893,078	34,383,497	12,681,544
Global Commingled Investments	39,714,375	57,317,964	20,614,038
Hedge Fund of Funds	16,600,590	39,084,010	9,660,945
Private Equity	4,560,925	7,167,169	-
Private Debt	15,033,687	13,889,131	-
Other	1,101,121	617,921	1,940,717
Defined Contribution Mutual Funds	-	-	-
Firefighter Share Plan Mutual Funds	12,463,224	-	-
Retiree Health Savings Mutual Funds	-	-	-
Securities Lending Collateral	25,908,933	39,146,914	12,470,845
Participant Loans	-	-	-
Total Assets	<u>420,532,536</u>	<u>599,620,852</u>	<u>229,340,764</u>
LIABILITIES			
Obligations Under Security Lending	25,908,933	39,146,914	12,470,845
Accounts Payable	444,673	198,763	81,975
Accrued Liabilities	1,323	-	-
Total Liabilities	<u>26,354,929</u>	<u>39,345,677</u>	<u>12,552,820</u>
NET POSITION			
Net Position - Restricted for Pension Benefits, OPEB, and Other Purposes	<u>\$ 394,177,607</u>	<u>\$ 560,275,175</u>	<u>\$ 216,787,944</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>
\$ -	\$ -	\$ 7,580,523	\$ 7,014,010	\$ 32,187,770
-	-	150,000	-	150,000
-	-	-	-	305,579
-	-	-	-	1,282,311
-	-	-	34,930,935	385,572,845
-	-	-	74,109,633	564,530,120
-	-	-	-	71,958,119
-	-	-	-	117,646,377
-	-	-	-	65,345,545
-	-	-	-	11,728,094
-	-	-	-	28,922,818
-	-	-	-	3,659,759
213,975,628	-	-	-	213,975,628
-	-	-	-	12,463,224
-	4,568,107	-	-	4,568,107
-	-	-	-	77,526,692
<u>5,101,453</u>	-	-	-	<u>5,101,453</u>
<u>219,077,081</u>	<u>4,568,107</u>	<u>7,730,523</u>	<u>116,054,578</u>	<u>1,596,924,441</u>
-	-	-	-	77,526,692
-	-	-	11,181	736,592
-	-	-	-	1,323
-	-	-	<u>11,181</u>	<u>78,264,607</u>
<u>\$ 219,077,081</u>	<u>\$ 4,568,107</u>	<u>\$ 7,730,523</u>	<u>\$ 116,043,397</u>	<u>\$ 1,518,659,834</u>

CITY OF ORLANDO, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017

	Firefighters' Pension Funds	Police Pension Funds	General Employees' Pension Funds
ADDITIONS			
Contributions:			
Employer	\$ 16,256,743	\$ 24,532,910	\$ 7,411,177
State	2,104,643	2,458,293	-
State in Excess of 1997 Frozen Amounts	-	736,994	-
Plan Members	3,111,893	4,615,541	346,072
Plan Members State Shortfall	305,363	-	-
Plan Members Buyback	6,040	16,467	-
Total Contributions	21,784,682	32,360,205	7,757,249
Investment Income:			
From Investment Activities			
Net Increase (Decrease) in Fair Value of Investments	34,834,331	51,583,336	20,468,778
Interest and Dividends	4,751,559	5,082,102	1,354,284
Net Investment Income	39,585,890	56,665,438	21,823,062
Investment Activity Expenses:			
Investment Management Fees	(1,210,856)	(1,592,227)	(527,343)
Custodian Fees	(101,758)	(144,297)	(58,311)
Total Investment Expenses	(1,312,614)	(1,736,524)	(585,654)
Net Income from Investing Activities	38,273,276	54,928,914	21,237,408
From Securities Lending Activities:			
Security Lending Expenses:			
Interest and Agent Fees	(176,824)	(267,513)	(80,600)
Net Income from Securities Lending Activities	(176,824)	(267,513)	(80,600)
Total Net Investment Income	38,096,452	54,661,401	21,156,808
Total Additions, net	59,881,134	87,021,606	28,914,057
DEDUCTIONS			
Retirement Benefits	24,036,851	38,264,253	18,000,074
Retiree Healthcare Benefits	-	-	-
Long-Term Disability Benefits	-	-	-
Refunds of Contributions	109,767	84,709	-
Administrative Expense	157,904	222,225	88,199
Salaries, Wages and Employee Benefits	9,656	39,084	39,084
Total Deductions	24,314,178	38,610,271	18,127,357
Net Increase (Decrease)	35,566,956	48,411,335	10,786,700
Net Position - Restricted for Pension Benefits, OPEB, and Other Purposes:			
Net position - Beginning of year	358,610,651	511,863,840	206,001,244
Net position - End of year	\$ 394,177,607	\$ 560,275,175	\$ 216,787,944

Defined Contribution Plan Fund	Retiree Health Savings Fund	Employees' Disability Fund	OPEB Trust Fund	Total Employee Retirement Funds
\$ 7,257,237	\$ 522,916	\$ -	\$ 25,372,981	\$ 81,353,964
-	-	-	-	4,562,936
-	-	-	-	736,994
3,163,326	-	-	-	11,236,832
-	-	-	-	305,363
-	-	-	-	22,507
<u>10,420,563</u>	<u>522,916</u>	<u>-</u>	<u>25,372,981</u>	<u>98,218,596</u>
23,068,114	535,068	-	8,492,956	138,982,583
171,509	-	70,455	1,518,088	12,947,997
<u>23,239,623</u>	<u>535,068</u>	<u>70,455</u>	<u>10,011,044</u>	<u>151,930,580</u>
-	-	-	(152,519)	(3,482,945)
-	-	-	(13,583)	(317,949)
-	-	-	(166,102)	(3,800,894)
<u>23,239,623</u>	<u>535,068</u>	<u>70,455</u>	<u>9,844,942</u>	<u>148,129,686</u>
-	-	-	-	(524,937)
-	-	-	-	(524,937)
<u>23,239,623</u>	<u>535,068</u>	<u>70,455</u>	<u>9,844,942</u>	<u>147,604,749</u>
<u>33,660,186</u>	<u>1,057,984</u>	<u>70,455</u>	<u>35,217,923</u>	<u>245,823,345</u>
12,320,187	-	-	-	92,621,365
-	981	-	16,744,185	16,745,166
-	-	283,391	-	283,391
-	-	-	-	194,476
-	-	22,260	107,045	597,633
-	-	-	-	87,824
<u>12,320,187</u>	<u>981</u>	<u>305,651</u>	<u>16,851,230</u>	<u>110,529,855</u>
21,339,999	1,057,003	(235,196)	18,366,693	135,293,490
197,737,082	3,511,104	7,965,719	97,676,704	1,383,366,344
<u>\$ 219,077,081</u>	<u>\$ 4,568,107</u>	<u>\$ 7,730,523</u>	<u>\$ 116,043,397</u>	<u>\$ 1,518,659,834</u>

**CITY OF ORLANDO, FLORIDA
 AGENCY FUND
 STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017**

School Impact Fee Fund

Cash and Cash Equivalents - Beginning Balance		\$ 7,670,300
Add:		
Collections	9,840,711	
Income (Loss) on Investments	(35,507)	
Administrative Fees	448,415	
Less:		
Reimbursable City Services	(412,908)	
Remittances to Orange School Board	<u>(14,947,158)</u>	<u>(5,106,447)</u>
Cash and Cash Equivalents - Ending Balance		<u>\$ 2,563,853</u>

Accounts Payable - Beginning Balance		\$ 7,670,300
Add:		
Collections	9,840,711	
Income (Loss) on Investments	(35,507)	
Administrative Fees	448,415	
Less:		
Reimbursable City Services	(412,908)	
Remittances to Orange School Board	<u>(14,947,158)</u>	<u>(5,106,447)</u>
Accounts Payable - Ending Balance		<u>\$ 2,563,853</u>



SUPPLEMENTAL
INFORMATION

MILLS
50

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

Water Reclamation System Bonds

Orlando Venues Revenue Bonds

**CITY OF ORLANDO, FLORIDA
SUMMARY OF DEBT SERVICE REQUIREMENTS TO MATURITY
ALL SERIES
2018-2047**

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
2018	\$ 13,162,354	\$ 1,934,250	\$ 3,870,992	\$ 23,396,394
2019	13,158,567	1,932,000	3,871,192	22,936,708
2020	13,160,919	1,936,750	3,872,192	22,803,708
2021	13,125,898	1,938,000	3,872,741	22,609,583
2022	13,092,526	1,940,750	3,873,491	24,079,507
2023	13,055,884	1,939,750	3,873,241	25,654,273
2024	13,018,057	1,945,000	3,871,743	24,801,573
2025	12,913,819	1,946,000	3,873,742	18,076,444
2026	12,807,247	1,947,750	-	18,543,673
2027	12,686,559	-	-	14,433,926
2028	12,563,162	-	-	12,501,741
2029	12,435,921	-	-	12,372,826
2030	12,293,710	-	-	10,557,111
2031	12,151,387	-	-	10,504,672
2032	11,994,474	-	-	10,487,557
2033	11,826,662	-	-	7,975,667
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>\$ 280,681,207</u>	<u>\$ 17,460,250</u>	<u>\$ 30,979,334</u>	<u>\$ 346,252,995</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 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 104 through 107.

Business-type Activities

Wastewater Revenue Bonds	Orlando Venues Bonds	Total Principal & Interest Primary Government (1)
\$ 2,871,750	\$ 15,090,137	\$ 60,325,877
2,861,700	23,450,769	68,210,936
2,861,325	25,276,350	69,911,244
2,865,300	25,141,125	69,552,647
2,855,775	25,137,150	70,979,199
2,854,400	25,099,150	72,476,698
2,848,775	25,141,386	71,626,534
2,877,900	25,087,136	64,775,041
2,848,650	25,030,645	61,177,965
2,846,650	24,972,520	54,939,655
2,844,525	24,924,569	52,833,997
2,842,025	24,858,545	52,509,317
2,838,900	24,788,574	50,478,295
2,853,950	24,724,825	50,234,834
2,833,750	24,644,260	49,960,041
2,829,000	24,575,840	47,207,169
-	24,496,410	44,130,730
-	24,409,517	43,848,722
-	24,322,983	43,547,147
-	24,234,575	43,263,309
-	23,146,713	39,961,244
-	47,050,387	60,630,305
-	3,406,795	16,740,116
-	-	2,964,875
-	-	2,960,000
-	-	2,964,500
-	-	2,958,125
-	-	2,950,875
-	-	2,952,250
-	-	2,946,875
<u>\$ 45,634,375</u>	<u>\$ 559,010,361</u>	<u>\$ 1,280,018,522</u>

**CITY OF ORLANDO, FLORIDA
COMMUNITY REDEVELOPMENT AGENCY - DOWNTOWN DISTRICT
TAX INCREMENT REVENUE BONDS - SERIES 2009A
SCHEDULE OF BONDED DEBT AND INTEREST
SEPTEMBER 30, 2017**

<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>		
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>\$ 787,950</u>	<u>\$ 787,950</u>	<u>\$ 9,845,000</u>	<u>\$ 11,420,900</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, 2017**

Year Ending September 30	Interest Rate - %	Interest (2)		Principal Due September 1	Total Debt Service
		Due September 1	Due March 1		
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>\$ 28,271,213</u>	<u>\$ 28,271,212</u>	<u>\$ 50,955,000</u>	<u>\$ 107,497,425</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, 2017

<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>		
2018	4.000	\$ 27,800	\$ 27,800	\$ 1,390,000	\$ 1,445,600

**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, 2017**

Year Ending September 30	Interest Rate - %	Interest (2)		Principal Due September 1	Total Debt Service
		Due September 1	Due March 1		
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>\$ 44,451,146</u>	<u>\$ 44,451,136</u>	<u>\$ 71,415,000</u>	<u>\$ 160,317,282</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, 2017**

<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>		
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>\$ 2,089,700</u>	<u>\$ 2,089,700</u>	<u>\$ 19,880,000</u>	<u>\$ 24,059,400</u>

**CITY OF ORLANDO, FLORIDA
REPUBLIC DRIVE (UNIVERSAL BOULEVARD)
TAX INCREMENT REVENUE BONDS - SERIES 2013
SCHEDULE OF BONDED DEBT AND INTEREST
SEPTEMBER 30, 2017**

<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>		
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>\$ 314,813</u>	<u>\$ 314,813</u>	<u>\$ 6,290,308</u>	<u>\$ 6,919,934</u>

**CITY OF ORLANDO, FLORIDA
CONROY ROAD TAX INCREMENT
REVENUE REFUNDING BONDS - SERIES 2012
SCHEDULE OF BONDED DEBT AND INTEREST
SEPTEMBER 30, 2017**

Year Ending September 30	Interest Rate - %	Interest		Principal Due April 1	Total Debt Service
		Due October 1	Due April 1		
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>\$ 1,837,625</u>	<u>\$ 1,837,625</u>	<u>\$ 13,785,000</u>	<u>\$ 17,460,250</u>

**CITY OF ORLANDO, FLORIDA
 CAPITAL IMPROVEMENT SPECIAL REVENUE BONDS-SERIES 2007B
 SCHEDULE OF BONDED DEBT AND INTEREST
 SEPTEMBER 30, 2017**

<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>		
2018	4.250	\$ 37,931	\$ -	\$ 1,445,000	\$ 1,482,931

CITY OF ORLANDO, FLORIDA
CAPITAL IMPROVEMENT SPECIAL REVENUE BONDS-SERIES 2009A
SCHEDULE OF BONDED DEBT AND INTEREST
SEPTEMBER 30, 2017

<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>		
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>\$ 192,794</u>	<u>\$ 97,694</u>	<u>\$ 3,910,000</u>	<u>\$ 4,200,488</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, 2017

<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>		
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>\$ 811,125</u>	<u>\$ 412,000</u>	<u>\$ 15,965,000</u>	<u>\$ 17,188,125</u>

CITY OF ORLANDO, FLORIDA
TAXABLE CAPITAL IMPROVEMENT SPECIAL REVENUE BONDS - SERIES 2009C
BUILD AMERICA BONDS
SCHEDULE OF BONDED DEBT AND INTEREST
SEPTEMBER 30, 2017

Year Ending September 30	Interest Rate - %	Interest (2)		Principal Due October 1	Total Debt Service
		Due October 1	Due April 1		
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>\$ 22,640,932</u>	<u>\$ 21,237,098</u>	<u>\$ 40,000,000</u>	<u>\$ 83,878,030</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, 2017**

<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>		
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>\$ 2,157,375</u>	<u>\$ 1,721,500</u>	<u>\$ 17,435,000</u>	<u>\$ 21,313,875</u>

CITY OF ORLANDO, FLORIDA
CAPITAL IMPROVEMENT REFUNDING SPECIAL REVENUE BONDS-SERIES 2010C
SCHEDULE OF BONDED DEBT AND INTEREST
SEPTEMBER 30, 2017

<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>		
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>\$ 558,750</u>	<u>\$ 335,250</u>	<u>\$ 8,940,000</u>	<u>\$ 9,834,000</u>

**CITY OF ORLANDO, FLORIDA
CAPITAL IMPROVEMENT REFUNDING SPECIAL REVENUE BONDS-SERIES 2012A
SCHEDULE OF BONDED DEBT AND INTEREST
SEPTEMBER 30, 2017**

Year Ending September 30	Interest Rate -%	Interest		Principal Due April 1	Total Debt Service
		Due October 1	Due April 1		
2018	(1)	\$ 149,475	\$ 149,475	\$ -	\$ 298,950
2019	(1)	109,615	109,615	-	219,230
2020	(1)	109,615	109,615	-	219,230
2021	(1)	109,615	109,615	-	219,230
2022	(1)	109,615	109,615	-	219,230
2023	(1)	109,615	109,615	1,000,000	1,219,230
2024	(1)	98,615	98,615	1,000,000	1,197,230
2025	(1)	87,615	87,615	1,000,000	1,175,230
2026	(1)	76,615	76,615	995,000	1,148,230
2027	(1)	65,670	65,670	995,000	1,126,340
2028	(1)	54,725	54,725	995,000	1,104,450
2029	(1)	43,780	43,780	995,000	1,082,560
2030	(1)	32,835	32,835	995,000	1,060,670
2031	(1)	21,890	21,890	995,000	1,038,780
2032	(1)	10,945	10,945	995,000	1,016,890
		<u>\$ 1,190,240</u>	<u>\$ 1,190,240</u>	<u>\$ 9,965,000</u>	<u>\$ 12,345,480</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 2.20%, 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, 2017.

**CITY OF ORLANDO, FLORIDA
 CAPITAL IMPROVEMENT REFUNDING SPECIAL REVENUE BONDS-SERIES 2014A
 SCHEDULE OF BONDED DEBT AND INTEREST
 SEPTEMBER 30, 2017**

<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>		
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>\$ 108,953</u>	<u>\$ 90,794</u>	<u>\$ 1,825,000</u>	<u>\$ 2,024,747</u>

CITY OF ORLANDO, FLORIDA
CAPITAL IMPROVEMENT SPECIAL REVENUE BONDS-SERIES 2014B
SCHEDULE OF BONDED DEBT AND INTEREST
SEPTEMBER 30, 2017

Year Ending September 30	Interest Rate - %	Interest		Principal Due Oct. 1	Total Debt Service
		Due Oct. 1	Due April 1		
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>\$ 25,596,250</u>	<u>\$ 24,041,125</u>	<u>\$ 62,205,000</u>	<u>\$ 111,842,375</u>

**CITY OF ORLANDO, FLORIDA
CAPITAL IMPROVEMENT REFUNDING SPECIAL REVENUE BONDS-SERIES 2014C
SCHEDULE OF BONDED DEBT AND INTEREST
SEPTEMBER 30, 2017**

Year Ending September 30	Interest Rate - %	Interest		Principal Due Oct. 1	Total Debt Service
		Due Oct. 1	Due April 1		
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>\$ 1,042,125</u>	<u>\$ 822,875</u>	<u>\$ 8,770,000</u>	<u>\$ 10,635,000</u>

**CITY OF ORLANDO, FLORIDA
CAPITAL IMPROVEMENT REFUNDING SPECIAL REVENUE BONDS-SERIES 2014D
SCHEDULE OF BONDED DEBT AND INTEREST
SEPTEMBER 30, 2017**

<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>		
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>\$ 1,433,250</u>	<u>\$ 1,164,000</u>	<u>\$ 10,770,000</u>	<u>\$ 13,367,250</u>

**CITY OF ORLANDO, FLORIDA
CAPITAL IMPROVEMENT REFUNDING SPECIAL REVENUE BONDS-SERIES 2015A
SCHEDULE OF BONDED DEBT AND INTEREST
SEPTEMBER 30, 2017**

<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>		
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>\$ 327,009</u>	<u>\$ 275,093</u>	<u>\$ 5,705,000</u>	<u>\$ 6,307,102</u>

CITY OF ORLANDO, FLORIDA
CAPITAL IMPROVEMENT REFUNDING SPECIAL REVENUE BONDS-SERIES 2016A
SCHEDULE OF BONDED DEBT AND INTEREST
SEPTEMBER 30, 2017

<u>Year Ending</u> <u>September 30</u>	<u>Interest</u> <u>Rate - %</u>	<u>Interest</u>		<u>Principal</u> <u>Due October 1</u>	<u>Total Debt</u> <u>Service</u>
		<u>Due October 1</u>	<u>Due April 1</u>		
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>\$ 446,171</u>	<u>\$ 379,712</u>	<u>\$ 6,995,000</u>	<u>\$ 7,820,883</u>

CITY OF ORLANDO, FLORIDA
CAPITAL IMPROVEMENT SPECIAL REVENUE REFUNDING BONDS-SERIES 2016B
SCHEDULE OF BONDED DEBT AND INTEREST
SEPTEMBER 30, 2017

Year Ending September 30	Interest Rate - %	Interest		Principal Due Oct. 1	Total Debt Service
		Due Oct. 1	Due April 1		
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>\$ 14,785,235</u>	<u>\$ 13,413,179</u>	<u>\$ 59,035,000</u>	<u>\$ 87,233,414</u>

**CITY OF ORLANDO, FLORIDA
CAPITAL IMPROVEMENT SPECIAL REVENUE BONDS-SERIES 2016C
SCHEDULE OF BONDED DEBT AND INTEREST
SEPTEMBER 30, 2017**

<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>		
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>\$ 7,188,150</u>	<u>\$ 6,575,325</u>	<u>\$ 26,425,000</u>	<u>\$ 40,188,475</u>

**CITY OF ORLANDO, FLORIDA
CAPITAL IMPROVEMENT REFUNDING SPECIAL REVENUE BONDS-SERIES 2017A
SCHEDULE OF BONDED DEBT AND INTEREST
SEPTEMBER 30, 2017**

<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>		
2018	2.360	\$ 96,977	\$ 96,441	\$ -	\$ 193,418
2019	2.360	96,442	96,441	-	192,883
2020	2.360	96,442	96,441	-	192,883
2021	2.360	96,442	96,441	-	192,883
2022	2.360	96,442	96,441	-	192,883
2023	2.360	96,442	96,441	-	192,883
2024	2.360	96,442	96,441	-	192,883
2025	2.360	96,442	70,481	2,200,000	2,366,923
2026	2.360	70,481	20,921	4,200,000	4,291,402
2027	2.360	20,921	-	1,773,000	1,793,921
		<u>\$ 863,473</u>	<u>\$ 766,489</u>	<u>\$ 8,173,000</u>	<u>\$ 9,802,962</u>

**CITY OF ORLANDO, FLORIDA
WASTEWATER SYSTEM REFUNDING AND IMPROVEMENT
REVENUE BONDS - SERIES 2013
SCHEDULE OF BONDED DEBT AND INTEREST
SEPTEMBER 30, 2017**

<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>		
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>\$ 7,068,450</u>	<u>\$ 6,325,925</u>	<u>\$ 32,240,000</u>	<u>\$ 45,634,375</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, 2017

Year Ending September 30	Interest Rate - %	Interest		Principal		Total Debt Service
		Due Feb 1	Due Aug 1	Due Feb 1	Due Aug 1	
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>\$ 6,977,400</u>	<u>\$ 6,696,375</u>	<u>\$ 13,975,000</u>	<u>\$ 13,250,000</u>	<u>\$ 40,898,775</u>

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, 2017

Year Ending September 30	Interest Rate - %	Interest		Principal Due Nov. 1	Total Debt Service
		Due Nov. 1	Due May 1		
2018	(1)	\$ 707,025	\$ 707,025	\$ -	\$ 1,414,050
2019	(1)	707,025	707,025	-	1,414,050
2020	(1)	707,025	707,025	-	1,414,050
2021	(1)	707,025	707,025	-	1,414,050
2022	(1)	707,025	707,025	-	1,414,050
2023	(1)	707,025	707,025	-	1,414,050
2024	(1)	707,025	707,025	-	1,414,050
2025	(1)	707,025	707,025	-	1,414,050
2026	(1)	707,025	707,025	-	1,414,050
2027	(1)	707,025	707,025	-	1,414,050
2028	(1)	707,025	707,025	-	1,414,050
2029	(1)	707,025	707,025	-	1,414,050
2030	(1)	707,025	707,025	-	1,414,050
2031	(1)	707,025	707,025	-	1,414,050
2032	(1)	707,025	707,025	-	1,414,050
2033	(1)	707,025	707,025	-	1,414,050
2034	(1)	707,025	707,025	-	1,414,050
2035	(1)	707,025	707,025	-	1,414,050
2036	(1)	707,025	707,025	-	1,414,050
2037	(1)	707,025	707,025	-	1,414,050
2038	(1)	707,025	707,025	-	1,414,050
2039	5.50	707,025	-	25,710,000	26,417,025
		<u>\$ 15,554,550</u>	<u>\$ 14,847,525</u>	<u>\$ 25,710,000</u>	<u>\$ 56,112,075</u>

(1) These bonds do not mature until November 1, 2038.

**ORLANDO VENUES - SENIOR TOURIST DEVELOPMENT TAX REFUNDING REVENUE
BONDS 6TH CENT CONTRACT PAYMENTS - SERIES 2017A
SCHEDULE OF BONDED DEBT AND INTEREST
SEPTEMBER 30, 2017**

Year Ending September 30	Interest Rate - %	Interest		Principal Due Nov. 1	Total Debt Service
		Due Nov. 1	Due May 1		
2018		\$ -	\$ 6,386,333	\$ -	\$ 6,386,333
2019	4.000	4,769,875	4,684,975	4,245,000	13,699,850
2020	3.000	4,684,975	4,594,525	6,030,000	15,309,500
2021	4.000	4,594,525	4,470,325	6,210,000	15,274,850
2022	4.000	4,470,325	4,341,125	6,460,000	15,271,450
2023	5.000	4,341,125	4,173,125	6,720,000	15,234,250
2024	5.000	4,173,125	3,996,750	7,055,000	15,224,875
2025	5.000	3,996,750	3,811,500	7,410,000	15,218,250
2026	5.000	3,811,500	3,617,000	7,780,000	15,208,500
2027	5.000	3,617,000	3,412,750	8,170,000	15,199,750
2028	5.000	3,412,750	3,198,375	8,575,000	15,186,125
2029	5.000	3,198,375	2,973,250	9,005,000	15,176,625
2030	5.000	2,973,250	2,736,875	9,455,000	15,165,125
2031	5.000	2,736,875	2,488,625	9,930,000	15,155,500
2032	5.000	2,488,625	2,228,000	10,425,000	15,141,625
2033	5.000	2,228,000	1,954,375	10,945,000	15,127,375
2034	5.000	1,954,375	1,667,000	11,495,000	15,116,375
2035	5.000	1,667,000	1,365,375	12,065,000	15,097,375
2036	5.000	1,365,375	1,048,625	12,670,000	15,084,000
2037	5.000	1,048,625	716,000	13,305,000	15,069,625
2038	5.000	716,000	366,750	13,970,000	15,052,750
2039	5.000	366,750	-	14,670,000	15,036,750
		<u>\$ 62,615,200</u>	<u>\$ 64,231,658</u>	<u>\$ 196,590,000</u>	<u>\$ 323,436,858</u>

CITY OF ORLANDO, FLORIDA
ORLANDO VENUES - SUBORDINATE TOURIST DEVELOPMENT TAX
REFUNDING REVENUE BONDS 6TH CENT CONTRACT PAYMENTS - SERIES 2017B
SCHEDULE OF BONDED DEBT AND INTEREST
SEPTEMBER 30, 2017

Year Ending September 30	Interest Rate - %	Interest		Principal Due Nov. 1	Total Debt Service
		Due Nov. 1	Due May 1		
2018	(1)	\$ -	\$ 870,211	\$ -	\$ 870,211
2019	3.000	649,950	640,350	640,000	1,930,300
2020	4.000	640,350	622,750	880,000	2,143,100
2021	3.000	622,750	609,025	915,000	2,146,775
2022	3.000	609,025	594,925	940,000	2,143,950
2023	3.000	594,925	580,375	970,000	2,145,300
2024	4.000	580,375	560,375	1,000,000	2,140,750
2025	5.000	560,375	534,375	1,040,000	2,134,750
2026	5.000	534,375	507,125	1,090,000	2,131,500
2027	5.000	507,125	478,500	1,145,000	2,130,625
2028	5.000	478,500	448,375	1,205,000	2,131,875
2029	5.000	448,375	416,750	1,265,000	2,130,125
2030	5.000	416,750	383,625	1,325,000	2,125,375
2031	5.000	383,625	348,750	1,395,000	2,127,375
2032	5.000	348,750	312,250	1,460,000	2,121,000
2033	5.000	312,250	273,875	1,535,000	2,121,125
2034	5.000	273,875	233,625	1,610,000	2,117,500
2035	5.000	233,625	191,375	1,690,000	2,115,000
2036	5.000	191,375	147,000	1,775,000	2,113,375
2037	5.000	147,000	100,375	1,865,000	2,112,375
2038	5.000	100,375	51,375	1,960,000	2,111,750
2039	5.000	51,375	-	2,055,000	2,106,375
		<u>\$ 8,685,125</u>	<u>\$ 8,905,386</u>	<u>\$ 27,760,000</u>	<u>\$ 45,350,511</u>

(1) No interest rate is directly related to the bonds during 2018 due to no bonds maturing.
The blended rate of interest paid in this year is 4.18%.



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**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.

CONTENTS

Page(s)

Financial Trends

These schedules contain trend information to help the reader understand how the City’s financial performance and well-being have changed over time.

Net Position by Component	237
Changes in Net Position	238, 239, 240
Fund Balances, Governmental Funds	241
Changes in Fund Balances, Governmental Funds	242, 243

Revenue Capacity

These schedules contain information to help the reader assess the City’s most significant local revenue source, the property tax.

Assessed Value and Estimated Actual Value of Taxable Property	244
Direct and Overlapping Property Tax Rates	245
Principal Property Tax Payers	246
Property Tax Levies and Collections	247

Debt Capacity

These schedules present information to help the reader assess the affordability of the City’s current levels of outstanding debt and the City’s ability to issue additional debt in the future.

Ratios of Outstanding Debt by Type	248
Ratios of General Bonded Debt Outstanding	249
Direct and Overlapping Governmental Activities Debt	250
Pledged-Revenue Coverage:	
Primary Government:	
• Community Redevelopment Agency Tax Increment Bonds	251, 252, 253
• Schedule of Water Reclamation System Debt Coverage	254
• Schedule of Internal Loan Fund Revenue Dilution Test	255
• Orlando Venues – 6th Cent Tourist Development Tax (TDT) Revenue Bonds	256
• Orlando Venues – State Sales Tax Payments Revenue Bonds	257

CITY OF ORLANDO, FLORIDA

STATISTICAL SECTION

CONTENTS (CONTINUED)

	<u>Page(s)</u>
Demographic and Economic Information	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	
Demographic and Economic Statistics	258
Principal Employers	259
Operating Information	
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	
Full-time Equivalent City Government Employees by Function/Program	260
Operating Indicators by Function/Program	261
Capital Asset Statistics by Function/Program	262

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>2017</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>
Governmental activities										
Net Investment in Capital Assets	\$ 538,126	\$ 486,949	\$ 494,439	\$ 482,308	\$ 461,370	\$ 453,477	\$ 465,285	\$ 446,066	\$ 437,545	\$ 426,275
Restricted	138,649	145,041	143,035	89,093	105,895	89,612	101,016	81,527	63,136	63,020
Unrestricted	(50,933)	(87,401)	(154,037) (1)	(10,764)	9,762	37,878	13,515	39,364	95,397	113,093
Total governmental activities net position	<u>\$ 625,842</u>	<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>
Business-type activities										
Net Investment in Capital Assets	\$ 1,107,937	\$ 800,515	\$ 778,581	\$ 779,609	\$ 699,499	\$ 675,954	\$ 659,462	\$ 652,672	\$ 628,334	\$ 538,403
Restricted	32,932	55,658	58,688	106,443	92,116	138,302	156,299	154,834	23,638	20,638
Unrestricted	249,829	232,815	192,064	163,265	133,838	113,430	90,046	94,805	128,025	83,048
Total business-type activities net position	<u>\$ 1,390,698</u>	<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>
Primary government										
Net Investment in Capital Assets	\$ 1,646,063	\$ 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
Restricted	171,581	200,699	201,723	195,536	198,011	227,914	257,315	236,361	86,774	83,658
Unrestricted	198,896	145,414	38,027	152,501	143,600	151,308	103,561	134,169	223,422	196,141
Total primary government net position	<u>\$ 2,016,540</u>	<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>

(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>2017</u>	<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>
Expenses										
Governmental activities:										
General administration	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21,165
Executive offices	16,353	12,391	12,497	12,492	14,087	12,334	12,523	14,358	16,300	13,611
Housing	8,846	9,599	8,033	7,415	11,838	9,850	10,939	14,356	9,694	11,672
Economic development	25,256	25,308	19,910	21,707	26,470	41,838	36,616	20,352	36,358	38,974
Public works	25,404	39,202	37,915	33,435	31,910	36,026	42,084	20,871	29,581	18,977
Transportation	16,847	-	-	-	-	-	-	24,133	25,589	25,937
Families, parks, and recreation	43,872	34,997	35,587	36,125	39,027	37,574	38,527	36,914	40,593	39,298
Police	162,775	149,552	128,967	135,179	137,019	127,447	124,290	122,809	128,540	122,923
Fire	121,051	116,596	108,058	111,108	109,800	91,562	92,141	82,826	75,771	77,812
Business and financial services	26,960	33,566	28,068	28,153	12,810	18,645	19,543	24,635	22,829	4,474
Orlando venues	6,301	4,755	3,834	3,124	943	558	525	665	952	399
Community redevelopment	12,502	14,251	11,155	9,510	8,590	7,993	7,410	9,025	9,606	6,710
Other general government	4,759	9,873	11,883	7,581	2,762	2,617	3,758	3,667	771	3,607
Lynx/transit	3,873	3,873	3,873	3,815	3,482	3,482	3,482	3,744	4,255	4,525
Interest on long-term debt	18,448	21,315	18,023	18,573	18,968	19,274	20,462	17,010	10,113	12,794
Unallocated depreciation	-	-	-	-	-	-	586	1,203	1,218	1,210
Total governmental activities expenses	<u>\$ 493,249</u>	<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>
Business-type activities:										
Water Reclamation	92,098	77,836	75,962	77,581	73,845	73,997	70,439	67,025	72,679	66,571
Orlando venues	95,719	99,941	93,953	72,999	65,783	70,618	70,685	37,519	43,158	20,669
Parking	16,497	14,040	16,030	14,928	15,772	16,424	17,389	16,205	16,013	16,256
Stormwater utility	20,907	23,766	20,469	22,969	22,017	20,473	17,787	18,376	17,354	15,866
Solid waste	30,195	28,484	26,231	24,665	22,992	22,059	22,937	21,460	22,220	25,544
Total business-type activities expenses	<u>\$ 255,416</u>	<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>
Total primary government expenses	<u>\$ 748,665</u>	<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>

(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)

	2017	2016	2015	2014	2013	2012	2011	2010	2009 (1)	2008
Program Revenues										
Governmental activities:										
Charges for services:										
Economic development	\$ 18,423	\$ 32,138	\$ 28,804	\$ 24,574	\$ 25,137	\$ 21,495	\$ 17,265	\$ 18,103	\$ 19,901	\$ 19,321
Public Works	294	331	272	189	5,208	2,393	2,390	243	13	1,708
Transportation	14,532	-	-	-	-	-	-	1,985	6,446	11,893
Families, Parks & Recreations	5,151	3,850	3,339	3,052	2,882	4,117	3,968	3,620	3,783	3,498
Police	18,196	17,362	14,686	15,090	14,574	12,194	13,774	12,775	13,204	12,897
Fire	15,541	15,108	15,219	20,536	19,711	11,850	10,540	-	-	-
Other activities	20,599	18,755	17,746	15,425	4,355	2,776	2,468	2,931	3,076	1,888
Operating grants and contributions	20,503	20,721	15,533	13,094	15,661	13,549	16,286	21,565	11,429	28,031
Capital grants and contributions	25,282	7,392	8,673	11,042	28,892	16,211	25,403	17,443	32,942	1,853
Total governmental activities program revenues	<u>\$ 138,521</u>	<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>
Business-type activities:										
Charges for services:										
Water Reclamation	107,009	101,381	95,877	89,713	85,795	76,980	70,786	76,051	60,985	64,651
Orlando venues	34,334	37,688	36,344	28,766	22,252	20,254	22,432	15,334	14,309	15,246
Parking	15,730	15,376	14,944	14,915	13,599	14,024	14,155	15,565	14,858	12,892
Stormwater utility	23,300	23,472	23,204	22,797	22,682	22,521	22,402	22,297	23,649	24,666
Solid waste	32,914	32,113	30,895	28,775	27,159	25,747	24,675	23,583	23,162	24,064
Capital grants and contributions	166,196	73,453	51,484	88,290	38,052	43,708	49,465	57,880	64,149	40,301
Total business-type activities program revenues	<u>\$ 379,483</u>	<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>
Total primary government program revenues	<u>\$ 518,004</u>	<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>
Net (Expenses) Revenue										
Governmental activities	(354,728)	(359,621)	(323,531)	(325,215)	(301,286)	(324,615)	(320,792)	(317,903)	(321,376)	(322,999)
Business-type activities	124,066	39,416	20,103	60,114	9,130	(337)	4,678	50,125	29,688	36,914
Total primary government net expense	<u>\$ (230,662)</u>	<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>

(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)

	2017	2016	2015	2014	2013	2012	2011	2010	2009 (1)	2008
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes:										
Property	\$ 159,237	\$ 145,100	\$ 128,134	\$ 102,111	\$ 98,782	\$ 99,143	\$ 102,301	\$ 122,169	\$ 137,236	\$ 119,387
Local Option Fuel	9,257	8,901	8,471	8,219	8,044	7,745	7,458	7,799	7,587	7,838
Franchise fees	31,532	31,852	31,077	30,033	31,772	34,507	34,065	34,360	33,043	31,577
Public service taxes	44,795	45,234	44,563	44,675	45,182	42,428	44,574	46,840	45,380	45,015
Tax increment revenue	20,022	16,809	14,163	13,245	12,491	13,064	13,548	16,196	17,548	15,483
Local Business Tax (2)	9,948	9,742	8,435	8,101	-	-	-	-	-	-
Unrestricted grants and contributions	77,959	73,380	70,443	65,277	62,619	62,224	62,903	60,509	59,246	60,407
State Sales tax	41,787	39,429	37,904	35,613	33,415	30,998	29,801	27,655	26,744	29,635
Investment earnings (loss)	6,752	20,643	6,527	12,936	(3,040)	26,970	14,452	32,145	38,851	10,051
Miscellaneous	9,480	7,033	5,513	6,005	13,164	13,512	14,533	16,340	15,829	28,229
Gain on sale of capital assets	4,962	29,663	11,516	3,250	-	-	-	-	25	1,374
Transfers in (out)	20,249	(7,013)	(4,381)	(20,642)	(1,438)	(4,826)	10,016	(75,231)	(66,423)	(15,392)
Total governmental activities	\$ 435,981	\$ 420,773	\$ 362,365	\$ 308,823	\$ 300,991	\$ 325,765	\$ 333,651	\$ 288,782	\$ 315,066	\$ 333,604
Business-type activities:										
Investment earnings (loss)	4,165	13,227	5,925	9,898	(3,100)	17,390	8,834	31,206	41,797	556
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)	-	-	-	-	-	-	-
Special item - TDT Bond refunding	193,727	-	-	-	-	-	-	-	-	-
Transfers in (out)	(20,249)	7,013	4,381	20,642	1,438	4,826	(10,016)	75,231	66,423	15,392
Total business-type activities	\$ 177,643	\$ 20,240	\$ (33,696)	\$ 63,751	\$ (1,662)	\$ 22,216	\$ (1,182)	\$ 72,189	\$ 108,220	\$ 15,948
Total primary government	\$ 613,624	\$ 441,013	\$ 328,669	\$ 372,574	\$ 299,329	\$ 347,981	\$ 332,469	\$ 360,971	\$ 423,286	\$ 349,552
Change in Net Position										
Governmental activities	81,253	61,152	38,834	(16,392)	(295)	1,150	12,859	(29,121)	(6,310)	10,605
Business-type activities	301,710	59,656	(13,593)	123,865	7,468	21,879	3,496	122,314	137,908	52,862
Total primary government	\$ 382,963	\$ 120,808	\$ 25,241	\$ 107,473	\$ 7,173	\$ 23,029	\$ 16,355	\$ 93,193	\$ 131,598	\$ 63,467

- (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>
Post-GASB 54										
General Fund										
Nonspendable	\$ 738	\$ 714	\$ 1,455	\$ 1,813	\$ 734	\$ 1,081	\$ 816	\$ 493		
Restricted	2,003	2,292	3,154	3,604	2,560	2,544	2,623	2,232		
Committed	1,989	1,969	1,874	1,805	2,948	3,158	2,185	638		
Assigned	21,715	22,388	12,568	10,112	38,746	40,872	29,733	9,249		
Unassigned	97,204	88,748	75,531	70,908	62,067	81,617	85,301	75,207		
Total general fund	<u>\$ 123,649</u>	<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	\$ 22	\$ 49	\$ 46	\$ 85	\$ 36	\$ 94	\$ 47	\$ 35		
Restricted	166,588	161,017	155,647	104,646	129,972	119,235	134,579	123,725		
Committed	74,578	70,618	62,762	47,056	43,158	34,085	30,878	49,292		
Assigned	2,687	3,334	10,555	8,750	7,688	14,707	14,950	41,703		
Unassigned	(19)	(1,134)	(313)	(2,809)	(538)	(31)	(316)	10,976		
Total all other governmental funds	<u>\$ 243,856</u>	<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)

	2017	2016	2015	2014 (1)	2013	2012	2011	2010	2009 (2)	2008
Revenues										
Taxes:										
Property	\$ 159,237	\$ 145,100	\$ 128,498	\$ 102,111	\$ 98,782	\$ 99,143	\$ 102,301	\$ 122,169	\$ 137,236	\$ 119,387
State Sales Tax	41,787	39,429	37,904	35,613	33,415	30,998	29,801	27,655	26,744	29,635
Local Option Fuel	9,257	8,901	8,471	8,219	-	-	-	-	-	-
Communication Services	13,498	13,709	14,222	14,560	-	-	-	-	-	-
Local Business Taxes (3)	9,948	9,742	8,435	8,101	57,130	42,634	42,362	42,632	41,190	39,805
Utilities services tax	31,298	31,525	30,341	30,115	28,744	42,434	44,574	46,840	45,380	45,015
Intergovernmental:										
OUC Contribution	59,061	55,719	53,211	48,622	47,000	47,161	47,976	45,596	45,900	45,952
Other Intergovernmental	82,707	77,331	67,267	77,724	97,011	82,470	95,550	102,612	88,833	81,792
Franchise Fees	31,532	31,852	31,077	30,033	-	-	-	-	-	-
Permits and Fees	29,985	29,801	26,123	23,312	52,197	38,712	32,421	23,246	37,266	43,388
Charges for Services	74,930	74,884	68,472	60,470	-	-	-	-	-	-
Fines and forfeitures	4,748	3,829	3,274	3,082	3,600	3,359	3,461	3,858	4,841	3,494
Investment earnings (loss)	4,600	14,448	3,933	8,389	(3,782)	18,639	11,012	23,516	30,879	8,544
Securities lending income	1,428	420	467	618	514	914	258	751	-	5,423
Special assessments	753	5,366	1,526	3,398	1,881	1,861	1,292	1,394	941	408
Other revenue	12,889	14,569	10,444	6,625	32,792	36,484	37,668	29,276	33,452	40,814
Total revenue	\$ 567,658	\$ 556,625	\$ 493,665	\$ 460,992	\$ 449,284	\$ 444,809	\$ 448,676	\$ 469,545	\$ 492,662	\$ 463,657
Expenditures										
General administration	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,622
Executive offices	23,314	22,195	20,761	20,202	20,199	19,052	18,904	18,867	20,953	17,237
Housing and community development	8,589	9,464	7,839	7,266	12,966	9,934	11,403	15,413	10,337	10,000
Economic development	24,533	28,060	24,178	21,737	28,091	19,344	19,647	18,509	38,280	36,883
Public works	10,272	21,239	22,009	26,927	25,584	24,801	26,584	16,212	13,937	10,825
Transportation	16,303	-	-	-	-	-	-	17,339	12,451	11,888
Families, parks, and recreation	35,848	34,008	31,983	30,892	32,941	30,623	31,940	31,411	33,426	32,906
Police	159,555	148,850	140,897	134,096	128,524	122,811	124,121	124,022	124,096	120,603
Fire	112,893	112,084	108,035	110,066	107,327	90,484	89,941	81,270	77,506	74,179
Business and Financial Services	29,563	28,076	27,297	26,318	24,048	26,539	27,362	27,145	28,421	5,851
Orlando Venues	3,626	3,311	3,327	3,105	506	526	541	707	918	399
Other expenditures	22,035	15,844	16,918	14,707	12,509	13,690	15,459	18,247	17,758	15,603
Community Redevelopment Agency	17,921	18,073	13,420	11,812	12,618	10,980	9,903	12,756	14,253	10,419
Intergovernmental	3,873	3,873	3,873	3,815	3,482	3,482	3,482	3,744	4,255	4,525
Capital improvements	57,637	68,233	42,857	29,613	39,038	39,265	57,291	38,192	67,678	62,481
Securities lending	1,032	356	234	245	198	166	118	133	810	4,431
Debt Service:										
Principal	24,111	33,029	23,453	22,985	22,127	17,811	21,537	18,280	19,180	24,948
Interest	19,097	15,911	18,332	18,887	19,287	25,550	20,000	17,458	16,548	12,643
Total expenditures	\$ 570,202	\$ 562,606	\$ 505,413	\$ 482,673	\$ 489,445	\$ 455,058	\$ 478,233	\$ 459,705	\$ 500,807	\$ 481,443

- (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)

	2017	2016	2015	2014	2013	2012	2011	2010	2009 (1)	2008
Excess of revenues over (under) expenditures	\$ (2,544)	\$ (5,981)	\$ (11,748)	\$ (21,681)	\$ (40,161)	\$ (10,249)	\$ (29,557)	\$ 9,840	\$ (8,145)	\$ (17,786)
Other Financing Sources (Uses)										
Transfers in	88,531	49,170	78,217	71,581	83,803	80,509	103,875	96,750	110,528	101,971
Transfers out	(70,877)	(57,257)	(79,851)	(94,761)	(84,234)	(84,905)	(107,811)	(170,367)	(176,496)	(117,475)
Sale of capital assets	2,400	6,541	18,468 (2)	3,250	-	-	-	-	25	2,985
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
Issuance of debt	-	34,244	72,223	211	30,600	54,398	20,738	81,175	75,255	55,185
Total other financing sources (uses)	<u>\$ 20,054</u>	<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>
Net change in fund balances	<u>\$ 17,510</u>	<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>
Debt service as a percentage of non-capital expenditures	<u>8.29%</u>	<u>9.45%</u>	<u>8.81%</u>	<u>9.25%</u>	<u>9.37%</u>	<u>10.26%</u>	<u>9.56%</u>	<u>8.23%</u>	<u>8.09%</u>	<u>8.69%</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
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
2017	31,814,407,730	4,840,181,749	1,668,400	11,824,236,912	24,832,020,967	6.6500	46,230,713,829	79.290

(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)	
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	1.0000	0.3748	0.3023	20.9798
2017	6.6500	4.4347	7.8110 (1)	1.0000	0.3748	0.2885	20.5590

Source: Orange County Property Appraiser

- Note:** (1) All millage rates are for operating purposes, except for the Orange County School Board. The 7.8110 millage rate consists of 6.3110 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 (0.3307 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	2017			2008		
		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	\$ 2,040,411,727	1	8.22%	\$ 1,149,825,896	1	4.60%
Universal Studios Florida	Entertainment	270,539,841	2	1.09%			
HIW-KC Orlando LLC	Developer	192,125,905	3	0.77%	179,660,221	2	0.72%
Piedmont 200 And 250 S. Orange Ave LLC	Developer	146,237,625	4	0.59%			
Piedmont-CNL Towers Orlando Owner LLC	Developer	140,493,017	5	0.57%			
Forbes Taubman Orlando LLC	Developer	136,184,761	6	0.55%	126,458,078	3	0.51%
Publix Supermarkets Inc.	Commercial	135,371,242	7	0.55%			
PBP Apartments LLC	Developer	125,460,461	8	0.50%			
Baldwin Harbor Apartments LP	Developer	98,867,038	9	0.40%			
Orlando Outlet Owner LLC	Commercial	97,026,608	10	0.39%			
ZML-Sun Center LLP	Developer				125,344,343	4	0.50%
MMM Lakewood LTD	Developer				89,145,537	5	0.36%
ACP/UTAH Orange Ave. LLC	Developer				78,068,373	6	0.31%
B T Orlando LP	Commercial				74,235,264	7	0.30%
OCC Ownwe LLC	Commercial				60,763,220	8	0.24%
Beach Hill Dev. Bristol LLC	Developer				59,623,534	9	0.24%
DRA CRT Orlando Central FL LLC	Developer				57,562,052	10	0.23%
Other Taxpayers		21,449,302,742		86.37%	22,988,329,869		91.99%
Total		<u>\$ 24,832,020,967</u>		<u>100.00%</u>	<u>\$ 24,989,016,387</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
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%	199,957	149,889,650	98.23%
2017	165,614,526	164,133,929	99.10%	-	164,133,929	99.10%

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	Governmental Financing Commission Loans	Capital Leases	State Infrastructure Bank	Water Reclamation State Revolving Fund	Water Reclamation Revenue Bonds	Parking Revenue Bonds	SSGFC Orlando Venues Loan	Senior Tourist Dev. Tax Bonds	State Sales Tax Revenue Bonds	Capital Improvement Bonds	Capital Leases			
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	7,958,165	11,001,786	52,056,400	36,170,000	-	90,000,000	296,540,000	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	11.37%	4,569
2017	133,605,000	39,955,308	-	239,468,000	12,957,000	2,276,251	6,513,888	53,626,624	32,240,000	-	90,000,000	250,060,000	27,225,000	48,095,000	-	936,022,071	N/A	3,345

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				
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	
2017	239,468,000	48,095,000	12,957,000	90,000,000	390,520,000	0.84	1,396	

Source: City of Orlando Office of Business and Financial Services

**CITY OF ORLANDO, FLORIDA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
SEPTEMBER 30, 2017**

<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)	\$ 1,150,759,000	20.51%	\$ 236,020,671
City Direct Debt (Governmental Activities)			<u>434,775,447</u>
Total Direct and Overlapping Debt			<u>\$ 670,796,118</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, 2017.

**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	
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
2017	26,411,970	3,072,873	3,040,000	9,275,708	12,315,708	2.39

- (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	
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
2017	13,678,736	2,773,019	1,040,989	3,814,008	3.59

(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 FIVE FISCAL YEARS (1)**

Fiscal Year	Tax Increment Revenue (2)	Debt Service Requirements			Coverage
		Principal	Interest	Total	
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
2017	5,191,726	1,180,000	713,775	1,893,775	2.74

(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 WATER RECLAMATION SYSTEM DEBT COVERAGE
LAST TEN FISCAL YEARS**

Fiscal Year	Net Water Reclamation Revenue Available	Utilities Services Tax	Available Impact Fees (1)	Revenue Available for Debt Service	Net Debt Service Requirements (2)			Coverage
					Principal	Interest	Total	
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
2017	36,637,993	31,297,812	-	67,935,805	4,966,893	2,894,306	7,861,199	8.64

Total Impact Fee Revenues

Fiscal Year	Impact Fees	New Customer Capacity Charge	Interest Income	Total Impact Fee Revenues	Available for Senior Debt (1)
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	-
2017	5,950,093	-	514,718	6,464,811	-

- (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 Water Reclamation Bonds, impact fees are no longer part of Pledged Revenues.
- (2) Includes the Water Reclamation revenue bonds and State revolving fund loans.
- (3) Beginning with the issuance of the Series 2013 Water Reclamation 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 Water Reclamation Bonds, New Customer Capacity Charges are included under Net Water Reclamation 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	
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 (3)	244,082,101	7,130,000	13,607,786	20,737,786	8.50%
2014	224,947,235	30,202,184 (3)	255,149,419	14,055,000	13,162,936	27,217,936	10.67%
2015	237,461,737	30,387,012 (3)	267,848,749	15,186,000	19,663,589	34,849,589	13.01%
2016	253,342,455	31,524,912 (3)	284,867,367	22,976,000	14,869,977	37,845,977	13.29%
2017	271,121,611	31,297,812 (3)	302,419,423	21,911,000	13,517,751	35,428,751	11.72%

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) Beginning with the issuance of the Series 2013 Water Reclamation 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	
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
2017	23,783,766	5,060,000	15,146,026	20,206,026	1.18

(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
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	
2009	\$ 2,000,004	\$ 525,000	\$ 1,466,670	\$ 1,991,670	1.00
2010	2,000,004	545,000	1,441,566	1,994,083	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
2017	2,000,004	865,000	963,159	1,828,159	1.09

(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. On September 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.

(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
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	10,916,006	40,169	4.4%
2017	279,789	2,437,975	N/A	N/A	3.2%

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 2017
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 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	2017 (1)			2008 (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	5.80%	62,000	1	5.85%
Orange County Public Schools	Government	23,929	2	1.88%	22,176	2	2.09%
Universal Orlando Resort	Leisure & Hospitality	21,000	3	1.65%			
Florida Hospital (Adventist Health)	Healthcare	20,413	4	1.60%	16,002	3	1.51%
Publix Supermarkets Inc.	Service (Grocery)	19,783	5	1.55%	15,606	4	1.47%
Orlando International Airport (MCO)	Transportation	18,000	6	1.41%			
Orlando Health	Healthcare	16,828	7	1.32%			
University of Central Florida	Education	11,833	8	0.93%	7,341	9	0.69%
Orange County Government	Government	10,532	9	0.83%	8,374	7	0.79%
Seminole County Public Schools	Government	7,596	10	0.60%	7,972	8	0.75%
Universal Studios Florida	Entertainment				13,000	5	1.23%
Orlando Regional Healthcare	Healthcare				10,000	6	0.94%
Lockheed Martin Corporation	Manufacturing				7,200	10	0.68%
Other Employers	Various	1,051,989		82.43%	890,211		84.00%
Total		<u>1,275,903</u>		<u>100.00%</u>	<u>1,059,882</u>		<u>100.00%</u>

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									
Function/Program	<u>2017</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>
General Administration (1)	-	-	-	-	-	-	-	-	-	210
Executive Offices (1)	157	152	150	144	144	143	143	144	150	122
Housing	19	20	20	20	20	20	20	20	19	20
Economic Development (6)	191	174	164	159	149	149	149	162	186	195
Public Works (6)	23	170	160	153	152	153	151	184	222	225
Transportation (6)	168	-	-	-	-	-	-	-	-	-
Families, Parks and Recreation	220	216	204	198	198	198	196	251	272	273
Police	1,009	996	995	978	976	976	976	997	1,089	1,065
Fire	596	592	592	592	567	567	565	561	588	587
Office of Business & Financial Services (1) (2)	221	212	211	191	191	191	186	206	234	62
Community Redevelopment	26	19	17	17	17	17	17	17	16	16
Water Reclamation	240	239	217	217	217	218	218	221	229	229
Orlando Venues (3)	89	88	95	88	85	85	85	83	86	86
Parking	91	91	91	91	91	91	98	96	105	101
Stormwater Utility	84	69	69	68	69	69	69	56	55	55
Solid Waste	100	98	98	97	100	100	100	105	103	118
Fleet Management	49	47	44	36	36	36	36	39	45	45
Civic Facilities Authority	-	-	-	7	7	7	7	7	8	9
Downtown Development Board	3	3	3	3	3	3	3	4	5	5
Total	<u>3,286</u>	<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>

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.
- (6) In FY 2017, the City re-established the Transportation Department. The Parking and Transportation Engineering Divisions from Public Works Department and the Transportation Planning Division from Economic Development Department constitute the three operating divisions of the new Transportation Department.

**CITY OF ORLANDO, FLORIDA
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

<u>Function/Program</u>	<u>Fiscal Year</u>									
	<u>2017</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>
Police										
Arrests	17,065	12,382	15,944	20,389	17,448	17,504	16,923	18,908	23,510	29,783
Cases submitted to the State Attorney	10,862	12,183	12,448	12,964	13,152	13,133	13,758	14,439	15,012	14,727
Traffic citations issued	19,875	24,417	32,610	35,584	32,045	26,467	31,823	37,835	46,145	54,110
Emergency 911 calls received	330,182	341,625	341,897	340,351	284,008	292,394	264,460	251,745	261,530	277,061
Cases Investigated	3,841	4,773	4,781	4,400	4,085	4,501	5,172	5,552	5,949	5,557
Fire										
Emergency responses	53,994	54,822	51,113	49,210	49,317	47,350	45,767	44,646	44,420	49,984
Fires reported	1,071	969	926	959	902	909	909	995	1,030	1,061
Streets and Drainage										
Potholes repaired	2,713	4,196	6,816	6,854	3,131	2,388	2,524	3,176	5,014	3,530
Curb miles swept	56,381	65,518	37,020	52,439	58,782	53,440	51,780	48,738	60,431	63,407
Water Reclamation										
Number of customers	82,089	76,300	75,730	75,148	73,000	73,521	72,951	71,727	72,079	72,892
Gallons of wastewater treated (millions of gallons)	15,039	14,312	15,155	14,475	14,852	13,500	14,209	13,633	14,717	13,551
Orlando Venues										
Number of events	307	404	522	631	879	746	815	851	797	861
Attendance	1,989,674	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
Parking										
Parking violations written	75,847	84,744	87,582	88,232	87,946	97,039	90,948	91,092	85,943	69,998
Number of parking system garage spaces	6,071 (1)	4,195	4,195	4,198	4,791	4,753	4,791	4,791	4,786	4,406
Solid Waste										
Number of customers	66,006	64,858	64,387	63,160	61,710	59,819	59,363	58,556	58,088	58,637
Refuse collected (in tons)	163,270	182,154	165,129	154,230	154,688	163,356	132,909	150,855	155,007	147,794
Recyclables collected (in tons)	8,387	8,558	7,556	8,087	5,890	4,223	4,736	4,889	4,576	3,182
Stormwater Utility										
Volume of trash and debris collected from stormlines (in cubic yards)	4,850 (2)	1,592	1,625	1,054	2,505	2,265	1,223	1,741	1,451	1,560

Source: Various City Departments

(1) The increase from FY 2016 is due to the Parking System taking over operations of the Geico garage (formerly operated by Orlando Venues).

(2) The increase from FY 2016 is due to 1) debris collected for Hurricane Irma, 2) increase in inlet cleaning cycles, and

3) additional collection crews.

**CITY OF ORLANDO, FLORIDA
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

<u>Function/Program</u>	Fiscal Year									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Special teams' offices and substations	17	17	18	18	18	18	18	18	17	17
Vehicular patrol units										
Patrol cars	602	515	549	549	563	558	498	479	495	495
Motorcycles	35	36	36	36	36	35	35	35	35	35
Unmarked	207	209	214	227	210	223	86	125	109	109
Horse patrol	8	8	8	8	6	6	8	8	8	8
Bicycle patrol	88	95	96	51	63	63	78	78	78	78
Fire stations	17	17	17	17	17	17	17	17	18	17
Parks and recreation										
Parks	111	104	111	109	112	115	114	114	113	110
Neighborhood recreation & senior centers	30	21	19	18	22	22	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	7	6	7	7	7	7	7	7	7	6
Golf courses	2	1	1	1	1	1	1	1	1	1
Playgrounds	52	52	52	51	52	51	51	49	47	47
Tennis courts	33	26	34	35	35	37	43	43	43	36
Volleyball courts (sand)	11	7	10	10	10	10	10	10	10	10
Racquetball courts	6	6	6	4	6	6	6	6	6	6
Basketball courts (1)	44	34	44	44	46	46	55	55	55	54
Baseball/softball and soccer/rugby fields	52	27	52	51	52	53	63	56	66	76
Other public works										
Paved streets (miles)	674	723	664	653	649	637	637	630	630	627
Unpaved streets (miles)	-	-	-	-	-	-	-	-	-	-
Brick streets (miles)	55	55	55	55	55	55	55	55	55	55
Sidewalks (miles)	915	900	982	882	968	950	941	818	818	598
Bikepaths (miles)	42	36	322	318	280	280	280	273	259	234
Water Reclamation										
Sanitary sewers (miles) (2)	905	826	1,086	1,010	980	975	975	961	843	800
Treatment capacity (millions of gallons per day)	69	69	69	69	69	69	73	73	73	73
Parking										
Number of garages	10	9	9	10	10	10	10	10	10	9
Number of Parking Spaces	8,527	8,548	9,153	10,373	10,369	10,331	10,373	13,169	11,341	10,227

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

CELEBRATING
2008 **ORLANDO** Main Streets 2018
A local thing
10 YEARS



SINGLE AUDIT SECTION

City of Orlando, Florida
Schedule of Expenditures of Federal Awards and State Financial Assistance
For the Year Ended September 30, 2017

FEDERAL AWARDS

Grantor/Pass-Through Grantor/Program or Cluster Title	CFDA Number	Identification Number	Federal Expenditures
U.S. Department of Agriculture:			
Farmers Market Promotion Program			
(Amount passed through to subrecipients \$7,979)			
FY 16/17 Farmers Market Promotion Program	10.168	16FMPPFL0032	\$ 13,399
Child and Adult Care Food Program			
Passed through Florida Department of Health			
FY 15/16 Afterschool Nutrition Program	10.558	12-3539-0-1-605	92,476
FY 16/17 Afterschool Nutrition Program	10.558	12-3539-0-1-605	378,192
FY 17/18 Afterschool Nutrition Program	10.558	12-3539-0-1-605	23,055
			493,723
Cooperative Forestry Assistance			
Passed through Florida Department of Agriculture and Consumer Services			
Urban and Community Forestry Grant	10.664	15-DG-11083112-001	20,000.00
Total Department of Agriculture			527,122
U.S. Department of Housing and Urban Development:			
Community Development Block Grants/Entitlement Grants			
(Amount passed through to subrecipients \$1,201,264)			
FY 14/15 Community Development Block Grant	14.218	B-14-MC-12-0015	165,483
FY 15/16 Community Development Block Grant	14.218	B-15-MC-12-0015	251,201
FY 16/17 Community Development Block Grant	14.218	B-16-MC-12-0015	1,145,038
Neighborhood Stabilization Program - NSP 3	14.218	B-11-MN-12-0020	50,404
			1,612,126
Emergency Solutions Grant Program			
(Amount passed through to subrecipients \$150,774)			
FY 16/17 Emergency Solutions Grant	14.231	E16-MC-12-0015	163,229
HOME Investment Partnerships Program			
FY 13/14 HOME Investment Partnerships Program	14.239	M-13-MC-12-0214	265,286
FY 14/15 HOME Investment Partnerships Program	14.239	M-14-MC-12-0214	709,217
FY 15/16 HOME Investment Partnerships Program	14.239	M-15-MC-12-0214	4,886
FY 16/17 HOME Investment Partnerships Program	14.239	M-16-MC-12-0214	142,086
			1,121,475

City of Orlando, Florida
Schedule of Expenditures of Federal Awards and State Financial Assistance
For the Year Ended September 30, 2017

FEDERAL AWARDS

Grantor/Pass-Through Grantor/Program or Cluster Title	CFDA Number	Identification Number	Federal Expenditures
Housing Opportunities for Persons with AIDS			
(Amount passed through to subrecipients \$3,142,668)			
FY 09/10 Housing Opportunities for Persons with AIDS	14.241	FLH09F002	\$ 447,602
FY 10/11 Housing Opportunities for Persons with AIDS	14.241	FLH10F002	325,323
FY 11/12 Housing Opportunities for Persons with AIDS	14.241	FLH11F002	174,366
FY 12/13 Housing Opportunities for Persons with AIDS	14.241	FLH12F002	143,066
FY 13/14 Housing Opportunities for Persons with AIDS	14.241	FLH13F002	232,088
FY 14/15 Housing Opportunities for Persons with AIDS	14.241	FLH14F002	44,292
FY 15/16 Housing Opportunities for Persons with AIDS	14.241	FLH15F002	530,313
FY 16/17 Housing Opportunities for Persons with AIDS	14.241	FLH16F002	<u>1,356,674</u>
			3,253,724
Fair Housing Assistance Program - State and Local			
FY 14/15 Fair Housing Assistance Program	14.401	FF204K150041	12,128
FY 15/16 Fair Housing Assistance Program	14.401	FF204K164001	<u>6,468</u>
			18,596
Total Department of Housing and Urban Development			<u>6,169,150</u>
U.S. Department of Justice:			
Antiterrorism Emergency Reserve			
Antiterrorism and Emergency Assistance Program Grant	16.321	2017-RF-GX-0003	697,830
National Institute of Justice Research, Evaluation and Development Project Grants			
Solving Cold Cases With DNA	16.560	2014-DN-BX-K078	22,426
Violence Against Women Formula Grants			
Passed through Florida Coalition Against Domestic Violence			
Intimate Violence Enhanced Services Team (InVEST)	16.588	17-8001-LE-INV	68,359
Bulletproof Vest Partnership Program			
Bulletproof Vest Partnership Program	16.607	FY 16/17	602
Edward Byrne Memorial Justice Assistance Grant Program (JAG)			
Body Worn Camera Program	16.738	2015-DE-BX-K033	470,806
Orlando Police Department JAG-Radios	16.738	2016-DJ-BX-0014	184,662
Passed through Florida Department of Law Enforcement			
Active Shooter First Responder Kits	16.738	2017-JAGC-ORAN-13-F9-081	<u>61,244</u>
			716,712
Paul Coverdell Forensic Sciences Improvement Grant Program			
Orlando Police Department Forensic Laboratory Equipment Upgrade	16.742	2015-CD-BX-0033	22,010

(continued)

City of Orlando, Florida
Schedule of Expenditures of Federal Awards and State Financial Assistance
For the Year Ended September 30, 2017

FEDERAL AWARDS

Grantor/Pass-Through Grantor/Program or Cluster Title	CFDA Number	Identification Number	Federal Expenditures
Equitable Sharing Program	16.922	FL0480400	\$ 310,644
Total U.S. Department of Justice			1,838,583
U.S. Department of Transportation:			
Highway Planning and Construction			
Passed through Florida Department of Transportation			
Church Street Improvements, East Phase	20.205	419774-1-58-01 (AQ060)	46,410
Citywide Sidewalks, Phase II	20.205	428046-1-58-90 (ARE16)	957,544
SR 50 Pedestrian Overpass (Construction)	20.205	434915-1-58/68-01 (G0490)	3,055,516
Passed through University of South Florida Board of Trustees			
High Visibility Enforcement for Pedestrian and Bicycle Safety	20.205	433144-1 (G0E08)	29,502
			4,088,972
Railroad Research and Development			
Highway-Rail Grade Crossing Photographic Education Program	20.313	FR-RRD-0071-16-01-00	1,539
National Priority Safety Programs			
Passed through Florida Department of Transportation			
DUI Enforcement Team	20.616	M5HVE-16-06-02 (G0452)	100,000
DUI Enforcement Team	20.616	M5HVE-17-06-09 (G0F39)	100,000
Drug Recognition Expert Call-Out Overtime Reimbursement	20.616	M5X 17-06-02 (G0F77)	159
			200,159
Total U.S. Department of Transportation			4,290,670
U.S. Department of Treasury:			
Equitable Sharing Program			
Equitable Sharing Program	21.000	FL0480400	580,071
Total U.S. Department of Treasury			580,071
U.S. Environmental Protection Agency:			
Capitalization Grants for Clean Water State Revolving Funds			
Passed through Florida Department of Environmental Protection			
Lift Station No. 5 Replacement	66.458	WW480460	6,094,974
Brownfield's Assessment and Cleanup Cooperative			
FY 13/14 Brownfields Clean Up	66.818	BF-00D10313-0	20,768
Total U.S. Environmental Protection Agency			6,115,742

(continued)

City of Orlando, Florida
Schedule of Expenditures of Federal Awards and State Financial Assistance
For the Year Ended September 30, 2017

FEDERAL AWARDS

Grantor/Pass-Through Grantor/Program or Cluster Title	CFDA Number	Identification Number	Federal Expenditures
U.S. Department of Education:			
Twenty-First Century Community Learning Centers Passed through Florida Department of Education	84.287	799-2446B-6PCCI	\$ 478,805
Total Florida Department of Education			478,805
Corporation for National and Community Service:			
AmeriCorps State and National Passed through Florida Commission on Community Services FY 16/17 O-Pass Governor and City Volunteer Florida AmeriCorps Project	94.006	15ACHFL0020005	348,100
FY 17/18 O-Pass Governor and City Volunteer Florida AmeriCorps Project	94.006	15ACHFL0020005	52,826
FY 16/17 Operation AmeriCorps	94.006	15ACHFL0010001	464,487
FY 17/18 Operation AmeriCorps	94.006	15ACHFL0020007	55,731
Total Corporation for National and Community Service			921,144
Executive Office of the President:			
High Intensity Drug Trafficking Areas Program (HIDTA) FY 15/16 High Intensity Drug Trafficking Areas Program (HIDTA)	95.001	G16CF0012A	17,950
FY 16/17 High Intensity Drug Trafficking Areas Program (HIDTA)	95.001	G17CF0012A	57,721
Total Executive Office of the President			75,671
U.S. Department of Homeland Security:			
Emergency Management Performance Grants Passed through Volunteer Florida Emergency Management Performance Grants - CERT	97.042	FY 16/17	9,800
Assistance to Firefighters Grant (AFG)	97.044	EMW-2015-FO-05085	143,782
Homeland Security Grant Program Passed through Florida Division of Emergency Management FY 15/16 State Homeland Security Grant Program	97.067	16-DS-T9-06-58-01-333	20,101
FY 16/17 State Homeland Security Grant Program	97.067	17-DS-V4-06-58-02-255	37,996
Total U.S. Department of Homeland Security			211,679
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$21,208,637

City of Orlando, Florida
Schedule of Expenditures of Federal Awards and State Financial Assistance
For the Year Ended September 30, 2017

STATE FINANCIAL ASSISTANCE

Grantor/Pass-Through Grantor/Program or Cluster Title	CSFA Number	Identification Number	State Expenditures
Florida Department of State, Division of Cultural Affairs:			
General Program Support Grant			
FY 16/17 Harry P. Leu Gardens	45.061	17.6.170.051	\$ 81,857
Total Florida Department of State, Division of Cultural Affairs			81,857
Florida Housing Finance Corporation:			
State Housing Initiatives Partnership (SHIP) Program			
FY 14/15 State Housing Initiatives Partnership (SHIP) Program	52.901	FY 14/15	245,992
FY 15/16 State Housing Initiatives Partnership (SHIP) Program	52.901	FY 15/16	848,239
FY 16/17 State Housing Initiatives Partnership (SHIP) Program	52.901	FY 16/17	392,428
Total Florida Housing Finance Corporation			1,486,659
Florida Department of Transportation:			
Economic Development Transportation Fund	55.032	ARE17 (435555-1-58-01)	91,025
Economic Development Transportation Fund	55.032	ARU66 (437135-1-58-01)	149,022
Total Florida Department of Transportation			240,047
Florida Department of Law Enforcement:			
Assistance with Investigative Operations			
FY 16/17 Electronic Surveillance Support Team Task Force	71.010	EST32	70,826
FY 17/18 Electronic Surveillance Support Team Task Force	71.010	E1518	1,157
Total Florida Department of Law Enforcement			71,983
Florida Department of Revenue:			
Facilities for New Professional Sports, Retained Professional Sports, or Retained Spring Training Franchise			
Passed through Florida Office Tourism, Trade, and Economic Development			
Retained Orlando Magic	73.016	FY 14/15	2,000,004
Total Florida Department of Revenue			2,000,004
TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE			\$ 3,880,550

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, 2017

1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the Federal award activity of the City of Orlando, Florida (the City) under programs of the Federal government for the fiscal year ended September 30, 2017. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, or cashflows of the City.

2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

3. Indirect Cost Rate

The City has not elected to use the 10 percent de minimis cost rate allowed under the Uniform Guidance.

4. Payments to Subrecipients

Amounts remitted to subrecipients are shown parenthetically under the program title.

5. Contingency

The grant revenue amounts received are subject to audit and adjustment. If any expenditures are disallowed by a grantor agency as a 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 state laws and regulations.



**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, 2017. 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, the Uniform Guidance, and Chapter 10.550, *Rules of the Auditor General*, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program or 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, 2017.

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 in the first paragraph of this section. 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, 2017, 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 23, 2018, 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, flowing style.

MOORE STEPHENS LOVELACE, P.A.
Certified Public Accountants

Orlando, Florida
March 23, 2018

CITY OF ORLANDO, FLORIDA
Schedule of Findings and Questioned Costs
For The Year Ended September 30, 2017

Section I - Summary of Independent Auditor's Results

Financial Statements

Type of Auditor's Report Issued:

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

Type of report issued on compliance for major federal programs and major state projects:

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, *Rules of the Auditor General*?

___ Yes X No

Identification of Major Federal Programs and Major State Projects:

CFDA Numbers

Name of Federal Programs

14.239	Home Investment Partnership
14.241	Housing Opportunities for Person with AIDS
16.738	Edward Byrne Memorial Justice Assistance Grant Program (JAG)
66.458	Capitalization Grants for Clean Water State Revolving Funds

CSFA Number

Name of State Projects

73.016	Facilities for New Professional Sports, Retained Professional Sports, or Retained Spring Training Franchise
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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

CITY OF ORLANDO, FLORIDA
Schedule of Findings and Questioned Costs (*Continued*)
For The Year Ended September 30, 2017

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.



**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, 2017, 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 23, 2018. 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, 2017.

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 23, 2018.

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.

A handwritten signature in blue ink that reads "Moore Stephens Lovelace, P.A.".

MOORE STEPHENS LOVELACE, P.A.
Certified Public Accountants

Orlando, Florida
March 23, 2018

