

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



Ivey Lane park



FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018

COMPREHENSIVE ANNUAL FINANCIAL REPORT

City of Orlando, Florida
For the Fiscal Year Ended September 30, 2018



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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Bill Frederick Park
at Turkey Lake

**CITY OF ORLANDO, FLORIDA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
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March 26, 2019

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, 2018. The report fulfills the requirements set forth by State law, in accordance with Section 218.39, Florida Statutes, 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, 2018, 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, 2018 are fairly stated in conformity with GAAP. The independent auditor's report is located at the front of the financial section of this report.

The independent audit of the City's financial statements 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 historical audited financial statements, fiscal prior years operating budgets, as well as the City's various Pension Reports, may be accessed via the City's website at www.orlando.gov.

CITY PROFILE

The City of Orlando is a Florida municipal corporation, which was founded in 1875, and has an estimated population of 285,100 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 2.51 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 58.

Budgetary Cycle and 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, which 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 submits 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 CONDITIONS

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. According to 2017 Census estimates, the Orlando MSA grew by 56,498 people, the largest increase in Florida (Census Release CB18-50, 3/22/18). 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 2018), and a major Sunbelt competitor for the location or relocation of home offices, regional distribution centers, and high-tech industries.

The growth in population has paralleled a rise in the labor force, a growth in jobs, and a decrease in the unemployment rate. The labor force in Orange County grew by 4.7% between November 2017 and November 2018, adding over 38,000 jobs, while the unemployment rate over the same period declined from 3.4% to 2.6% (Florida Department of Economic Opportunity, Local Area Unemployment Statistics, January 2019).

One of the results of this growth has been a tight housing market, with a 3.3 month existing home inventory as of December 2018 and a 96.6% apartment occupancy rate (Orlando Business Journal, 2/28/19). As reported in the *Orlando Business Journal*, applications for affordable housing have exploded, with over 8,000 applicants for 200 units at the new Pendana at West Lakes mixed-income development; metro Orlando is tied for second place in the country for the number of affordable units for renters in need. In response, the City has added investments in affordable housing.

The City's major challenges are to provide the infrastructure and services needed to maintain Orlando's quality of life amidst this growth, through investments in transportation, stormwater management, potable (drinking) water, wastewater treatment, solid waste collection, electric capacity and housing, while enhancing the quality of life for residents by adding parks, recreation, entertainment and arts opportunities which enrich our communities.

The schedule on the following page 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		
	2018	2017	2016	2014	2009	Last 3	Last 5	Last 10
Population (in thousands)								
City of Orlando	285.1	279.8	271.8	255.6	233.1	2.8%	2.8%	2.2%
Orange County	1,349.6	1,313.9	1,280.4	1,228.0	1,108.9	2.6%	2.4%	2.1%
MSA	2,508.6	2,438.0	2,376.4	2,270.4	2,097.4	2.7%	2.5%	1.9%
Taxable Value (in billions)								
City of Orlando	\$ 30.9	\$ 24.8	\$ 22.7	\$ 18.7	\$ 25.4	18.2%	14.1%	2.3%
Orange County	\$ 131.0	\$ 109.2	\$ 100.3	\$ 84.1	\$ 107.6	15.1%	12.3%	2.2%
Dollar Value of Building Permits (in millions)								
City of Orlando (1)	\$ 2,002.7	\$ 1,836.5	\$ 1,787.5	\$ 1,352.7	\$ 655.8	7.2%	10.5%	15.9%
Building Permits - New Construction								
City of Orlando (1)	1,273	1,222	1,189	1,313	391	-0.2%	-1.3%	11.1%
MSA Employment (in thousands)								
Selected Segments:								
Manufacturing & Construction	128.5	118.4	117.0	95.3	101.4	9.7%	10.9%	1.2%
Wholesale & Retail	195.5	196.1	199.2	179.4	159.7	1.3%	3.0%	1.7%
Service	725.5	694.1	687.7	610.3	552.6	4.5%	4.5%	2.2%
Government	125.1	123.3	124.4	117.6	118.3	1.6%	1.5%	0.4%
Other	119.2	116.6	112.6	102.4	97.9	3.3%	3.7%	1.9%
Total	<u>1,293.8</u>	<u>1,248.5</u>	<u>1,240.9</u>	<u>1,105.0</u>	<u>1,029.9</u>	4.0%	4.3%	1.8%
Sales Tax Revenue (in millions)								
City of Orlando	\$ 46.1	\$ 41.8	\$ 39.4	\$ 35.6	\$ 26.7	7.2%	7.6%	5.6%
Tourist Development Tax (in millions)								
Orange County	\$ 276.8	\$ 254.9	\$ 239.5	\$ 201.4	\$ 142.2	7.5%	9.6%	6.5%
Orlando International Airport Activity (in millions)								
Passengers	46.9	43.6	41.6	35.2	33.6	8.0%	7.0%	2.8%
Lbs. of Airfreight	493.4	432.2	405.7	344.6	309.5	11.8%	8.6%	3.1%

(1) Values relating to building permits have been estimated in FY18

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

FY 2018 Budget Development

The budget was formulated with conservative assumptions of revenue and moderate expenditure growth. We continue to fully fund the actuarially determined contributions to all three pension plans and the OPEB plan, will not use any reserves to balance our budget, and maintain our commitments to employees with a wage increase.

The Mayor's Key Priorities serve as a road map toward achieving the City of Orlando's mission to, "Enhance the quality of life in the City by delivering public services in a knowledgeable, responsive and financially responsible manner."

The FY 2017/2018 budget focused on providing enhancements for the six priorities: (1) Create a City for Everyone, (2) Create High Quality Jobs, (3) End Homelessness, (4) Keep Our Community Safe, (5) Become One of the Most Sustainable Cities in America, and (6) Provide Mobility and Transportation Options.

Highlights of this year's budget included:

- Addition of 15 new police patrol officers.
- Creation of a Digital Services Team within our Information Technology Division to bring our Digital City Hall to citizens when and where they need it.
- Investment of \$3 million towards developing and connecting the downtown corridor.
- Upgrades to heating, ventilation, and air conditioning (HVAC) systems and installing light-emitting diode (LED) lighting in over 20 city buildings and locations.

Reserves 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 the 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 2018.

	<u>Range</u>	<u>9/30/18 Status</u>
General Fund	15-25%	25%
Business Units:		
Solid Waste Mgmt.	10-20%	44%
Stormwater	10-20%	57%
Parking System	10-20%	14%
Internal Service:		
Risk Management*	10-15%	45%

*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 & Programs

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

Downtown Construction

Dr. Phillips Center for the Performing Arts (DPC) Phase II - Groundbreaking was held on March 7, 2017 for Steinmetz Hall, a 1,700-seat 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. When completed in spring 2020, Steinmetz Hall is poised to be one of the most acoustically sophisticated theaters in the country.

Suntrust Plaza at Church Street Station – 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.

Camden Lake Eola – In early 2018, construction began on a \$88 million 13 story building containing 363 residential units with approximately 6,800 square feet of retail space located on the corners of E. Church Street and S. Osceola Avenue, and seven live work/retail flex space units along Church Street, South Eola Drive, and South Osceola Avenue. Construction is expected to be completed in the second half of 2019.

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.

Parramore Oaks – Groundbreaking was held on August 31, 2018 for a \$25 million affordable housing development with 211 new housing units in the Parramore area. There are two phases planned for the development: 178 apartment units in one three-story and two four-story buildings plus 33 two-story townhouse units. Construction is expected to be completed in the first half of 2020.

Creative Village

Creative Village is a mixed-use, transit-oriented, urban infill neighborhood that will be home to the University of Central Florida and Valencia College Downtown Campus. On May 24, 2010, City Council approved the selection of a developer for the redevelopment of the former Centroplex. Creative Village will have a strong focus on education and build on existing components including, the University of Central Florida Center for Emerging Media, the Florida Interactive Entertainment Academy, and Valencia College's School of Culinary Arts and Hospitality. Creative Village will be an approximately \$1 billion 68-acre redevelopment. UCF and Valencia College hosted a ceremonial groundbreaking on May 11, 2017 at the site of the downtown campus. When complete, the neighborhood development will include:

- 1,200,000 square feet of office/creative space
- 750,000 square feet of higher education space
- 1,500 residential units
- 1,500 student housing beds
- 150,000 square feet of retail/commercial space
- 225 hotel rooms

Unionwest – Unionwest is a \$105 million student housing project that will open August 2019 which includes a 15 story building with 600 student housing beds; a 600-space integrated parking garage; 105,000 square feet of education space leased to UCF and Valencia College; and 12,000 square feet of ground floor commercial space. The project will be the home to Valencia College's School of Culinary Arts and Hospitality.

Dr. Phillips Academic Commons – The \$60 million project includes a 148,000 square feet academic building that will be completed in August 2019 for the fall semester. It will also include a \$13.5 million 600-space parking garage and a \$14 million utility plant that will be completed in 2019.

Amelia Court – A \$56 million mixed-income apartment community is being developed and includes a 5-story 256-unit apartment community that is scheduled to open in the summer of 2019.

The Packing District

Building on the City's commitment to improve neighborhood infrastructure, the City of Orlando will leverage a donation made in December 2017 from the Dr. Phillips Charities to construct an enhanced Orlando Tennis Centre, and new trails for biking and walking. Additionally, the City will invest in roads and stormwater infrastructure to support these recreational enhancements and eventually a new mixed-use development, "The Packing District." The Packing District is a 202-acre redevelopment centered at the intersection of Princeton and Orange Blossom Trail, west of College park, will be comprised of 97 acres of land for residential and mixed-use and 105 acres dedicated to the regional park. There are also plans to develop a new YMCA community center, a food hall and a farm and agriculture center. The total estimated \$550 million project started construction in 2018 and will continue to mature over the next 10-15 years.

Lake Nona Construction

KPMG Training Center - On May 22, 2017, KPMG, which provides audit, tax and advisory services nationwide and internationally, broke ground on their \$450 million 55-acre state-of-the-art-learning, development and global training center in the Lake Nona area. It will feature 800 single-occupancy guest rooms, a 1,000-seat assembly hall, a separate social venue and numerous recreational amenities. KPMG's projected scheduled opening is in January 2020.

Amazon Lake Nona Fulfillment Center – Amazon opened its brand-new 2.4 million square foot warehouse during August 2018. The warehouse’s primary responsibility includes shipping small items such as books, household goods and toys. They will provide 1,500 full-time and part-time positions at the new Amazon Robotics fulfillment center.

Transportation

I-4 Ultimate Improvement Project - 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.

Colonial Drive Overpass - In 2017, the City began construction on the Colonial Drive Overpass (pedestrian bridge). The \$9.1 million 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 first half of 2019.

Shingle Creek Trail – The City is constructing an extension of the Shingle Creek Trail between Oak Ridge Road and Sand Lake Road which includes a 12–14 foot wide trail with three pedestrian bridges, two pedestrian overlooks, landscaping, fencing, pedestrian guide railing, drainage improvements, and striping. The anticipated project completion date is December 2019.

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, 2017.

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 40 consecutive years (fiscal years ended 1978-2017). 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 2017-2018 budget document. 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 compiled throughout the year. Credit must also be given to the Mayor, City Council, Department Directors, and Division Managers for their unflinching support for maintaining the highest standards of professionalism in the management of the City of Orlando and I thank them for their 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, 2017

Christopher P. Morrill

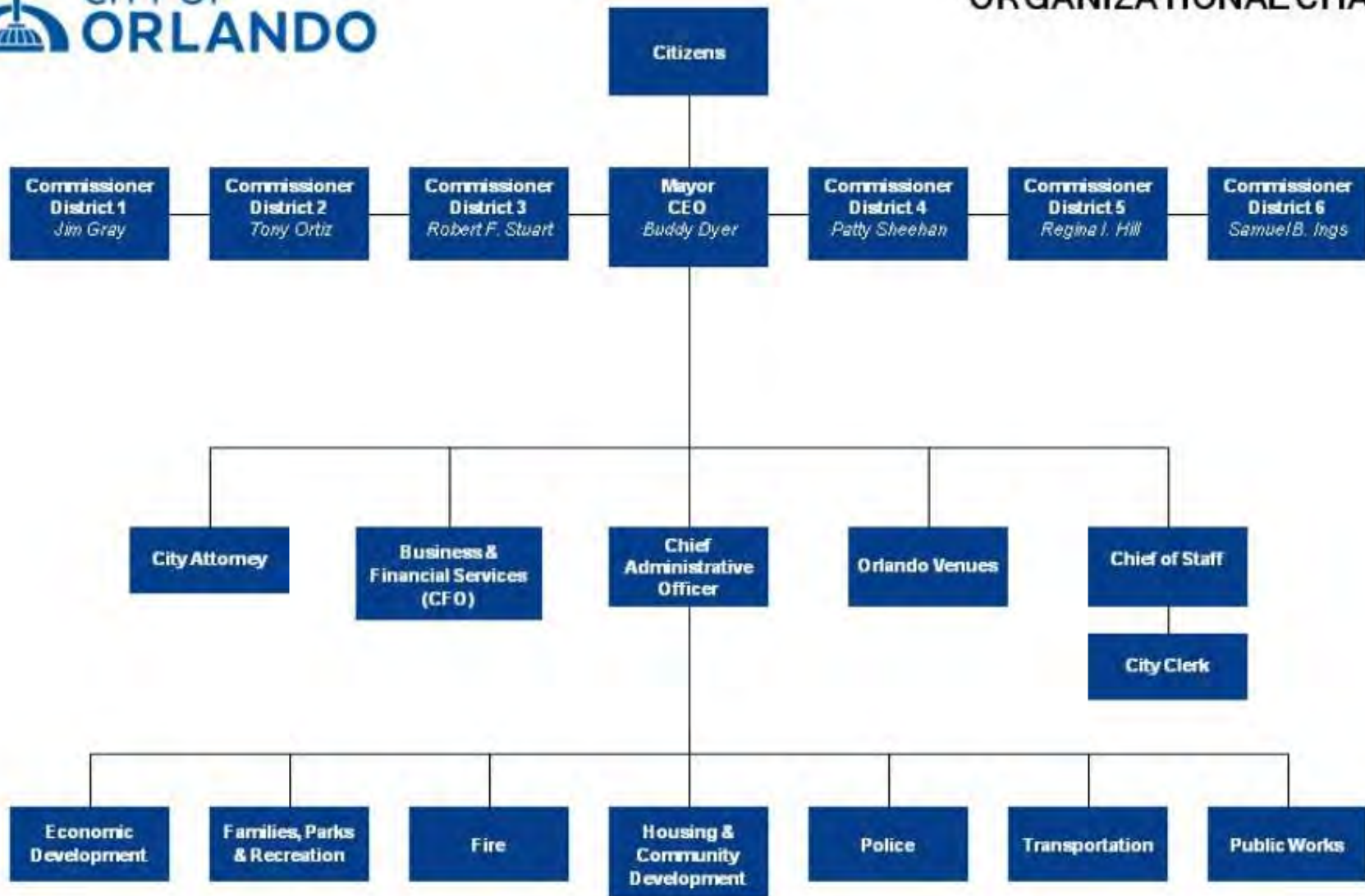
Executive Director/CEO



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ORGANIZATIONAL CHART





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**CITY OF ORLANDO, FLORIDA
CITY OFFICIALS**

As of September 30, 2018

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 & Recreation	LISA EARLY
Director of Housing & Community Development	OREN HENRY
Director of Transportation	BILLY HATTAWAY
Fire Chief	RODERICK WILLIAMS**
Police Chief	JOHN MINA***
Public Works Director	RICK HOWARD

*Deputy Chief Administrative Officer, Kevin Edmonds, began serving as the Interim Chief Administrative Officer in January 2019 after Byron Brooks' departure from the City.

**Deputy Chief, Rich Wales, began serving as the Interim Fire Chief in March 2019 after Roderick Williams' departure from the City.

***Orlando Rolon was named the new Chief for the Orlando Police Department in October 2018 after John Mina's departure from the City.



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Blue Jacket Park



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, 2018, 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, 2018, 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, 2018, 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, 2018, 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

Emphasis-of-Matter - Change in Accounting Principle

As discussed in Note 21 to the financial statements, in the fiscal year ended September 30, 2018, the City adopted the provisions of Government Accounting Standards Board Statement (“GASBS”) Number 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. As a result of the implementation of GASBS 75, the City reported a restatement for the change in accounting principle as of October 1, 2017. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management’s Discussion and Analysis and 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 22, 2019, 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 22, 2019



MANAGEMENT'S
DISCUSSION AND ANALYSIS

Lake Eola Park

CITY OF ORLANDO, FLORIDA
Management's Discussion and Analysis
September 30, 2018

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, 2018. 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 financial statements, which are included in this report.

Financial Highlights

- For FY 2018, the City's total net position decreased by \$229.0 million or 11.4%. The governmental activities net position decreased by \$202.7 million or 32.5% and the business-type activities net position decreased by \$26.3 million or 1.9%. The analysis of these changes in net position related to governmental and business-type activities is further discussed on pages 18-20 of this MD&A.
- The governmental activities revenue increased \$80.8 million or 14.7%. In FY 2018, the results of governmental activities produced an increase in net position of \$44.5 million, while in FY 2017 governmental activities net position increased by \$81.2 million. The analysis of these changes and current year impacts related to governmental activities is further discussed on pages 22-23 of this MD&A.
- The business-type activities revenue decreased by \$120.1 million or 31.4%. In FY 2018, the results of activities produced an increase in net position of \$10.7 million, while in FY 2017 net position increased by \$301.7 million. The analysis of these changes and current year impacts related to business-type activities is further discussed on pages 25-26 of this MD&A.
- The City's total expenses increased by \$93.4 million or 12.5%. The analysis of this change related to government-wide activities and changes in net position is further discussed on pages 24-25 of this MD&A.
- The General Fund, the primary operating fund, reflected on a current financial resource basis, reported an increase in fund balance of \$3.4 million, compared to an increase of \$7.5 million in FY 2017. The analysis of these changes related to the General Fund is further discussed in the fund financial statement analysis section on page 26 of this MD&A.

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.

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.

CITY OF ORLANDO, FLORIDA
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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.

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 funds 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, and in the Statement of Revenues, Expenses, and Changes in Net Position, 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 the purchases and maintenance 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 primarily 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.

CITY OF ORLANDO, FLORIDA
Management's Discussion and Analysis
September 30, 2018

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

Discretely Presented Component Unit and Agency Fund. The City has custodial responsibility and accounts for the flow of assets of the Downtown Development Board (DDB). The operations of the DDB are reported in the government-wide financial statements in a separate column. The agency fund financial statements immediately follow the fiduciary fund financial statements. The agency fund accounts for the City's collection of school impact fees on behalf of 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 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 City's blended component units, 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 the Statement of Net Position compared to the prior year.

Table 1
Statement of Net Position
(in millions)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2018	2017	2018	2017	2018	2017
Current and other assets	\$ 740.7	\$ 756.2	\$ 504.9	\$ 534.3	\$ 1,245.6	\$ 1,290.5
Capital assets	715.0	689.7	1,569.6	1,530.3	2,284.6	2,220.0
Total assets	1,455.7	1,445.9	2,074.5	2,064.6	3,530.2	3,510.5
Deferred Outflows of Resources	189.5	128.1	11.5	7.6	201.0	135.7
Current and other liabilities	808.5	529.5	129.9	82.8	938.4	612.3
Long-term debt outstanding	382.7	410.3	589.7	598.3	972.4	1,008.6
Total liabilities	1,191.2	939.8	719.6	681.1	1,910.8	1,620.9
Deferred Inflows of Resources	30.9	8.3	2.0	0.4	32.9	8.7
Net position:						
Net investment in capital assets	572.2	538.1	1,105.5	1,108.0	1,677.7	1,646.1
Restricted	114.1	138.6	34.3	32.9	148.4	171.5
Unrestricted	(263.2)	(50.9)	224.6	249.8	(38.6)	198.9
Total net position	\$ 423.1	\$ 625.8	\$ 1,364.4	\$ 1,390.7	\$ 1,787.5	\$ 2,016.5

CITY OF ORLANDO, FLORIDA
Management's Discussion and Analysis
September 30, 2018

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 (i.e., cash) and long-term debt.

Spending Borrowed Proceeds on New Capital – which will reduce current assets and increase capital assets. There is a second impact; the spend down of borrowed proceeds increases related debt which has an offsetting effect on the increase in capital assets, 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 \$127.7 million at September 30, 2018 as compared to \$156.3 million at September 30, 2017 (a decrease of \$28.6 million).

Current and other assets decreased by \$15.3 million, primarily from the decrease in securities lending and an increase of \$7.0 million in cash and cash equivalents due primarily to a year over year revenue increase in the Impact Fees fund (a non-major governmental fund) and an increase of \$6.7 million in accounts receivable primarily in the HUD and Grants fund for year-end grant reimbursement invoices.

Deferred outflows of resources increased \$61.4 million due to an increase of \$62.2 million in pension and OPEB related deferred outflows based on Governmental Accounting Standards Board (GASB) Statement 68, *Accounting and Financial Reporting for Pensions-an amendment of GASB Statement No. 27* and GASB Statement 75, *Accounting and Financial Reporting for Postemployment Benefit Plans Other Than Pensions*, actuary reports. There was also a decrease of \$0.8 million in deferred expense on refunding bonds due to the normal yearly amortizations.

Current and other liabilities, which include the City's Net Pension and Net OPEB liabilities, increased by \$279.0 million due primarily to the decrease in securities lending, a \$27.2 million increase in the net pension liability based on GASB Statement 68 actuary reports, and the recording of the Net OPEB liability based on GASB Statement 75 actuary reports, which at year-end totaled \$272.2 million.

Deferred inflows of resources increased \$22.6 million due primarily to an increase of \$20.7 million in pension related deferred inflows based on GASB Statement 68 actuary reports, and the recording of \$1.4 million in OPEB related deferred inflows based on GASB Statement 75 actuary reports.

CITY OF ORLANDO, FLORIDA
Management’s Discussion and Analysis
September 30, 2018

Business-type Activities:

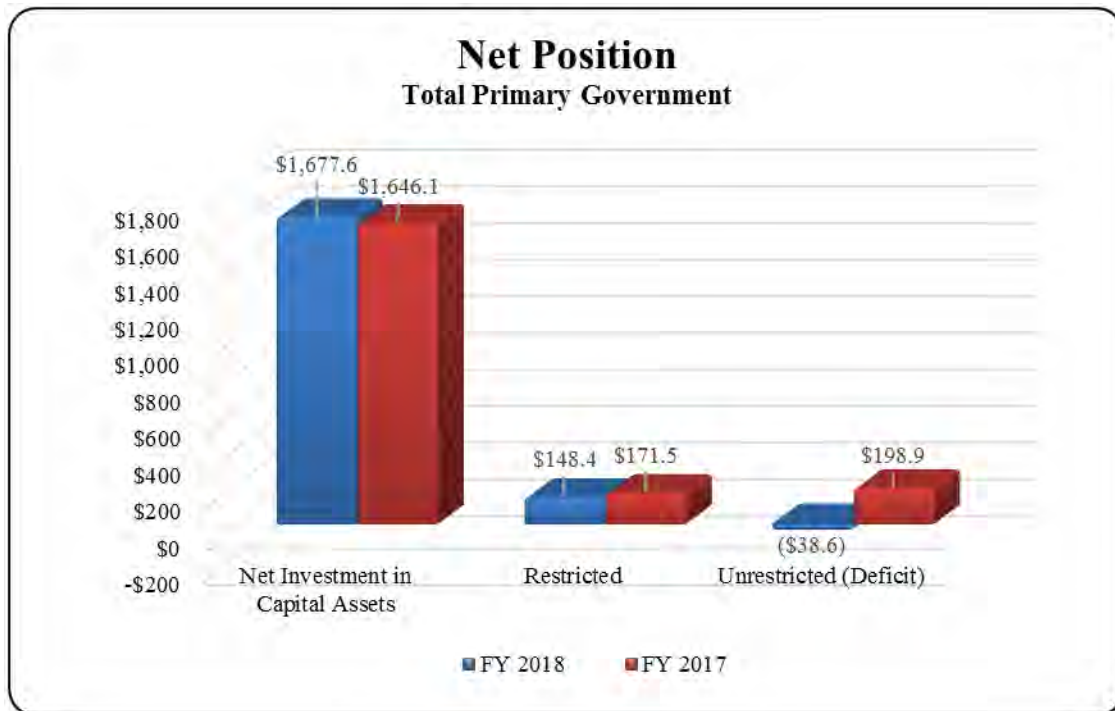
In the Business-type activities columns, current and other assets decreased by \$29.4 million, primarily due to an increase in current cash and cash equivalents of \$9.3 million, and a decrease in restricted cash and investments of \$34.0 million. Current cash and cash equivalents in the Water Reclamation fund increased \$14.4 million due to continued strong operating results and a slight decrease in capital asset outlays from the prior year. The decrease in restricted cash and investments is primarily due to drawing funds from escrow to fund a whole year of construction for Phase 2 of the Dr. Phillips Performing Arts Center.

Deferred outflows of resources increased \$3.9 million primarily due to an increase of \$5.0 million in OPEB related deferred outflows based on GASB Statement 75 actuary reports.

Current and other liabilities increased by \$47.1 million due primarily to a \$60.9 million increase in the net OPEB liability based on GASB Statement 75 actuary reports.

Net Position:

Increases or decreases in net position may serve over time as a useful indicator of whether a government’s financial position is improving or deteriorating. For the City as the primary government, total assets and deferred outflows of resources exceeded total liabilities and deferred inflows of resources by \$1,787.5 million at the close of September 30, 2018. This is a decrease of \$229.0 million from FY 2017 which was largely the result of the implementation of GASB Statement 75, which recorded the City's long-term Net OPEB liability.



Approximately 94% 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 8%) represents resources that are subject to external restrictions on how the resources may be used. The remaining balance represents a deficit unrestricted net position of approximately (2)%.

CITY OF ORLANDO, FLORIDA
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Net investment in capital assets increased \$31.5 million or 1.9% primarily from additions to capital assets in the Stormwater Utility Fund (\$9.1 million), additions to capital assets in Governmental Activities (\$25.2 million), along with scheduled annual principal payments on all debt. (See Table 4).

Restricted net position decreased \$23.1 million or 13.5%, primarily from a \$3.7 million decrease in debt service restrictions in the Orlando Venues fund related to the Tourist Development Tax (TDT) bonds, and increases in transportation, renewal and replacement, and families, parks, and recreation restrictions offset by decreases in capital projects and law enforcement restrictions (net decrease of \$24.4 million) in governmental activities.

Unrestricted net position decreased \$237.5 million or 119.4%, primarily from the implementation of GASB Statement 75, which recorded the City's long-term Net OPEB liability. The deficit in unrestricted net position resulted from the recording of the Net OPEB liability and Net Pension liability. As of September 30, 2018 the City wide Net OPEB liability and Net Pension liability was \$333.2 million and \$278.9 million, respectively. It should be noted that the deficit in unrestricted net position has not had a negative affect on the City's short-term or long-term financial stability.

CITY OF ORLANDO, FLORIDA
Management's Discussion and Analysis
September 30, 2018

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		Business-type		Total	
	Activities		Activities		Primary Government	
	2018	2017	2018	2017	2018	2017
REVENUES						
Program revenues:						
Charges for services	\$ 158.2	\$ 92.7	\$ 220.6	\$ 213.3	\$ 378.8	\$ 306.0
Operating grants and contributions	25.6	20.5	-	-	25.6	20.5
Capital grants and contributions	11.8	25.3	41.1	166.2	52.9	191.5
General revenues:						
Property taxes	178.2	159.2	-	-	178.2	159.2
Local Option Fuel Tax	9.6	9.3	-	-	9.6	9.3
Franchise Fees	33.1	31.5	-	-	33.1	31.5
Public Service Taxes	46.2	44.8	-	-	46.2	44.8
Tax Increment Revenue	22.6	20.0	-	-	22.6	20.0
Local Business Tax	9.8	9.9	-	-	9.8	9.9
OUC Contribution	60.6	59.1	-	-	60.6	59.1
Sales Tax	46.1	41.8	-	-	46.1	41.8
Other grants and contributions	20.0	18.9	-	-	20.0	18.9
Investment Income	1.2	6.8	1.8	4.1	3.0	10.9
Other general revenues	7.1	9.5	-	-	7.1	9.5
Total revenues	630.1	549.3	263.5	383.6	893.6	932.9
EXPENSES						
Executive Offices	15.5	16.4	-	-	15.5	16.4
Housing	8.8	8.8	-	-	8.8	8.8
Economic Development	27.1	25.3	-	-	27.1	25.3
Public Works	24.7	25.4	-	-	24.7	25.4
Transportation	21.5	16.8	-	-	21.5	16.8
Families, Parks, and Recreation	42.9	43.9	-	-	42.9	43.9
Police	183.8	162.8	-	-	183.8	162.8
Fire	123.0	121.0	-	-	123.0	121.0
Business and Financial Services	29.0	27.0	-	-	29.0	27.0
Orlando Venues	4.5	6.3	-	-	4.5	6.3
Community Redevelopment	18.3	12.5	-	-	18.3	12.5
General Government	66.9	4.8	-	-	66.9	4.8
Lynx/Transit Subsidy	3.9	3.9	-	-	3.9	3.9
Interest Costs	17.4	18.4	-	-	17.4	18.4
Water Reclamation	-	-	95.2	92.1	95.2	92.1
Orlando Venues	-	-	88.5	95.7	88.5	95.7
Parking	-	-	20.2	16.5	20.2	16.5
Stormwater Utility	-	-	20.0	20.9	20.0	20.9
Solid Waste	-	-	31.0	30.2	31.0	30.2
Total expenses	587.3	493.3	254.9	255.4	842.2	748.7
Change in Net Position						
before Transfers and Special Items	42.8	56.0	8.6	128.2	51.4	184.2
Transfers	(2.1)	20.2	2.1	(20.2)	-	-
Gain on Sale of Capital Assets	3.8	5.0	-	-	3.8	5.0
Special item - TDT bond refunding	-	-	-	193.7	-	193.7
Change in Net Position	44.5	81.2	10.7	301.7	55.2	382.9
Net Position - Beginning	625.8	544.6	1,390.7	1,089.0	2,016.5	1,633.6
Prior Period Adjustment	(247.2)	-	(37.0)	-	(284.2)	-
Net Position - Beginning as Restated	378.6	544.6	1,353.7	1,089.0	1,732.3	1,633.6
Net Position - Ending	\$ 423.1	\$ 625.8	\$ 1,364.4	\$ 1,390.7	\$ 1,787.5	\$ 2,016.5

CITY OF ORLANDO, FLORIDA
Management's Discussion and Analysis
September 30, 2018

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 \$395.2 million in FY 2018 and \$379.5 million in FY 2017.

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.

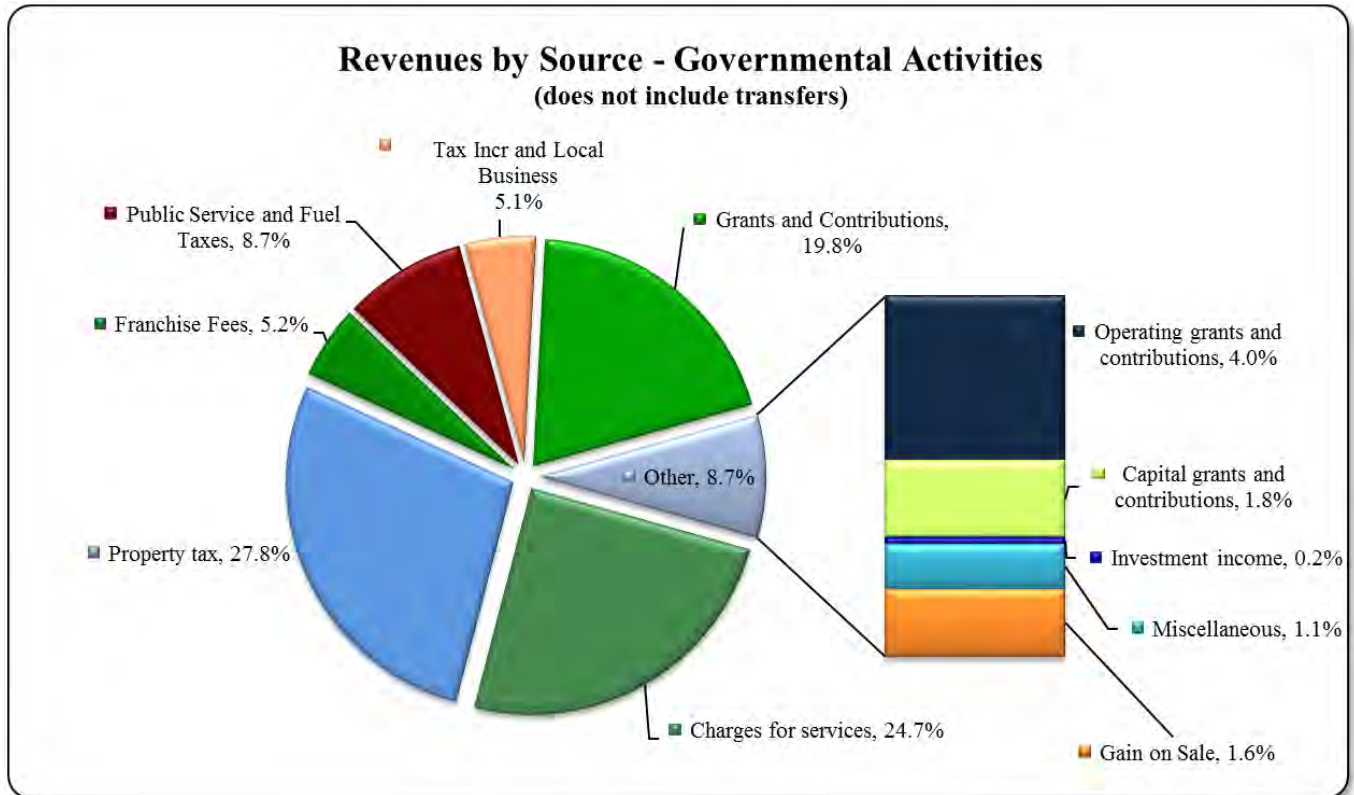
Inflation – while overall inflation appears to be reasonably modest, the City is a major consumer of certain commodities such as chemicals and supplies, fuels and parts. Some functions may experience unusual commodity specific increases.

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

Governmental Activities:

For FY 2018, the net position of the governmental activities decreased by \$202.7 million, compared to an increase of \$81.3 million in FY 2017. The \$202.7 million decrease included an increase of \$44.5 million from operations and a decrease of \$247.2 million from a prior period adjustment due to the implementation of GASB Statement 75. The pie chart on the next page highlights the sources of governmental activities revenue for fiscal 2018.

CITY OF ORLANDO, FLORIDA
Management's Discussion and Analysis
September 30, 2018



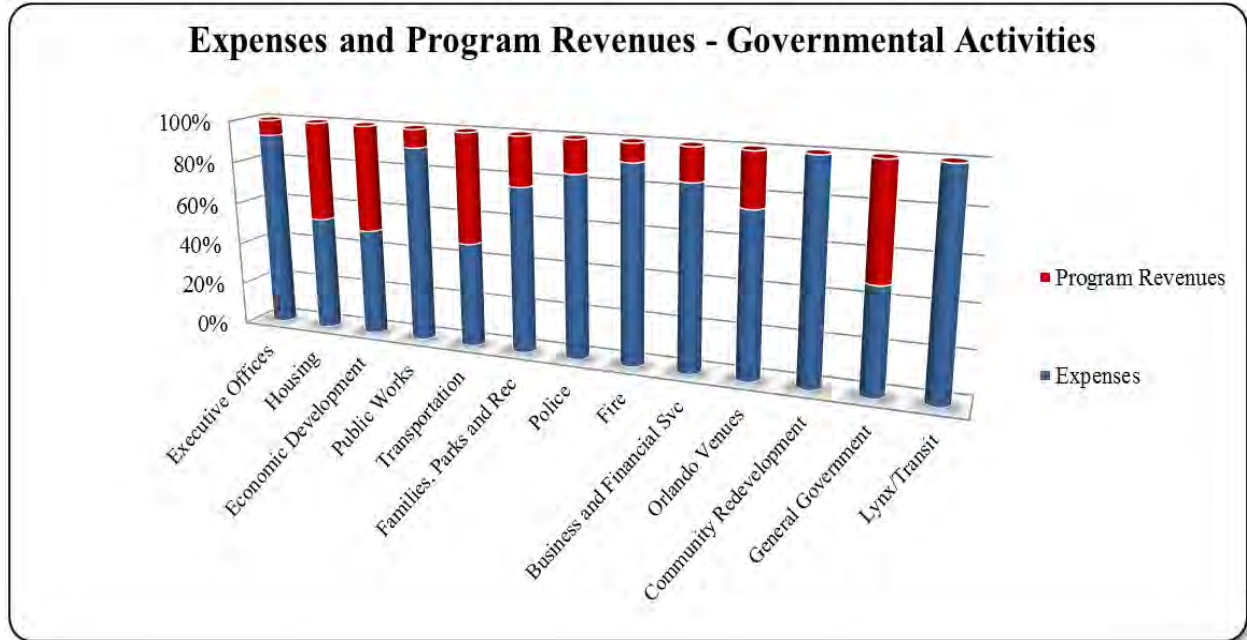
Charges for services revenue increased \$65.5 million primarily from a \$57.0 million special assessment that was collected from the local hospitals and subsequently remitted to the State to be used to increase the provision of health services for the charity care of the City and the State at large, and an increase of \$6.8 million in building inspection and permit fees due to continued strength in local construction activity.

Capital grants and contributions decreased \$13.5 million primarily from the contribution of land for Police operations, which was received in FY 2017 (\$16.6 million). In addition the City received a contribution of land for Parks, Recreation, and a new Tennis Center (\$4.3 million) in FY 2018.

Property taxes increased by \$19.0 million or 11.9% as a result of an increase in the City-wide assessed property values from \$24.9 billion to \$27.9 billion or 12.0%. Sales taxes increased by \$4.3 million or 10.3%, the result of continued strength in the overall local economy and a robust tourism industry. Contributions and Dividends from OUC increased \$1.6 million or 2.6%, consistent with amounts agreed to between OUC and the City. Investment income decreased \$5.6 million or 83.1%, primarily as a result of lower investment returns for the City. The City's investment portfolio performance recognized an annual return of 0.24% in FY 2018 as compared to 1.22% in FY 2017. Sale of Capital Assets increased \$5.4 million or 110.3% primarily from the sale of property at the Creative Village site.

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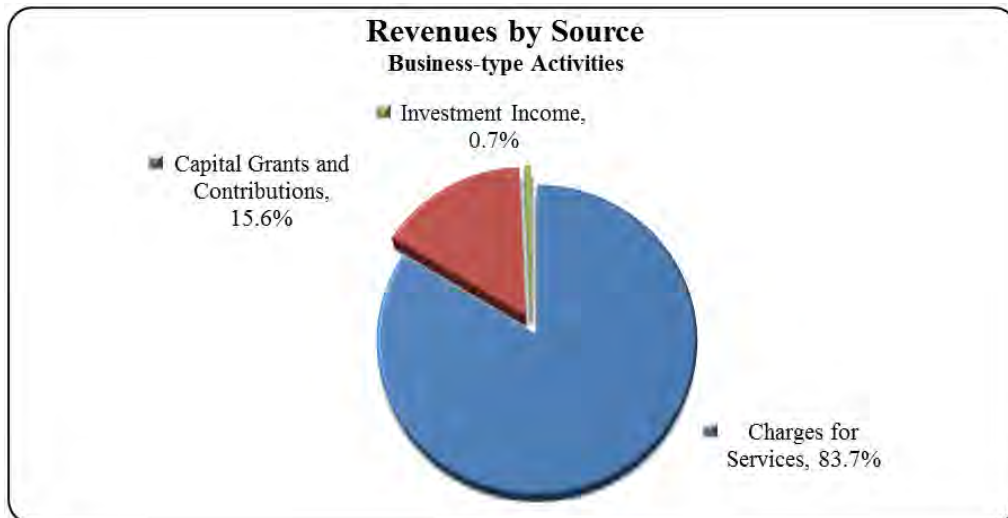
The following graph is a comparison of program revenues and program expenses for all governmental activities for fiscal 2018. This graph reflects the degree to which governmental activities are self-supporting.



Governmental activities expenses increased \$93.9 million or 19.1% primarily from an increase in Police (\$21.0 million) and Fire (\$2.0 million) reflecting the Mayor's emphasis and the City's continued commitment to Public Safety, the previously mentioned \$57.0 million special assessment receipt and payment to increase the provision of health services for charity care, an increase of \$5.8 million in the Community Redevelopment Agency primarily from an increase in the surplus increment revenue returned to the taxing authorities and contractual services related to various redevelopment projects, and an increase of \$4.7 million in the Transportation department due to an increasing emphasis on transportation related projects.

Business-type Activities:

For FY 2018, the net position of the business-type activities decreased by \$26.3 million, compared to an increase of \$301.7 million in FY 2017. Business-type revenues for fiscal 2018 are reflected in the pie chart below.



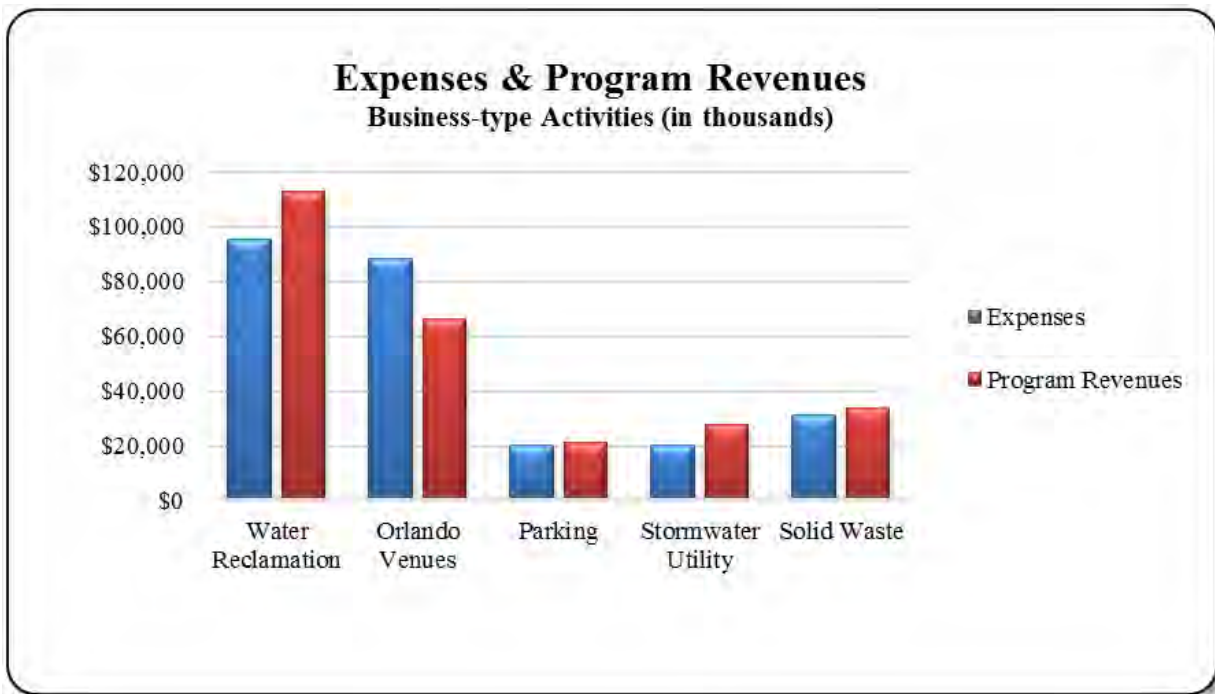
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Capital grants and contributions decreased by \$125.1 million or 75.3% over the prior year primarily due to the refunding of Orange County Tourist Development Tax Payments Revenues Bonds, Series 2014A in FY 2017. As part of the refunding of the Series 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). There was no similar capital contribution in FY 2018. Capital contributions in the Water Reclamation fund decreased \$4.2 million due primarily to a decrease in the contribution of Water Reclamation infrastructure from developers.

Investment income decreased by \$2.3 million, from \$4.1 million in FY 2017 to \$1.8 million in FY 2018, as a result of the lower annual return of the investment portfolio during FY 2018 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.

Below is a comparison of all 2018 program revenue and expenses for each business-type activity.



Expenses of the business-type activities decreased by \$0.5 million or 0.2%. During FY 2018, there was an increase in OPEB expense of \$0.7 million due to first year implementation of GASB Statement 75. Water Reclamation services and supplies expenses increased \$5.1 million due mainly to increases in general operating expenses including, but not limited to, repairs and maintenance costs of \$2.5 million, professional services of \$1.7 million and other services of \$1.7 million.

FUND FINANCIAL STATEMENT ANALYSIS

Governmental Funds

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

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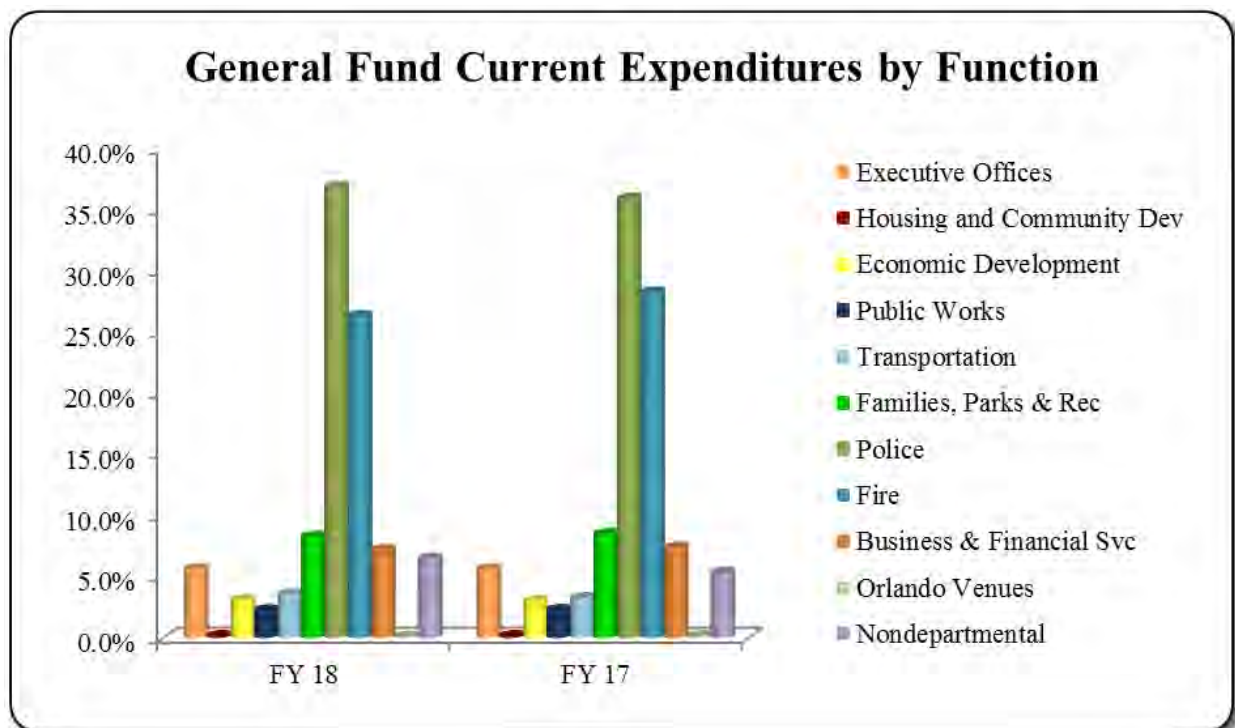
The General Fund unassigned and assigned fund balance at September 30, 2018 was \$121.8 million, while the total fund balance was \$127.0 million. As a measure of the General Fund’s availability of resources for future use, it is useful to compare unassigned and assigned fund balances to total budgeted expenditures of the subsequent fiscal year. At year end, the unassigned and assigned fund balances in the General Fund represented 24.9% of the total FY 2018/2019 budgeted General Fund expenditures; this falls within the City’s fund balance policy range of 15 to 25%.

General Fund revenues totaled \$482.9 million, an increase of \$35.7 million or 8.0% over FY 2017. Property Taxes increased by \$18.9 million. The millage rate was kept the same as FY 2017 at 6.6500 mills. A 12.0% increase in assessed property values accounted for the increase in property tax revenues. The OUC contribution increased by \$1.6 million, consistent with amounts agreed to between OUC and the City. Sales Tax revenue increased by \$4.3 million, resulting from overall growth in the Central Florida economy and the tourism sector. Income on Investments decreased by \$1.6 million, primarily the result of the City’s rate of return decreasing from 1.22% in FY 2017 to 0.24% in FY 2018.

General Fund expenditures totaled \$443.9 million, an increase of \$21.6 million or 5.1% over FY 2017. The majority of this increase is explained below:

- Salaries and benefits increased \$16.9 million or 5.8% across all General Fund departments (this includes cost of living salary increases of 2.5% effective October 1, 2017);
- Disaster recovery expenditures increased \$6.3 million or 1,252.6% due to recovery efforts from Hurricane Irma; and
- An increase of \$2.1 million or 11.9% 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 2018 and FY 2017 General Fund expenditures by function:



The General Fund “net” transfers out (other financing uses) totaled \$35.6 million versus a net transfer out of \$17.4 million in FY 2017. Transfers out to the Capital Improvement fund for budgeted capital projects totaling \$35.4 million made up a majority of the net transfers out.

The change in fund balances for the Community Redevelopment Agency (a major governmental fund) was essentially flat, decreasing only \$0.5 million.

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The fund balances for the Capital Improvement Fund (a major governmental fund) increased \$16.3 million in FY 2018. This is primarily from an increase in the budgeted transfer from the General Fund of \$6.4 million for capital projects and an increase in the sale of land of \$8.0 million primarily from land sales at the Creative Village project. The combined change in fund balances for the non-major governmental funds resulted in a \$0.1 million decrease for FY 2018, compared with a \$13.5 million decrease for FY 2017, an increase of \$13.4 million. Factors which attributed to the change in fund balances between 2018 and 2017 include:

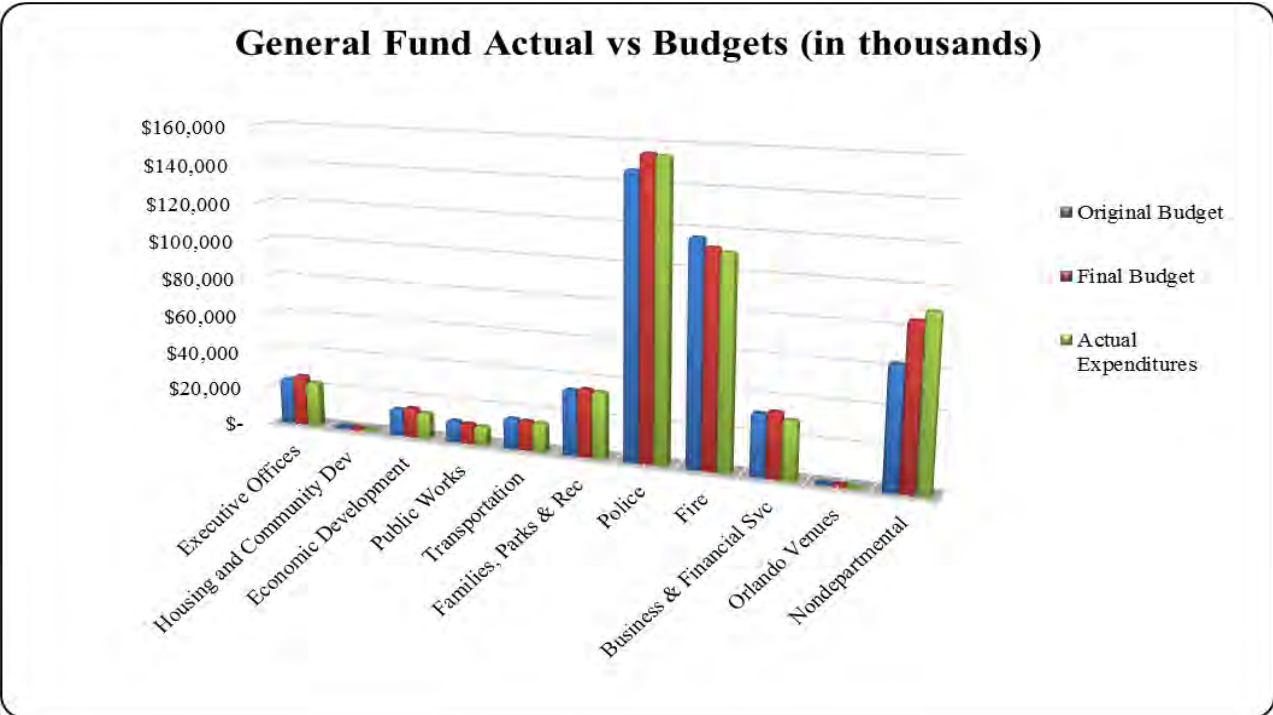
- A decrease in capital improvement expenditures of approximately \$11.4 million due to the completion of larger capital projects in FY 2017, including the Orlando Police Department headquarters, and Fire Station No. 2.

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 budgetary comparison schedule on page 144).



There was an increase of \$23.5 million in budgeted revenues due primarily to increases in estimates for communication services taxes (\$2.0 million due to an increase in communication services); state sales tax (\$4.3 million due to the strong local economy); permits and fees (\$2.3 million due to increases in building inspections and permits also related to a strong local economy), and other miscellaneous revenue (\$6.6 million due to an increase in Orlando Police Department off-duty services).

There was an increase in budgeted expenditures (excluding transfers out) of \$5.4 million. This was due to the increase in budgeted revenue as previously mentioned as the expenditure budgets were increased for Police (\$8.5 million), Business and Financial Services (\$1.4 million), and Executive Offices (\$2.5 million). The budget for transfers to other funds increased \$25.3 million due primarily to transfers to the Capital Improvement Fund for various citywide projects.

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CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At September 30, 2018, the City had \$2,284.6 million invested in a variety of capital assets, which represents a net increase (additions less retirements and depreciation) of \$64.6 million or 2.9% from the end of last year.

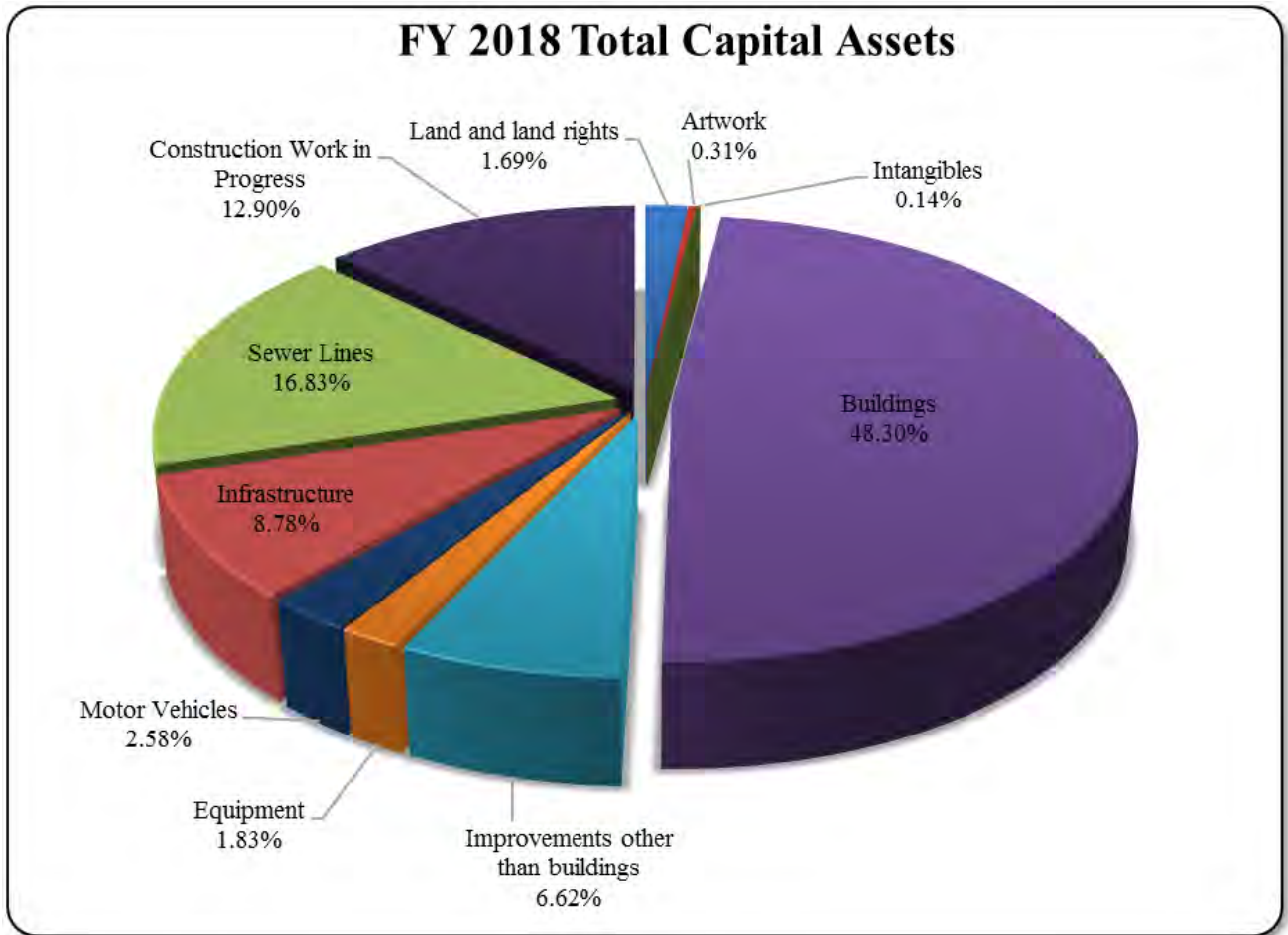


Table 3
Capital Assets at Year-end, in millions
(Net of Depreciation)

	Governmental Activities		Business-type Activities		Totals	
	2018	2017	2018	2017	2018	2017
Land and land rights	\$ 197.8	\$ 199.1	\$ 133.8	\$ 142.6	\$ 331.6	\$ 341.7
Artwork	5.6	5.6	0.6	0.6	6.2	6.2
Buildings	151.6	155.7	807.9	835.8	959.5	991.5
Improvements other than buildings	25.0	29.0	106.6	116.1	131.6	145.1
Equipment	11.2	8.5	25.2	29.1	36.4	37.6
Motor Vehicles	51.3	51.5	-	-	51.3	51.5
Infrastructure	174.5	175.5	-	-	174.5	175.5
Intangibles	2.8	3.6	-	-	2.8	3.6
Sewer Lines	-	-	334.4	307.3	334.4	307.3
Total	619.8	628.5	1,408.5	1,431.5	2,028.3	2,060.0
Construction Work in Progress	95.2	61.2	161.1	98.8	256.3	160.0
Total	\$ 715.0	\$ 689.7	\$ 1,569.6	\$ 1,530.3	\$ 2,284.6	\$ 2,220.0

CITY OF ORLANDO, FLORIDA
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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)

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Beginning Balance	\$ 689.7	\$ 1,530.3	\$ 2,220.0
Additions	89.0	150.5	239.5
Retirements:			
CWIP	(15.7)	(40.9)	(56.6)
Other	(16.3)	(22.2)	(38.5)
Depreciation	(40.3)	(60.6)	(100.9)
Transfers/Retirements*	8.6	12.5	21.1
Ending Balance	<u>\$ 715.0</u>	<u>\$ 1,569.6</u>	<u>\$ 2,284.6</u>

* Reduction in accumulated depreciation related to retirements.

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

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:

Vehicle Replacement	\$ 16.2
Grand National Drive/I4 Overpass	8.6
Future Tennis Center Site (Land)	4.9
West Livingston Street Improvements/Extension	2.3

Business-type Activities:

Water Reclamation Lift Station Rehab Phase 1	\$ 11.6
Conserv II Anaerobic Digester	6.9
Mark Street Sewer	4.5
GOAA Hangar Fire Pumps	3.8
North Parramore Pond Infill	3.4
Water Reclamation Central Blvd. Sewer Improvements	3.1
Lake Lucerne to Lake Cherokee Drainage Improvements	2.1

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Debt Outstanding

As of year-end, the City had \$972.4 million in debt (bonds, notes, etc.) outstanding compared to the \$1,008.6 million last year. The components which had an impact on the City's overall debt are shown below:

- Proceeds of \$6.8 million were received from the State Revolving Fund (SRF) for water reclamation projects; and
- The normal debt service principal payments of approximately \$44.3 million.

See the Notes to Financial Statements on pages 98 through 111 for more detail on the City's outstanding debt.

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

	<u>2018</u>	<u>2017</u>
Governmental:		
Covenant	\$ 209.1	\$ 226.4
Tax Increment	167.5	175.1
SIB Loan	4.9	6.5
Capital Lease	1.2	2.3
Sub-total	<u>382.7</u>	<u>410.3</u>
Business Type:		
Water Reclamation System	91.1	90.4
Parking System	56.2	10.0
Orlando Venues	442.4	497.9
Sub-total	<u>589.7</u>	<u>598.3</u>
Total	<u><u>\$ 972.4</u></u>	<u><u>\$ 1,008.6</u></u>

Principal payments of \$34.7 million and \$9.6 million (on external bonds, leases, and loans) were made in the governmental and business-type activities, respectively. Internal loan principal payments of \$11.7 million and \$2.0 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 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 Aa1/AAA/AAA from Moody's Investors Service, Standard & Poor's, and Fitch Ratings, respectively.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

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

The level of taxes, fees and charges for services (including development related impact fees) will have a bearing on the City's specific competitive ability to (a) annex additional land into its corporate limits, and (b) encourage development (office, retail, residential and industrial) to locate in our jurisdiction.

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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 2019 is \$1,273.5 million or 4.9% more than the FY 2018 adopted budget of \$1,214.1 million. The General Fund budget for FY 2019 is \$488.4 million or 9.4% greater than the FY 2018 adopted budget of \$446.4 million. The millage rate for FY 2019 remains unchanged at 6.6500 mills. For the fourth year in a row Solid Waste and Stormwater Utility fees were not increased for FY 2019. 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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Park of the Americas

**CITY OF ORLANDO, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2018**

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	
ASSETS				
Cash and Cash Equivalents	\$ 543,778,073	\$ 290,140,631	\$ 833,918,704	\$ 2,294,385
Securities Lending Collateral	127,683,098	-	127,683,098	-
Receivables (net)	35,914,680	13,742,001	49,656,681	3,181
Due From Other Governments	22,792,123	2,418,022	25,210,145	27,383
Internal Balances	(21,765,897)	21,765,897	-	-
Inventories	971,519	644,536	1,616,055	-
Prepays	2,899,636	3,041,942	5,941,578	-
Restricted Assets:				
Cash and Cash Equivalents	8,587,999	116,087,829	124,675,828	-
Investments	19,888,252	57,131,140	77,019,392	-
Capital Assets:				
Non-depreciable	298,545,516	295,550,243	594,095,759	-
Depreciable (Net)	416,426,006	1,274,002,356	1,690,428,362	898
Total Assets	<u>1,455,721,005</u>	<u>2,074,524,597</u>	<u>3,530,245,602</u>	<u>2,325,847</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Outflows - Refunding Bonds	4,514,451	1,994,808	6,509,259	-
Deferred Outflows - Pension and OPEB Related	185,015,825	9,440,677	194,456,502	31,947
Total Deferred Outflows	<u>189,530,276</u>	<u>11,435,485</u>	<u>200,965,761</u>	<u>31,947</u>
LIABILITIES				
Accounts Payable	27,858,914	19,507,710	47,366,624	108,501
Accrued Liabilities	5,444,714	771,099	6,215,813	5,079
Accrued Interest Payable	5,985,861	7,980,492	13,966,353	-
Due to Other Governments	112,856	340,641	453,497	473
Advance Payments	13,142,746	23,196,665	36,339,411	-
Unearned Revenue	11,021,150	-	11,021,150	-
Securities Lending Obligations	127,683,098	-	127,683,098	-
Non-Current Liabilities				
Due Within One Year:				
Environmental Remediation	100,000	-	100,000	-
Compensated Absences	3,131,371	326,644	3,458,015	6,664
Loans/Leases Payable	4,609,607	6,256,769	10,866,376	-
Bonds Payable	20,774,300	10,545,000	31,319,300	-
Claims Liabilities	10,080,000	-	10,080,000	-
Due In More Than One Year:				
Environmental Remediation	6,692,801	-	6,692,801	-
Compensated Absences	36,010,767	3,756,406	39,767,173	76,635
Net Pension Liability	265,780,231	13,079,287	278,859,518	41,882
Net OPEB Liability	272,243,791	60,910,032	333,153,823	206,125
Loans/Leases Payable	12,590,707	190,444,663	203,035,370	-
Bonds Payable	344,682,760	382,480,103	727,162,863	-
Claims Liabilities	23,227,000	-	23,227,000	-
Total Liabilities	<u>1,191,172,674</u>	<u>719,595,511</u>	<u>1,910,768,185</u>	<u>445,359</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred Inflows - Pension and OPEB Related	30,453,990	2,004,943	32,458,933	9,115
Deferred Inflows - Refunding Bonds	492,772	-	492,772	-
Total Deferred Inflows	<u>30,946,762</u>	<u>2,004,943</u>	<u>32,951,705</u>	<u>9,115</u>
NET POSITION				
Net Investment in Capital Assets	572,176,040	1,105,451,713	1,677,627,753	898
Restricted for:				
Transportation	67,778,243	-	67,778,243	-
Debt Service	17,784,532	12,120,560	29,905,092	-
Housing and Community Development	302,566	-	302,566	-
Law Enforcement	2,466,101	-	2,466,101	-
Building Code Enforcement	14,483,409	-	14,483,409	-
911 Services	409,632	-	409,632	-
Capital Projects	1,379,717	4,602,044	5,981,761	-
Street Tree Replacement	638,880	-	638,880	-
Renewal and Replacement	6,002,821	15,271,012	21,273,833	-
Contractual Obligations	-	2,315,337	2,315,337	-
Leu Gardens	133,026	-	133,026	-
Families, Parks, and Recreation	2,723,384	-	2,723,384	-
Other Purposes	14,790	-	14,790	-
Unrestricted (Deficit)	(263,161,296)	224,598,962	(38,562,334)	1,902,422
Total Net Position	<u>\$ 423,131,845</u>	<u>\$ 1,364,359,628</u>	<u>\$ 1,787,491,473</u>	<u>\$ 1,903,320</u>

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

**CITY OF ORLANDO, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

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	Primary Government			
					Governmental Activities (1)	Business-type Activities	Total	
Primary Government:								
Governmental Activities:								
Executive Offices	\$ 15,535,603	\$ 1,080,728	\$ 129,811	\$ -	\$ (14,325,064)	\$ -	\$ (14,325,064)	\$ -
Housing and Community Development	8,789,713	-	7,575,889	-	(1,213,824)	-	(1,213,824)	-
Economic Development	27,062,231	26,746,524	75,653	-	(240,054)	-	(240,054)	-
Public Works	24,689,209	311,591	17,715	1,987,600	(22,372,303)	-	(22,372,303)	-
Transportation	21,500,521	16,348,448	1,892,451	4,404,986	1,145,364	-	1,145,364	-
Families, Parks, and Recreation	42,943,437	6,683,217	1,729,678	4,349,087	(30,181,455)	-	(30,181,455)	-
Police	183,755,192	19,398,927	13,561,980	76,415	(150,717,870)	-	(150,717,870)	-
Fire	123,026,519	11,187,338	162,660	66,015	(111,610,506)	-	(111,610,506)	-
Business and Financial Services	28,979,530	4,258,740	58,000	877,266	(23,785,524)	-	(23,785,524)	-
Orlando Venues	4,542,594	1,424,793	51,798	-	(3,066,003)	-	(3,066,003)	-
Community Redevelopment	18,261,702	-	-	-	(18,261,702)	-	(18,261,702)	-
General Government	66,937,280	70,769,177	336,775	-	4,168,672	-	4,168,672	-
Lynx/Transit	3,873,006	-	-	-	(3,873,006)	-	(3,873,006)	-
Interest on Long-Term Debt	17,382,250	-	-	-	(17,382,250)	-	(17,382,250)	-
Total governmental activities	587,278,787	158,209,483	25,592,410	11,761,369	(391,715,525)	-	(391,715,525)	-
Business-type Activities:								
Water Reclamation	95,206,638	109,415,173	-	3,692,537	-	17,901,072	17,901,072	-
Orlando Venues - Business	88,451,554	32,798,031	-	33,203,459	-	(22,450,064)	(22,450,064)	-
Parking	20,190,598	20,887,812	-	83,750	-	780,964	780,964	-
Stormwater Utility	20,020,838	23,716,827	-	4,072,477	-	7,768,466	7,768,466	-
Solid Waste	31,028,598	33,797,693	-	-	-	2,769,095	2,769,095	-
Total business-type activities	254,898,226	220,615,536	-	41,052,223	-	6,769,533	6,769,533	-
Total primary government	\$ 842,177,013	\$ 378,825,019	\$ 25,592,410	\$ 52,813,592	(391,715,525)	6,769,533	(384,945,992)	-
Component unit:								
Downtown Development Board	\$ 3,805,563	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (3,805,563)
Total component unit	\$ 3,805,563	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	(3,805,563)
General Revenues:								
Taxes:								
Property taxes, levied for general purposes					178,209,997	-	178,209,997	2,741,941
Local Option Fuel Tax					9,590,227	-	9,590,227	-
Franchise Fees					33,112,845	-	33,112,845	-
Public Service Taxes					46,225,973	-	46,225,973	-
Tax Increment Revenue					22,639,912	-	22,639,912	-
Local Business Tax					9,774,170	-	9,774,170	-
Grants and contributions not restricted to specific programs:								
Orlando Utilities Commission					60,615,946	-	60,615,946	-
State Sales Tax					46,106,097	-	46,106,097	-
Other					20,025,558	-	20,025,558	-
Investment Earnings					1,139,611	1,844,516	2,984,127	9,582
Payment from Primary Government					-	-	-	731,995
Miscellaneous					7,052,459	-	7,052,459	126,989
Gain on Sale of Land					3,784,253	-	3,784,253	-
Transfers					(2,051,818)	2,051,818	-	-
Total General Revenues, Special Items and Transfers					436,225,230	3,896,334	440,121,564	3,610,507
Change in Net Position					44,509,705	10,665,867	55,175,572	(195,056)
Net Position - Beginning					625,842,388	1,390,697,543	2,016,539,931	2,286,147
Prior Period Adjustment					(247,220,248)	(37,003,782)	(284,224,030)	(187,771)
Net Position - Beginning as restated					378,622,140	1,353,693,761	1,732,315,901	2,098,376
Net Position - Ending					\$ 423,131,845	\$ 1,364,359,628	\$ 1,787,491,473	\$ 1,903,320

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, 2018**

	MAJOR FUNDS			Non-Major Governmental Funds	Total Governmental Funds
	General	Community Redevelopment Agency Funds	Capital Improvement		
ASSETS					
Current Cash and Cash Equivalents	\$ 134,872,750	\$ 32,621,118	\$ 89,630,058	\$ 123,640,585	\$ 380,764,511
Restricted Cash and Cash Equivalents	-	3,523,796	5,064,203	-	8,587,999
Restricted Investments	-	15,025,182	-	-	15,025,182
Securities Lending Collateral	127,683,098	-	-	-	127,683,098
Receivables (Net)					
Accounts Receivables	4,558,230	-	-	5,301,061	9,859,291
Taxes	192,596	-	-	310	192,906
Special Assessments	1,510,871	-	-	10,369	1,521,240
Due from Other Funds	3,485,000	-	-	-	3,485,000
Due from Other Governments	16,446,394	-	69,561	6,271,756	22,787,711
Prepaid Items	846,619	-	-	-	846,619
Inventories	502,409	-	-	32,376	534,785
Total Assets	<u>\$ 290,097,967</u>	<u>\$ 51,170,096</u>	<u>\$ 94,763,822</u>	<u>\$ 135,256,457</u>	<u>\$ 571,288,342</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$ 9,777,881	\$ 733,156	\$ 2,003,466	\$ 7,610,967	\$ 20,125,470
Accrued Liabilities	4,791,387	37,082	-	416,727	5,245,196
Advance Payments	8,903,040	346	854,689	3,384,671	13,142,746
Due to Other Funds	-	-	-	3,040,000	3,040,000
Due to Other Governments	112,264	-	21	571	112,856
Unearned Revenue	8,230,886	-	-	2,790,264	11,021,150
Obligations Under Securities Lending	127,683,098	-	-	-	127,683,098
Accrued Interest Payable	145,975	764,446	-	-	910,421
Total Liabilities	<u>159,644,531</u>	<u>1,535,030</u>	<u>2,858,176</u>	<u>17,243,200</u>	<u>181,280,937</u>
Deferred Inflows of Resources:					
Unavailable Revenue on Property and Casualty Insurance Premiums	3,424,000	-	-	-	3,424,000
Fund Balances:					
Nonspendable	1,349,028	-	-	33,376	1,382,404
Restricted	2,343,504	49,651,466	5,064,203	112,550,802	169,609,975
Committed	1,510,544	-	86,841,443	3,201,335	91,553,322
Assigned	26,093,367	-	-	2,825,877	28,919,244
Unassigned	95,732,993	(16,400)	-	(598,133)	95,118,460
Total Fund Balances	<u>127,029,436</u>	<u>49,635,066</u>	<u>91,905,646</u>	<u>118,013,257</u>	<u>386,583,405</u>
Total Liabilities, Deferred Inflows, and Fund Balances	<u>\$ 290,097,967</u>	<u>\$ 51,170,096</u>	<u>\$ 94,763,822</u>	<u>\$ 135,256,457</u>	<u>\$ 571,288,342</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, 2018**

Total fund balances of governmental funds		\$ 386,583,405
<p>Amounts reported for governmental activities in the statement of net position are different because</p>		
<p>Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.</p>		
Governmental capital assets	1,279,087,397	
Less accumulated depreciation	<u>(636,911,009)</u>	642,176,388
<p>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.</p>		
Accounts Receivable		24,341,243
<p>Long-term liabilities, including bonds payable are not due and payable in the current period and therefore are not reported in the governmental funds.</p>		
Governmental bonds payable	(166,261,816)	
Premium	(1,571,533)	
Current year premium amortization	313,524	
Deferred outflow of resources	214,827	
Current year amortization	(41,681)	
Compensated Absences	(38,141,375)	
Environmental Remediation Liability	(6,792,801)	
State Infrastructure Bank (SIB) loan payable	(4,944,028)	
Governmental leases payable	(1,150,286)	
Governmental internal loans payable	(181,207,829)	
Net Pension Liability	(265,780,231)	
Net OPEB Liability	<u>(257,093,582)</u>	(922,456,811)
<p>Deferred inflow of resources in governmental funds is susceptible to full accrual on the entity-wide statements.</p>		
Deferred inflow of resources		3,424,000
<p>Deferred inflows and outflows of resources related to pensions and OPEB are not reported in the governmental funds but will be recognized in pension and OPEB expense on a long term basis and therefore are reported in the statement of net position.</p>		
Deferred inflows of resources related to pensions and OPEB	(30,375,533)	
Deferred outflows of resources related to pensions and OPEB	<u>183,772,530</u>	153,396,997
<p>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.</p>		
		<u>135,666,623</u>
Total net position of governmental activities.		<u>\$ 423,131,845</u>

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, 2018

	MAJOR FUNDS			Non-Major Governmental Funds	Total Governmental Funds
	General	Community Redevelopment Agency Funds	Capital Improvement		
REVENUES					
Taxes:					
Property	\$ 177,769,204	\$ -	\$ -	\$ 440,793	\$ 178,209,997
Local Option Fuel	-	-	-	9,590,228	9,590,228
Communication Services	14,136,222	-	-	-	14,136,222
Local Business	9,774,170	-	-	-	9,774,170
Utilities Services	32,089,752	-	-	-	32,089,752
Intergovernmental:					
Orlando Utilities Commission Contribution	60,615,946	-	-	-	60,615,946
State Sales Tax	46,106,097	-	-	-	46,106,097
Other Intergovernmental	22,233,725	53,258,189	-	18,006,939	93,498,853
Franchise Fees	33,112,845	-	-	-	33,112,845
Permits and Fees	8,576,663	-	3,752	31,285,737	39,866,152
Charges for Services	53,421,117	21,591	48,744	16,851,290	70,342,742
Fines and Forfeitures	6,207,412	-	-	-	6,207,412
Income on Investments	395,846	74,472	20,799	63,687	554,804
Securities Lending Income	3,288,804	-	-	-	3,288,804
Special Assessments	47,662	-	-	57,335,946	57,383,608
Other Revenues	15,144,745	3,217,695	169,459	378,279	18,910,178
Total Revenues	482,920,210	56,571,947	242,754	133,952,899	673,687,810
EXPENDITURES					
Current Operating:					
Executive Offices	23,746,779	-	-	953,350	24,700,129
Housing and Community Development	862,486	-	-	7,668,139	8,530,625
Economic Development	13,101,376	-	-	17,380,510	30,481,886
Public Works	9,605,434	-	-	1,987,600	11,593,034
Transportation	15,093,556	-	-	4,837,538	19,931,094
Families, Parks, and Recreation	34,926,975	-	-	1,690,678	36,617,653
Police	155,102,140	-	-	16,947,653	172,049,793
Fire	110,880,342	-	-	172,460	111,052,802
Business and Financial Services	30,373,332	-	-	-	30,373,332
Orlando Venues	542,590	-	-	2,960,122	3,502,712
Other Expenditures	27,400,008	-	-	57,330,882	84,730,890
Community Redevelopment Agency	-	27,046,329	-	-	27,046,329
Intergovernmental	-	-	-	3,873,006	3,873,006
Capital Improvements	-	1,530,397	30,490,608	18,866,348	50,887,353
Securities Lending Expenses:					
Interest and Agent Fees	2,870,607	-	-	-	2,870,607
Debt Service:					
Principal Payments	12,033,445	9,510,287	-	166,667	21,710,399
Interest and Other	7,395,657	11,790,521	-	36,002	19,222,180
Total Expenditures	443,934,727	49,877,534	30,490,608	134,870,955	659,173,824
Excess (Deficiency) of Revenues Over (Under) Expenditures	38,985,483	6,694,413	(30,247,854)	(918,056)	14,513,986
OTHER FINANCING SOURCES AND (USES)					
Transfers In	7,493,757	22,666,188	36,826,616	1,638,023	68,624,584
Transfers Out	(43,099,816)	(29,896,951)	(1,266,226)	(862,218)	(75,125,211)
Sale of Land	-	27,681	10,408,425	-	10,436,106
Issuance of Debt	-	-	628,088	-	628,088
Total Other Financing Sources and (Uses)	(35,606,059)	(7,203,082)	46,596,903	775,805	4,563,567
Net Change in Fund Balances	3,379,424	(508,669)	16,349,049	(142,251)	19,077,553
Fund Balances - Beginning	123,650,012	50,143,735	75,556,597	118,155,508	367,505,852
Fund Balances - Ending	\$ 127,029,436	\$ 49,635,066	\$ 91,905,646	\$ 118,013,257	\$ 386,583,405

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, 2018**

Net change in fund balances - total governmental funds \$ 19,077,553

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	34,867,960	
Contributions of capital assets	5,368,783	
Less current year depreciation	<u>(26,598,001)</u>	13,638,742

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

Bond, loan, and lease proceeds	(628,088)	
Principal and other debt service payments	<u>21,710,399</u>	21,082,311

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	57,500	
Long-term accounts receivable	<u>784,334</u>	841,834

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		(267,264)
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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	(41,681)	
Amortization of current year bond premium	313,524	
Change in long-term liabilities	889,830	
Change in long-term compensated absences	(573,576)	
OPEB Expense adjustment	(3,234,619)	
Pension Expense adjustment	<u>(8,700,208)</u>	(11,346,730)

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>1,483,259</u>
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Change in net position of governmental activities		<u>\$ 44,509,705</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 Theater.

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.

**CITY OF ORLANDO, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2018**

	Business-type Activities Enterprise Funds		
	Water Reclamation	Orlando Venues Fund	Parking System Fund
ASSETS			
Current Assets:			
Current Cash and Cash Equivalents	\$ 202,663,416	\$ 22,662,503	\$ 13,960,162
Accounts Receivable (Net)	7,635,416	3,014,728	122,553
Due From Other Governments	2,388,957	-	28,568
Inventories	644,536	-	-
Prepaid Items	-	3,041,942	-
Total Current Assets	<u>213,332,325</u>	<u>28,719,173</u>	<u>14,111,283</u>
Non-Current Assets:			
Restricted:			
Restricted Cash and Cash Equivalents	14,186,659	95,500,078	6,401,092
Investments	8,864,723	44,390,661	3,875,756
Loans Receivable from Other Funds	-	-	-
Capital Assets:			
Artwork	6,095	611,243	-
Land	31,747,411	83,099,816	17,065,153
Buildings	162,056,825	842,395,665	113,523,388
Improvements Other Than Buildings	285,883,792	41,652,779	2,671,787
Equipment	51,711,106	33,193,345	1,060,281
Vehicles	-	-	-
Wastewater and Stormwater Lines and Pump Stations	424,449,802	-	-
Less Accumulated Depreciation	(545,920,556)	(190,533,018)	(67,825,241)
Construction in Process	42,417,440	103,018,059	-
Total Non-Current Assets	<u>475,403,297</u>	<u>1,053,328,628</u>	<u>76,772,216</u>
Total Assets	<u>688,735,622</u>	<u>1,082,047,801</u>	<u>90,883,499</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflows on Refunding Bonds	-	1,750,442	244,366
Deferred Outflows - Pension and OPEB Related	3,778,939	1,109,311	1,645,525
Total Deferred Outflows	<u>3,778,939</u>	<u>2,859,753</u>	<u>1,889,891</u>
LIABILITIES			
Current Liabilities:			
Accounts Payable	7,676,998	9,074,865	434,664
Accrued Liabilities	338,798	113,017	89,876
Due to Other Funds	-	-	-
Due To Other Governments	-	305,556	35,085
Accrued Interest Payable	986,277	5,420,684	1,573,531
Compensated Absences	150,302	48,620	23,334
Advance Payments	12,500,292	10,159,083	536,165
Current Portion of Loans from Other Funds	-	963,543	1,080,000
Current Portion of Loans/Leases Payable	4,213,226	-	-
Current Portion of Bonds Payable	1,470,000	7,775,000	1,300,000
Current Portion of Claims Liabilities	-	-	-
Total Current Liabilities	<u>27,335,893</u>	<u>33,860,368</u>	<u>5,072,655</u>
Non-Current Liabilities:			
Non-Current Compensated Absences	1,728,477	559,124	268,344
Net Pension Liability	5,294,191	1,547,886	2,326,685
Net OPEB Liability	24,735,039	6,905,197	10,203,203
Loans from Other Funds	-	40,547,737	7,852,083
Loans/Leases Due After One Year	52,044,843	90,000,000	-
Bonds Payable After One Year	33,346,045	303,136,441	45,997,617
Claims Liabilities After One Year	-	-	-
Total Non-Current Liabilities	<u>117,148,595</u>	<u>442,696,385</u>	<u>66,647,932</u>
Total Liabilities	<u>144,484,488</u>	<u>476,556,753</u>	<u>71,720,587</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows - Pension and OPEB Related	814,682	225,009	341,355
Deferred Gain on Refunding Bonds	-	-	-
Total Deferred Inflows	<u>814,682</u>	<u>225,009</u>	<u>341,355</u>
NET POSITION			
Net Investment in Capital Assets	364,324,568	593,349,684	10,510,034
Restricted:			
Debt Service	9,722,217	2,398,343	-
Capital Projects	-	4,602,044	-
Renewal and Replacement	6,452,312	2,417,608	6,401,092
Contractual Obligations	2,312,452	2,885	-
Unrestricted	164,403,842	5,355,228	3,800,322
Total Net Position	<u>\$ 547,215,391</u>	<u>\$ 608,125,792</u>	<u>\$ 20,711,448</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
\$ 25,584,976	\$ 25,269,574	\$ 290,140,631	\$ 163,013,562
145,613	2,823,691	13,742,001	-
-	497	2,418,022	4,412
-	-	644,536	436,734
-	-	3,041,942	2,053,017
<u>25,730,589</u>	<u>28,093,762</u>	<u>309,987,132</u>	<u>165,507,725</u>
-	-	116,087,829	-
-	-	57,131,140	4,863,070
-	-	-	231,651,191
-	-	617,338	-
1,823,911	71,165	133,807,456	555,767
771,935	1,399,919	1,120,147,732	8,304,203
22,267,941	425,000	352,901,299	2,200,463
1,225,433	523,624	87,713,789	12,438,542
-	-	-	124,700,794
185,695,954	-	610,145,756	-
(90,403,529)	(2,223,876)	(896,906,220)	(85,639,649)
<u>15,328,533</u>	<u>361,417</u>	<u>161,125,449</u>	<u>10,235,014</u>
<u>136,710,178</u>	<u>557,249</u>	<u>1,742,771,568</u>	<u>309,309,395</u>
<u>162,440,767</u>	<u>28,651,011</u>	<u>2,052,758,700</u>	<u>474,817,120</u>
-	-	1,994,808	4,341,305
1,263,348	1,643,554	9,440,677	1,243,295
<u>1,263,348</u>	<u>1,643,554</u>	<u>11,435,485</u>	<u>5,584,600</u>
1,781,654	539,529	19,507,710	7,733,443
90,784	138,624	771,099	199,518
-	-	-	445,000
-	-	340,641	-
-	-	7,980,492	5,075,440
46,006	58,382	326,644	80,061
1,125	-	23,196,665	-
-	-	2,043,543	-
-	-	4,213,226	1,851,000
-	-	10,545,000	13,190,000
-	-	-	10,080,000
<u>1,919,569</u>	<u>736,535</u>	<u>68,925,020</u>	<u>38,654,462</u>
529,064	671,397	3,756,406	920,702
1,590,386	2,320,139	13,079,287	-
8,657,264	10,409,329	60,910,032	15,150,209
-	-	48,399,820	-
-	-	142,044,843	9,255,000
-	-	382,480,103	235,190,598
-	-	-	23,227,000
<u>10,776,714</u>	<u>13,400,865</u>	<u>650,670,491</u>	<u>283,743,509</u>
<u>12,696,283</u>	<u>14,137,400</u>	<u>719,595,511</u>	<u>322,397,971</u>
277,155	346,742	2,004,943	78,457
-	-	-	492,772
<u>277,155</u>	<u>346,742</u>	<u>2,004,943</u>	<u>571,229</u>
136,710,178	557,249	1,105,451,713	72,795,134
-	-	12,120,560	-
-	-	4,602,044	-
-	-	15,271,012	-
-	-	2,315,337	-
<u>14,020,499</u>	<u>15,253,174</u>	<u>202,833,065</u>	<u>84,637,386</u>
<u>\$ 150,730,677</u>	<u>\$ 15,810,423</u>	<u>1,342,593,731</u>	<u>\$ 157,432,520</u>
		<u>21,765,897</u>	
		<u>\$ 1,364,359,628</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, 2018

	Business-type Activities		
	Enterprise Funds		
	Water Reclamation	Orlando Venues Fund	Parking System Fund
Operating Revenues			
User Charges	\$ 103,714,361	\$ 32,066,360	\$ 18,552,595
Fees	1,200	-	49,013
Parking Fines	-	-	1,544,685
Other	466,036	731,671	730,045
Total Operating Revenues	<u>104,181,597</u>	<u>32,798,031</u>	<u>20,876,338</u>
Operating Expenses			
Salaries, Wages, and Employee Benefits	19,761,785	9,114,550	5,898,696
Services and Supplies	49,368,954	24,397,504	8,212,954
Depreciation Expense	23,570,859	29,338,859	2,483,205
Total Operating Expenses	<u>92,701,598</u>	<u>62,850,913</u>	<u>16,594,855</u>
Operating Income (Loss)	<u>11,479,999</u>	<u>(30,052,882)</u>	<u>4,281,483</u>
Non-Operating Revenues (Expenses)			
Income on Investments	220,213	1,526,842	50,907
Impact Fees	5,233,576	-	-
Interest Expense	(2,155,844)	(16,158,997)	(3,548,084)
Loss on Disposal of Capital Assets	(16,149)	(9,407,992)	11,474
Total Non-Operating Revenues (Expenses)	<u>3,281,796</u>	<u>(24,040,147)</u>	<u>(3,485,703)</u>
Income (Loss) Before Contributions, Transfers, and Special Items	<u>14,761,795</u>	<u>(54,093,029)</u>	<u>795,780</u>
Federal and State Grants	-	2,000,004	-
Capital Contributions	3,692,537	5,427,748	83,750
Capital Contributions - Tourist Development Tax	-	25,775,707	-
Special Item - Transfer of Capital Asset	-	18,528,797	(18,528,797)
Transfers In	-	7,418,298	2,618,482
Transfers Out	(1,607,593)	(111,098)	(230,015)
	<u>2,084,944</u>	<u>59,039,456</u>	<u>(16,056,580)</u>
Change in Net Position	16,846,739	4,946,427	(15,260,800)
Net Position - Beginning	534,418,552	609,469,707	45,266,933
Prior Period Adjustment	(4,049,900)	(6,290,342)	(9,294,685)
Net Position - Beginning as restated	<u>530,368,652</u>	<u>603,179,365</u>	<u>35,972,248</u>
Net Position - Ending	<u>\$ 547,215,391</u>	<u>\$ 608,125,792</u>	<u>\$ 20,711,448</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
\$ 23,698,749	\$ 33,692,710	\$ 211,724,775	\$ 142,786,834
-	-	50,213	-
-	-	1,544,685	-
18,078	104,983	2,050,813	3,596,198
<u>23,716,827</u>	<u>33,797,693</u>	<u>215,370,486</u>	<u>146,383,032</u>
5,885,259	8,359,027	49,019,317	11,961,599
8,784,369	22,193,008	112,956,789	114,796,653
5,206,062	57,111	60,656,096	13,672,651
<u>19,875,690</u>	<u>30,609,146</u>	<u>222,632,202</u>	<u>140,430,903</u>
<u>3,841,137</u>	<u>3,188,547</u>	<u>(7,261,716)</u>	<u>5,952,129</u>
31,106	15,448	1,844,516	101,103
-	-	5,233,576	-
(73)	-	(21,862,998)	(10,866,719)
<u>(30,098)</u>	<u>(10,008)</u>	<u>(9,452,773)</u>	<u>645,061</u>
<u>935</u>	<u>5,440</u>	<u>(24,237,679)</u>	<u>(10,120,555)</u>
<u>3,842,072</u>	<u>3,193,987</u>	<u>(31,499,395)</u>	<u>(4,168,426)</u>
-	-	2,000,004	-
4,072,477	-	13,276,512	264,100
-	-	25,775,707	-
-	-	-	-
464,327	-	10,501,107	5,028,186
<u>(5,266,545)</u>	<u>(1,234,038)</u>	<u>(8,449,289)</u>	<u>(579,380)</u>
<u>(729,741)</u>	<u>(1,234,038)</u>	<u>43,104,041</u>	<u>4,712,906</u>
3,112,331	1,959,949	11,604,646	544,480
155,504,745	23,332,930		170,689,238
<u>(7,886,399)</u>	<u>(9,482,456)</u>		<u>(13,801,198)</u>
<u>147,618,346</u>	<u>13,850,474</u>		<u>156,888,040</u>
<u>\$ 150,730,677</u>	<u>\$ 15,810,423</u>		<u>\$ 157,432,520</u>
		<u>(938,779)</u>	
		<u>\$ 10,665,867</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, 2018**

	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	\$ 107,248,398	\$ 29,340,786	\$ 21,306,550
Repayment of Loans from Other Funds	-	-	-
Payments to Suppliers	(34,347,346)	(22,673,518)	(9,174,316)
Payments to Employees	(12,795,792)	(7,172,005)	(3,403,170)
Payments to Internal Service Funds and Administrative Fees	(19,837,042)	(2,324,922)	(1,465,217)
Net Cash Provided by Operating Activities	<u>40,268,218</u>	<u>(2,829,659)</u>	<u>7,263,847</u>
Cash Flows from Noncapital Financing Activities:			
Transfers In	-	7,418,298	2,618,482
Transfers (Out)	(1,607,593)	(111,098)	(230,015)
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>(1,607,593)</u>	<u>7,307,200</u>	<u>2,388,467</u>
Cash Flows from Capital and Related Financing Activities:			
Proceeds from Bonds, Loans, and Leases	6,778,560	-	-
Additions to Capital Assets	(30,570,070)	(57,741,833)	-
Principal Paid on Bonds, Interfund Loans, Loans, and Leases	(6,071,995)	(6,828,617)	(2,438,391)
Interest Paid on Bonds, Interfund Loans, Loans, and Leases	(2,199,493)	(10,578,220)	(3,497,558)
Capital Contributions from/to Other Governments, Developers, and Funds	3,692,537	2,100,004	83,750
Impact Fees Received	7,966,844	-	-
Disposal of Capital Assets	(16,149)	-	-
Tourist Development Tax (pass-through from Orange County)	-	25,775,707	-
Net Cash Flows Provided by (Used in) Capital and Related Financing Activities	<u>(20,419,766)</u>	<u>(47,272,959)</u>	<u>(5,852,199)</u>
Cash Flows from Investing Activities:			
Purchases of Investments	(122,658)	(17,106,804)	(53,578)
Proceeds from Sales and Maturities of Investments	-	1,340,241	-
Net Investment Income	220,213	1,526,842	50,907
Net Cash Flows Provided by Investing Activities	<u>97,555</u>	<u>(14,239,721)</u>	<u>(2,671)</u>
Net Change in Cash and Cash Equivalents	18,338,414	(57,035,139)	3,797,444
Cash and Cash Equivalents at Beginning of Year	<u>198,511,661</u>	<u>175,197,720</u>	<u>16,563,810</u>
Cash and Cash Equivalents at End of Year	<u>\$ 216,850,075</u>	<u>\$ 118,162,581</u>	<u>\$ 20,361,254</u>
Classified As:			
Current Assets	\$ 202,663,416	\$ 22,662,503	\$ 13,960,162
Restricted Assets	14,186,659	95,500,078	6,401,092
Totals	<u>\$ 216,850,075</u>	<u>\$ 118,162,581</u>	<u>\$ 20,361,254</u>

			Governmental Activities
Stormwater Utility Fund	Solid Waste Management Fund	Total Enterprise Funds	Internal Service Funds
\$ 23,672,396	\$ 33,658,114	\$ 215,226,244	\$ 146,643,619
-	-	-	15,235,566
(9,193,995)	(15,345,999)	(90,735,174)	(111,782,323)
(3,422,191)	(5,410,477)	(32,203,635)	(7,552,277)
(3,127,137)	(10,244,029)	(36,998,347)	(4,089,132)
<u>7,929,073</u>	<u>2,657,609</u>	<u>55,289,088</u>	<u>38,455,453</u>
464,327	-	10,501,107	5,028,186
(5,266,544)	(1,234,038)	(8,449,288)	(579,380)
-	-	-	8,421,912
-	-	-	(24,731,000)
-	-	-	(13,545,640)
<u>(4,802,217)</u>	<u>(1,234,038)</u>	<u>2,051,819</u>	<u>(25,405,922)</u>
-	-	6,778,560	-
(14,379,536)	(75,185)	(102,766,624)	(24,155,265)
-	-	(15,339,003)	-
(73)	-	(16,275,344)	-
4,072,477	-	9,948,768	-
-	-	7,966,844	-
(30,098)	(10,008)	(56,255)	(23,383)
-	-	25,775,707	-
<u>(10,337,230)</u>	<u>(85,193)</u>	<u>(83,967,347)</u>	<u>(24,178,648)</u>
-	-	(17,283,040)	(62,251)
-	-	1,340,241	1,003,222
31,106	15,448	1,844,516	101,103
<u>31,106</u>	<u>15,448</u>	<u>(14,098,283)</u>	<u>1,042,074</u>
(7,179,268)	1,353,826	(40,724,723)	(10,087,043)
<u>32,764,244</u>	<u>23,915,748</u>	<u>446,953,183</u>	<u>173,100,605</u>
<u>\$ 25,584,976</u>	<u>\$ 25,269,574</u>	<u>\$ 406,228,460</u>	<u>\$ 163,013,562</u>
\$ 25,584,976	\$ 25,269,574	\$ 290,140,631	\$ 163,013,562
-	-	116,087,829	-
<u>\$ 25,584,976</u>	<u>\$ 25,269,574</u>	<u>\$ 406,228,460</u>	<u>\$ 163,013,562</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, 2018
(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)	\$ 11,479,999	\$ (30,052,882)	\$ 4,281,483
Adjustments Not Affecting Cash:			
Depreciation	23,570,859	29,338,859	2,483,205
(Increase) Decrease in Assets and Deferred Outflows and Increase (Decrease) in Liabilities and Deferred Inflows:			
Accounts Receivable	930,162	732,605	(61,502)
Due from Other Governments	2,136,639	-	22,046
Inventory	(199,477)	-	-
Prepaid Items	-	260,492	-
Deferred Outflows	173,814	45,552	71,699
Loans to Other Funds	-	-	-
Accounts Payable	2,153,243	694,964	2,198
Accrued Liabilities	11,604	(4,459)	1,532
Due to Other Governments	-	305,556	-
Due to Other Funds	-	-	-
Compensated Absences	6,159	34,063	(8,634)
Pension Liability	(1,014,611)	(274,790)	(418,527)
OPEB Liability	355,484	99,239	146,637
Claims Payable	-	-	-
Deferred Inflows	664,343	180,993	274,042
Advance Payments	-	(4,189,851)	469,668
Total Adjustments	<u>28,788,219</u>	<u>27,223,223</u>	<u>2,982,364</u>
Net Cash Provided by (used in) Operating Activities	<u>\$ 40,268,218</u>	<u>\$ (2,829,659)</u>	<u>\$ 7,263,847</u>
Noncash Investing, Capital, and Financing Activities:			
Contributed capital assets received	\$ 1,015,844	\$ 5,327,748	\$ -
Disposal of capital assets	(16,149)	(9,407,992)	11,474
Special Item - Capital Asset Transfer	-	18,528,797	(18,528,797)
Deferred Gain on Refunding Bonds	-	-	-

Governmental Activities			
Stormwater Utility Fund	Solid Waste Management Fund	Total Enterprise Funds	Internal Service Funds
\$ 3,841,137	\$ 3,188,547	\$ (7,261,716)	\$ 5,952,129
5,206,062	57,111	60,656,096	13,672,651
(44,431)	(139,579)	1,417,255	-
-	-	2,158,685	(4,412)
-	-	(199,477)	(35,361)
231	-	260,723	31,094
59,350	73,146	423,561	(112,017)
-	-	-	15,235,566
(1,139,783)	(485,097)	1,225,525	1,280,136
(15,164)	(2,390)	(8,877)	13,326
-	-	305,556	-
-	-	-	265,000
17,854	(36,324)	13,118	42,151
(350,886)	(426,982)	(2,485,796)	-
124,420	149,600	875,380	217,733
-	-	-	1,819,000
230,283	279,577	1,629,238	78,457
-	-	(3,720,183)	-
<u>4,087,936</u>	<u>(530,938)</u>	<u>62,550,804</u>	<u>32,503,324</u>
<u>\$ 7,929,073</u>	<u>\$ 2,657,609</u>	<u>\$ 55,289,088</u>	<u>\$ 38,455,453</u>
\$ 4,038,927	\$ -	\$ 10,382,519	\$ 264,100
(30,098)	(10,008)	(9,452,773)	691,827
-	-	-	-
-	-	-	492,772

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 firefighter, police officer and general employee 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) 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, 2018**

	Employee Retirement Funds	Agency Fund
ASSETS		
Cash and Cash Equivalents	\$ 26,345,342	\$ 197,825
Cash with Fiscal Agents	75,000	-
Accounts Receivable	-	-
Prepaid Items	1,338,012	-
Investments, at Fair Value		
Fixed Income	387,169,281	-
Equity	633,490,906	-
Real Estate	81,297,027	-
Global Commingled Investments	121,108,399	-
Hedge Fund of Funds	60,150,584	-
Private Equity	13,510,257	-
Private Debt	32,945,301	-
Other	9,598,705	-
Defined Contribution Mutual Funds	231,945,431	-
Firefighter Share Plan Mutual Funds	13,163,404	-
Police Share Plan Mutual Funds	3,863,496	-
Retiree Health Savings Mutual Funds	5,493,278	-
Securities Lending Collateral	70,047,305	-
Participant Loans	5,065,730	-
Total Assets	1,696,607,458	197,825
LIABILITIES		
Obligations Under Security Lending	70,047,305	-
Accounts Payable	424,382	197,825
Accrued Liabilities	1,352	-
Total Liabilities	70,473,039	\$ 197,825
NET POSITION		
Restricted for Employees' Pension Benefits, OPEB, and Other Purposes	\$ 1,626,134,419	

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, 2018**

	<u>Employee Retirement Funds</u>
ADDITIONS	
Contributions:	
Employer	\$ 91,698,248
State	4,617,852
State in Excess of 1997 Frozen Amounts	1,050,201
Plan Members	11,455,986
Plan Members State Shortfall	250,447
Plan Members Buyback	52,275
Total Contributions	<u>109,125,009</u>
Investment Income:	
<i>From Investment Activities</i>	
Net Increase (Decrease) in Fair Value of Investments	98,278,981
Interest and Dividends	12,363,122
Net Investment Income	<u>110,642,103</u>
Investment Activity Expenses:	
Investment Management Fees	(4,197,081)
Custodian Fees	(358,421)
Total Investment Expenses	<u>(4,555,502)</u>
Net Income from Investing Activities	<u>106,086,601</u>
<i>From Securities Lending Activities:</i>	
Securities Lending Income	1,208,042
Security Lending Expenses:	
Interest and Agent Fees	(1,028,439)
Net Income from Securities Lending Activities	<u>179,603</u>
Total Net Investment Income	<u>106,266,204</u>
Total Additions, net	<u>215,391,213</u>
DEDUCTIONS	
Retirement Benefits	89,994,719
Retiree Healthcare Benefits	17,013,652
Long-Term Disability Benefits	168,520
Refunds of Contributions	202,494
Administrative Expense	454,881
Salaries, Wages and Employee Benefits	82,362
Total Deductions	<u>107,916,628</u>
Net Increase	107,474,585
Net Position - Restricted for Employees' Pension Benefits, OPEB, and Other Purposes:	
Beginning of year	1,518,659,834
End of year	<u>\$ 1,626,134,419</u>

The accompanying notes are an integral part of the financial statements

**CITY OF ORLANDO, FLORIDA
STATEMENT OF NET POSITION
COMPONENT UNIT
SEPTEMBER 30, 2018**

	<u>Downtown Development Board</u>
ASSETS	
Cash and Cash Equivalents	\$ 2,294,385
Receivables (Net)	3,181
Due From Other Governments	27,383
Capital assets:	
Depreciable (Net)	898
Total Assets	<u>2,325,847</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Outflows - Pension and OPEB Related	31,947
LIABILITIES	
Accounts Payable	108,974
Accrued Liabilities	5,079
Compensated Absences	6,664
Long-term Liabilities:	
Compensated Absences	76,635
Net Pension Liability	41,882
Net OPEB Liability	206,125
Total Liabilities	<u>445,359</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred Inflows - Pension and OPEB Related	9,115
NET POSITION	
Net Investment in Capital Assets	898
Unrestricted	1,902,422
Total Net Position	<u>\$ 1,903,320</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, 2018**

	<u>Expenses</u>	<u>Program Revenues</u>	<u>Net (Expenses) Revenue and Changes in Net Position</u>
		<u>Charges for Services</u>	<u>Downtown Development Board</u>
DOWNTOWN DEVELOPMENT BOARD			
Economic Development	\$ 3,805,563	\$ -	\$ (3,805,563)
General revenues:			
Property taxes, levied for general purposes			2,741,941
Investment Earnings			9,582
Payment from Primary Government			731,995
Miscellaneous			126,989
Total General Revenues			<u>3,610,507</u>
Change in Net Position			(195,056)
Net Position - Beginning			2,286,147
Prior Period Adjustment			(187,771)
Net Position - Beginning as restated			<u>2,098,376</u>
Net Position - Ending			<u>\$ 1,903,320</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, 2018

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CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2018

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 its discretely presented component units.

1. Blended Component Units:

Blended component units, although legally separate entities, are part of the government's operations. Their sole purpose is to provide services entirely to or exclusively for the City or the City Council as the governing body.

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 (NID) – Downtown South - 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:

A discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the City, its governing body is not substantially the same as the City's governing body, and it does not provide services entirely or exclusively to the City government.

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.

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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. 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, 2018, the City paid approximately \$19,980 in administrative expenses for Strengthen Orlando's 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 Note 17. 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:

During the fiscal year ended September 30, 2018, the City adopted the following GASB pronouncements:

GASB Statement 75, *Accounting and Financial Reporting for Postemployment Benefit Plans Other Than Pensions* (GASB 75). Issued June 2015, this statement replaces the requirements of GASB Statement 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended. GASB 75 establishes new accounting and financial reporting requirements for OPEB plans. This statement provides guidance for accounting for net OPEB liabilities, including definition of balances to be included in deferred inflows and deferred outflows of resources. The City adopted this new pronouncement in the current year and has restated amounts of affected balances within the government-wide financial statements as of September 30, 2017.

	As Originally Reported	As Restated	Effect of Change
Statement of Net Position			
Deferred Outflow of Resources			
Payments Made to OPEB Since Measurement Date	\$ -	\$ 25,357,589	\$ 25,357,589
Noncurrent Liabilities			
Net OPEB Liability	-	328,064,288	(328,064,288)
Net Position: Government - Wide	2,016,539,931	1,713,833,232	(302,706,699)
Statement of Activities			
Restatement per GASB 75 Implementation	-	(302,706,699)	\$ (302,706,699)

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GASB Statement 81, *Irrevocable Split-Interest Agreements*. Issued March 2016, this statement improves 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. This had no impact on the City, as there are no irrevocable split-interest agreements on record.

GASB Statement 83, *Certain Asset Retirement Obligations*. Issued November 2016, this statement addresses accounting and financial reporting for certain asset retirement obligations (AROs). GASB 83 will be effective for the City, fiscal year ending September 30, 2019, however the City has opted for early implementation in the fiscal year ending September 30, 2018. The City has no plans to retire tangible capital assets that fall under the framework of this statement, and therefore is not subject to the reporting requirements of GASB Statement 83.

GASB Statement 85, *Omnibus 2017*. This Statement was issued March 2017 to address various accounting matters that have been identified during implementation and application of certain GASB Statements. The Statement addresses a variety of topics including issues related to blending component units, goodwill fair value measurement and application, and post-employment benefits (pensions and other post-employment benefits [OPEB]). Specifically, the Statement addresses the following topics:

- Blending a component unit in circumstances in which the primary government is a business-type activity that reports in a single column for financial statement presentation. There was no impact on the City as the primary government is not a business-type activity, and therefore is not subject to this reporting requirement.
- Reporting amounts previously reported as goodwill and “negative” goodwill. This City does not report goodwill and therefore is not subject to this reporting requirement.
- Classifying real estate held by insurance entities. This City does not have real estate held by insurance entities and therefore is not subject to this reporting requirement.
- Measuring certain money market investments and participating interest-earning investment contracts at amortized cost. This clarification guidance has no significant impact on the City or current account practices.
- Timing of the measurement of pension or OPEB liabilities and expenditures recognized in financial statements prepared using the current financial resources measurement focus. The paragraph clarifies that all expenditures for defined benefit pensions or defined benefit OPEB should be measured for the reporting period (including amounts for payables to a pension or OPEB plan). This standard is applicable to the City, but does not significantly impact or change current City accounting practices.
- Recognizing on-behalf payments for pensions or OPEB in employer financial statements. This paragraph clarifies that an employer should recognize expenditures for on-behalf payments for pensions or OPEB equal and include amounts for payables to a pension or OPEB plan. This standard will be applicable to the City, but will not significantly impact or change current accounting practices.
- Presenting payroll-related measures in required supplementary information for purposes of reporting by OPEB plans and employers that provide OPEB. This paragraph provides clarification on the presentation of covered payroll in the required supplementary information. This standard is applicable to the City, but will not significantly impact or change current City accounting practices.
- Simplifying certain aspects of the alternative measurement method for OPEB. This portion of the standard has no impact on the City.
- Accounting and financial reporting for OPEB provided through certain multiple-employer defined benefit OPEB plans. This portion of the requirement was not applicable to the City.

GASB Statement 85 was implemented by the City for the fiscal year ended September 30, 2018.

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GASB Statement 86, *Certain Debt Extinguishment Issues*. This Statement was issued May 2017 to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources – resources other than the proceeds of refunding debt – are placed in an irrevocable trust for the sole purpose of extinguishing debt. The Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance. GASB Statement 86 was implemented by the City, for the fiscal year ended September 30, 2018, and there was no impact to the City's financial statements.

GASB Statement 88, *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*. This Statement was issued April 2018 to improve the information that is disclosed in the notes to the governmental financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. GASB Statement 88 was implemented by the City for the fiscal year ending September 30, 2018. See Note 10.

GASB Statement 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period*. This statement was issued June 2018 to establish accounting requirements for interest cost incurred before the end of a construction period. The objectives of the Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. GASB Statement 89 was implemented by the City for the fiscal year ending September 30, 2018. There was minimal impact to the City's Notes to Financial Statements.

6. Future Adoption of GASB Pronouncements :

The following GASB pronouncements have been issued, but are not effective as of September 30, 2018:

GASB Statement 84, *Fiduciary Activities*. This statement was issued January 2017 to establish criteria for identifying fiduciary activities of all state and local governments. GASB Statement 84 will be effective for the fiscal year ending September 30, 2020.

GASB Statement 87, *Leases*. This statement was issued June 2017 to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments and increases the usefulness of governments' financial statements. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. GASB Statement 87 will be effective for the fiscal year ending September 30, 2021.

GASB Statement 90, *Majority Equity Interests - an amendment of GASB Statements No. 14 and No. 61*. Issued August 2018, the primary objective of this statement is to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization; and to improve the relevance of financial statement information for certain component units. GASB Statement 90 will be effective for the fiscal year ending September 30, 2020.

The City of Orlando will implement new GASB pronouncements no later than the required effective date. The City is currently evaluating whether or not the above listed new GASB pronouncements will have a significant impact to the City's financial statements and component unit.

B. Government-Wide and Fund Financial Statements

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

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The government-wide Statement of Activities reflects both the gross and net costs per functional category (Police, Fire, Public Works, etc.) which are otherwise being supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, etc.).

The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating grants, and capital grants. The program revenues must be directly associated with the function (Police, Fire, Public Works, etc.) or a business-type activity. The operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

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

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

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.

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

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

2. Proprietary Funds:

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

a. The 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 Theater.

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.

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

D. Basis of Accounting

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

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

1. Accrual:

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

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 is utilized by the governmental funds of the City. Monies are set aside when a purchase order is issued in order to reserve a portion of the applicable budget appropriation. 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.

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2. Investments:

All investments (including Pension Funds) are stated at fair value, generally based on quoted market prices. The fair values of investments without quoted market prices, including certain commingled funds, alternative investments and fixed income securities, are estimated by a third party utilizing various pricing sources or based on fund net asset value (NAV). 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, 2018 the allowance for doubtful accounts in the Governmental, Business-type, Internal Service, and Fiduciary funds at the fund level was \$555,336, \$118,563, \$6,318, and \$13,322, respectively. In addition, the allowance for doubtful accounts in Governmental Activities at the government-wide level is \$11,868,410, which primarily consists of \$11,306,756 relating to Emergency Management Services (EMS) accounts receivables.

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, 2018 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.

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The thresholds for capitalization of assets range from \$5,000 to \$250,000, depending on the asset class. Other costs incurred for repairs and maintenance are expense 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

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.

For the fiscal year ended September 30, 2018 the Orlando Venues Fund recognized a Special Item gain of \$18,528,797 and the Parking System recognized a Special Item loss of \$18,528,797 due to the transfer of the Geico Garage (and the related debt) from Orlando Venues to the Parking System. The related debt consisted of the Series 2009A and C and a portion of the Series 2016B Capital Improvement Special Revenue Bonds.

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 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.

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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 and OPEB:

Deferred Inflows of resources and Deferred Outflows of resources related to pensions or OPEB derived from differences between projected and actual earnings on the respective pension or OPEB plan investments are amortized to pension or OPEB expense using a systematic and rational method over a closed five-year period, beginning in the current reporting period.

Deferred Inflows of resources and Deferred Outflows of resources related to pensions or OPEB derived from differences between expected and actual experience with regard to economic or demographic factors (differences between expected and actual experience) in the measurement of the respective pension plan's total pension liability or the OPEB total liability are amortized to pension or OPEB 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 or OPEB benefits through the OPEB 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 or OPEB that are derived from changes in actuarial assumptions about future economic or demographic factors or of other inputs are amortized to pension or OPEB 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 or OPEB benefits through the OPEB plan (active and inactive employees) determined as of the beginning of the measurement period.

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

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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 Note 11 for additional information on the Net Pension Liability.

15. Net OPEB Liability:

The Net OPEB Liability is the difference between the actuarial present value of projected benefit payments attributable to employees' past service and the OPEB plan's fiduciary net position. See Note 13 for additional information on the Net OPEB Liability.

16. Interfund Activity:

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

The City uses its cost allocation plan to identify costs associated with providing certain services. These indirect charges reimburse the administration and overhead services provided by certain General Fund divisions (e.g., finance, personnel, procurement, legal, information technology, etc.). At the fund-level statements, indirect charges of \$19,082,582 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).

17. 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 purposes 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.

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

e. Unassigned Fund balance is the residual classification for the general fund and includes all spendable amounts not contained in the other classifications. In the other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

The City applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, or unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first, followed by assigned, and then by unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

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

18. 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".

19. 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.

20. Reclassifications:

Certain 2017 amounts have been reclassified to conform to the 2018 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 85% and 100% of the Water Reclamation System and the Solid Waste Management operating revenue from user charges, respectively, and 90% 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.

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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.

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 \$78,947. These over expenditures were funded from higher than expected operating revenue (charges for services) and from available fund balance. The budgetary comparison schedule for the GOAA Police fund (a non-major governmental fund) has an excess of expenditures over appropriations of \$130,798. These over expenditures were funded primarily from higher than expected operating revenue (Other Intergovernmental).

The budgetary comparison schedule for the Forfeitures Act fund (a non-major governmental fund) has an excess of expenditures over appropriations of \$665,903. These over expenditures were funded from existing fund balance.

C. Deficit Fund Balance/Net Position

Fund	Type	Deficit
GOAA Police Fund	Nonmajor Governmental Fund	\$ 598,133
Construction Management Fund	Internal Service Fund	\$ 3,865,285
Facilities Management Fund	Internal Service Fund	\$ 3,217,355
Republic Drive Trust Fund	Special Revenue Fund	\$ 12,803
Conroy Road Revenue Fund	Special Revenue Fund	\$ 3,597

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The deficit in the GOAA Police Fund (a non-major governmental fund) is due primarily to the accrual of September 2018 salaries and the accrual for a portion of the personal leave buydowns. The deficit related to the payroll accrual was funded in December 2018 when salaries were invoiced to and paid by GOAA.

Both the Construction Management Fund and the Facilities Management Fund reported deficit net positions in the Governmental Activities - Internal Service Funds column of the Statement of Net Position - Proprietary Funds, and the Statement of Revenues, Expenses and Changes in Fund Net Position - Proprietary Funds. The activity for these funds are reported in governmental activities on the government-wide Statement of Activities. The deficit net positions are a result of the recording the Net OPEB liability per GASB Statement 75. These funds will continue to include the costs of retiree healthcare in their operating budgets and their rates. However, the rates will not be increased in the near-term to sufficiently eliminate the deficit net position due to these long-term obligations. See Note 21 for the prior period adjustment related to the Net OPEB liability.

The deficit in the Republic Drive Trust Fund and Conroy Road Revenue Fund is from an investment loss during fiscal year 2018. The deficit will be covered by Tax Increment Revenue received in fiscal year 2019.

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, 2018 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.

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
June 26	Assessment roll certified by Property Appraiser
September 25	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. 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.

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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.

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, 2018, are classified in the accompanying financial statements as follows:

City-wide Cash and Investments

Primary Government:	
Cash and Cash Equivalents	\$ 958,594,532
Investments	77,019,392
Pension and Agency Funds:	
Cash and Cash Equivalents	26,543,167
Investments	1,593,736,069
Component Units:	
Cash and Cash Equivalents	2,294,385
Total Cash and Investments	<u>\$ 2,658,187,545</u>
Investment Schedules:	
Operating Portfolio	\$ 898,312,150
Trustee Portfolio	52,398,133
Fiduciary Funds Portfolio	<u>1,593,736,069</u>
Sub-total	2,544,446,352
Other Cash and Investments:	
Cash Deposits	32,371,685
SSGFC & Wells Fargo Reserve Funds	24,615,449
Cash with Fiscal Agent	<u>56,754,059</u>
Total Cash and Investments	<u>\$ 2,658,187,545</u>

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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.

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, 2018, the carrying amount of the City's deposits was \$32,371,685. 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.

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(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).

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.

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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 calculations 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.

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As of September 30, 2018, 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 (in years) at Year End	Credit Quality (2)
U.S. Government Debt:					
Treasury Securities	\$ 234,973,017	26.16%	Level 2	6.27	
Agencies (3)	33,974,017	3.78%	Level 2	3.610	
Direct Obligations	268,947,034	29.94%		5.933	Aaa/AA+
Federal Instrumentality Debt (4)	126,069,921	14.03%	Level 2	4.609	Aaa/AA+
Corporate Debt:					
Investment Grade Corporate	225,167,827	25.07%	Level 2	3.906	A3/A-
Specialty Risk:					
Non-U.S. Investment Grade	4,189,129	0.47%	Level 2	5.325	Aa2/AA+
High Yield	21,689,266	2.41%	Level 2	1.628	A2/BBB+
Emerging Markets	7,093,540	0.79%	Level 2	5.128	Baa1/BBB+
Specialty Risk Total	32,971,935	3.67%		2.851	Baa2/A-
Total Corporate Debt	258,139,762	28.74%		3.771	A3/A-
Asset-Backed:					
Corporate Loans	57,460,877	6.40%	Level 2		
Mortgage Loans	3,360,960	0.37%	Level 2		
Commingled Fund	16,167,052	1.80%	Level 2		
Total Asset-Backed	76,988,889	8.57%		1.357	Aaa/AAA
Mortgage Backed Securities (5)	120,391,002	13.40%	Level 2	1.939	Aaa/AA+
Municipal Debt	5,446,612	0.61%	Level 2	5.120	A2/A+
Other Investments:					
Derivatives	1,656,733	0.18%	Level 2	14.000	
Money Market Investments (6)(8)	122,445,951	13.63%	N/A	0.151	Aaa/AA+
Sub Total	980,085,904	109.10%			
Clarification Adjustment - Assets in More than One Category (7)	(81,773,754)	(9.10)%			
Total Fair Value (1)	\$ 898,312,150	100.00%			
Effective Duration				2.848	Aa2/AA+

- (1) Fair Value includes accrued interest. Total accrued interest at the end of the year was \$4,054,756.
- (2) Rated by Standard & Poor's and Moody's, respectively, as of September 30, 2018.
- (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

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.

CITY OF ORLANDO, FLORIDA
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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 (in years) at Year End</u>	<u>Credit Quality (1)</u>
Other Investments:				
Money Market Funds (2)	<u>\$ 52,398,133</u>	<u>100.00%</u>	0.08	AAA / Aaa

- (1) Rated by Standard & Poor's and Moody's, respectively, as of September 30, 2018.
(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 commingled 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.

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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)	19%	19%	19%
Aa2	1%	1%	1%
Aa3	1%	1%	1%
A1	2%	2%	2%
A2	1%	1%	1%
A3	76%	76%	76%
	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 80 and 81 indicates the average effective duration of the three pension fund portfolios in the aggregate and by security type.

The schedule on pages 83 through 84 outlines the foreign currency exposure that each of the three defined benefit pension plans is subject to as of September 30, 2018. All of the investments are managed by third party money managers in external investment pools.

For the year ended September 30, 2018, the annual money-weighted rate of return on pension investments, net of pension plan investment expense, was 7.15%, 7.46%, and 7.13% 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 commingled 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.

For the year ending September 30, 2018, the annual money-weighted rate of return on OPEB investments, net of investment expense, was 6.02%.



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CITY OF ORLANDO, FLORIDA
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FIDUCIARY FUNDS INVESTMENT PORTFOLIO CHARACTERISTICS

	General Employee				Firefighter		
	Fair Value Hierarchy	Fair Value	% of Portfolio	Effective Duration	Fair Value	% of Portfolio	Effective Duration
Fixed Income							
Short-term Investments	Level 1	\$ 121,381	0.06%	0.01	\$ 233,705	0.06%	0.01
U.S. Government Obligations	Level 2	12,441,107	5.71%	6.22	23,953,943	5.88%	6.22
Asset Backed Securities	Level 2	1,016,978	0.47%	0.94	1,958,076	0.48%	0.94
Domestic Corporate	Level 1	4,846,054	2.22%	6.54	9,330,529	2.29%	6.54
Fixed Income Commingled Investments	Level 1	54,452,329	24.99%	4.25	80,529,342	19.77%	4.25
Total Fixed Income (1)		72,877,849	33.45%	4.69	116,005,595	28.48%	4.78
Short-term Investments (2)	Level 1	2,009,526	0.92%		4,906,172	1.20%	
Domestic Stocks	Level 1	64,562,121	29.63%		112,500,954	27.62%	
Global Commingled Investments	Level 3	21,122,858	9.69%		39,749,428	9.76%	
International Stocks	Level 1	33,780,950	15.50%		71,647,616	17.59%	
Commingled Real Estate Investments	Level 3	13,183,624	6.05%		20,110,269	4.94%	
Real Estate Investment Trusts	Level 1	263,903	0.12%		6,217,618	1.53%	
Hedge Fund of Funds	Level 3	10,089,801	4.63%		16,188,026	3.97%	
Private Equity	Level 3	-	-		4,566,949	1.12%	
Private Debt	Level 3	-	-		15,366,606	3.77%	
Total Defined Benefits Pension Plans and OPEB Investments		217,890,632	100.00%		407,259,233	100.00%	
Firefighter Share Plan Mutual Funds	Level 2	-			13,163,404		
Police Share Plan Mutual Funds	Level 2	-			-		
Defined Contribution Mutual Funds	Level 2	-			-		
Retiree Health Savings Mutual Funds (3)	Level 2	-			-		
Total Investments		\$ 217,890,632			\$ 420,422,637		

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.
(3) Consists of \$2,332,689 for Fire and \$3,160,589 for Police.

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Police			OPEB			Other	Total Fiduciary Funds Investments	
Fair Value	% of Portfolio	Effective Duration	Fair Value	% of Portfolio	Effective Duration	Fair Value	Fair Value	Effective Duration
\$ 286,136	0.05%	0.01	\$ -	-	-	\$ -	641,222	0.01
29,327,913	4.95%	6.22	-	-	-	-	65,722,963	6.22
2,397,362	0.40%	0.94	-	-	-	-	5,372,416	0.94
11,423,795	1.93%	6.54	-	-	-	-	25,600,378	6.54
117,937,812	19.89%	4.25	31,878,963	26.28%	3.84	-	284,798,446	4.20
161,373,018	27.22%	4.71	31,878,963	26.28%	3.84	-	382,135,425	4.65
2,683,007	0.45%	-	5,033,856	4.15%	-	-	14,632,561	-
178,092,843	30.04%	-	39,090,317	32.23%	-	-	394,246,235	-
60,236,113	10.16%	-	21,269,372	17.54%	-	-	142,377,771	-
96,968,244	16.36%	-	15,578,489	12.84%	-	-	217,975,299	-
29,310,619	4.94%	-	-	-	-	-	62,604,512	-
7,072,903	1.19%	-	5,138,091	4.24%	-	-	18,692,515	-
33,872,757	5.71%	-	-	-	-	-	60,150,584	-
6,581,118	1.11%	-	2,362,190	1.95%	-	-	13,510,257	-
16,636,809	2.81%	-	941,886	0.78%	-	-	32,945,301	-
592,827,431	100.00%	-	121,293,164	100.00%	-	-	1,339,270,460	-
-	-	-	-	-	-	-	13,163,404	-
3,863,496	-	-	-	-	-	-	3,863,496	-
-	-	-	-	-	-	231,945,431	231,945,431	-
-	-	-	-	-	-	5,493,278	5,493,278	-
\$ 596,690,927	-	-	\$ 121,293,164	-	-	\$ 237,438,709	\$ 1,593,736,069	-

CITY OF ORLANDO, FLORIDA
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At September 30, 2018, 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, 2018. 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, 2018.

(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.

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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	\$ (24,099)	\$ -	\$ (66,508)
GMO Global Balanced Asset Allocation Fund	Brazilian Real	N/A	47,150	-	130,124
GMO Global Balanced Asset Allocation Fund	Canadian Dollar	N/A	34,576	-	95,424
GMO Global Balanced Asset Allocation Fund	Chilean Peso	N/A	1,048	-	2,892
GMO Global Balanced Asset Allocation Fund	Chinese Renminbi	N/A	116,303	-	320,973
GMO Global Balanced Asset Allocation Fund	Colombian Peso	N/A	6,287	-	17,350
GMO Global Balanced Asset Allocation Fund	Czech Republic Koruna	N/A	3,143	-	8,675
GMO Global Balanced Asset Allocation Fund	Denmark Krone	N/A	36,672	-	101,208
GMO Global Balanced Asset Allocation Fund	Euro Currency	N/A	554,272	-	1,529,683
GMO Global Balanced Asset Allocation Fund	Hong Kong Dollar	N/A	400,249	-	1,104,611
GMO Global Balanced Asset Allocation Fund	Indian Rupee	N/A	66,010	-	182,174
GMO Global Balanced Asset Allocation Fund	Indonesian Rupiah	N/A	55,532	-	153,258
GMO Global Balanced Asset Allocation Fund	Israeli Shekel	N/A	4,191	-	11,567
GMO Global Balanced Asset Allocation Fund	Japanese Yen	N/A	686,291	-	1,894,031
GMO Global Balanced Asset Allocation Fund	Malaysian Ringgit	N/A	4,191	-	11,567
GMO Global Balanced Asset Allocation Fund	Mexican Peso	N/A	68,105	-	187,957
GMO Global Balanced Asset Allocation Fund	New Zealand Dollar	N/A	(45,054)	-	(124,341)
GMO Global Balanced Asset Allocation Fund	Norwegian Krone	N/A	166,596	-	459,773
GMO Global Balanced Asset Allocation Fund	Philippine Peso	N/A	18,860	-	52,050
GMO Global Balanced Asset Allocation Fund	Polish Zloty	N/A	48,198	-	133,016
GMO Global Balanced Asset Allocation Fund	Qatari Riyal	N/A	26,194	-	72,291
GMO Global Balanced Asset Allocation Fund	Russian Ruble	N/A	210,602	-	581,222
GMO Global Balanced Asset Allocation Fund	Singapore Dollar	N/A	10,478	-	28,917
GMO Global Balanced Asset Allocation Fund	South African Rand	N/A	110,016	-	303,623
GMO Global Balanced Asset Allocation Fund	South Korean Won	N/A	151,927	-	419,289
GMO Global Balanced Asset Allocation Fund	Swedish Krona	N/A	195,933	-	540,739
GMO Global Balanced Asset Allocation Fund	Swiss Franc	N/A	(23,051)	-	(63,616)
GMO Global Balanced Asset Allocation Fund	Taiwan Dollar	N/A	444,256	-	1,226,060
GMO Global Balanced Asset Allocation Fund	Thai Baht	N/A	78,583	-	216,874
GMO Global Balanced Asset Allocation Fund	Turkish Lira	N/A	100,586	-	277,598
GMO Global Balanced Asset Allocation Fund	UK Sterling	N/A	331,096	-	913,762
GMO Global Balanced Asset Allocation Fund	UAE Dirham	N/A	18,860	-	52,050
Total			<u>\$ 3,904,001</u>	<u>\$ -</u>	<u>\$ 10,774,293</u>

Investment	Currency	Maturity	General Employee Fair Value	Firefighter Fair Value	Police Fair Value
Blackrock Global	British Pound Sterling	N/A	\$ 332,332	\$ 661,210	\$ 979,286
Blackrock Global	EURO	N/A	955,454	1,900,980	2,815,448
Blackrock Global	Japanese Yen	N/A	841,215	1,673,689	2,478,819
Blackrock Global	Latin America	N/A	135,010	268,617	397,835
Blackrock Global	Other Asia	N/A	643,893	1,281,095	1,897,367
Blackrock Global	Other Europe	N/A	166,166	330,605	489,643
Blackrock Global	Rest of the world	N/A	124,624	247,954	367,232
Total			<u>\$ 3,198,694</u>	<u>\$ 6,364,150</u>	<u>\$ 9,425,630</u>

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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	Argentina Peso	N/A	\$ -	\$ 31,893	\$ -
Wellington GAA	Australian Dollar	N/A	-	315,477	-
Wellington GAA	Bermuda Dollar	N/A	-	87,014	-
Wellington GAA	Brazilian Real	N/A	-	(7,098)	-
Wellington GAA	Canadian Dollar	N/A	-	321,668	-
Wellington GAA	Chilean Peso	N/A	-	70,554	-
Wellington GAA	Chinese Renminbi	N/A	-	180,265	-
Wellington GAA	Colombian Peso	N/A	-	6,729	-
Wellington GAA	Croatia Kuna	N/A	-	19,919	-
Wellington GAA	Czech Republic Koruna	N/A	-	(17,828)	-
Wellington GAA	Denmark Krone	N/A	-	139,080	-
Wellington GAA	Euro Currency	N/A	-	1,389,859	-
Wellington GAA	Hong Kong Dollar	N/A	-	98,380	-
Wellington GAA	Hungarian Forint	N/A	-	(23,070)	-
Wellington GAA	Iceland Krona	N/A	-	432,500	-
Wellington GAA	Indian Rupee	N/A	-	175,421	-
Wellington GAA	Indonesian Rupiah	N/A	-	66,481	-
Wellington GAA	Israeli Shekel	N/A	-	43,163	-
Wellington GAA	Japanese Yen	N/A	-	1,481,341	-
Wellington GAA	Malaysian Ringgit	N/A	-	(7,296)	-
Wellington GAA	Mauritius Rupee	N/A	-	63,691	-
Wellington GAA	Mexican Peso	N/A	-	73,299	-
Wellington GAA	New Zealand Dollar	N/A	-	59,367	-
Wellington GAA	Norwegian Krone	N/A	-	338,314	-
Wellington GAA	Peru Sol	N/A	-	5,795	-
Wellington GAA	Philippine Peso	N/A	-	51,087	-
Wellington GAA	Polish Zloty	N/A	-	56,938	-
Wellington GAA	Romania Leu	N/A	-	7,945	-
Wellington GAA	Russian Ruble	N/A	-	141,439	-
Wellington GAA	Singapore Dollar	N/A	-	139,930	-
Wellington GAA	South African Rand	N/A	-	(149,587)	-
Wellington GAA	South Korean Won	N/A	-	119,668	-
Wellington GAA	Swedish Krona	N/A	-	259,745	-
Wellington GAA	Swiss Franc	N/A	-	298,657	-
Wellington GAA	Taiwan Dollar	N/A	-	76,189	-
Wellington GAA	Thai Baht	N/A	-	26,724	-
Wellington GAA	Turkish Lira	N/A	-	26,593	-
Wellington GAA	UK Sterling	N/A	-	(38,327)	-
Total			\$ -	\$ 6,361,919	\$ -

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	Argentine Peso	N/A	\$ 137,658	\$ 203,582	\$ 298,152
Loomis Sayles Core Plus Full Discretion Trust	Mexican Peso	N/A	34,372	50,832	74,445
Total			\$ 172,030	\$ 254,414	\$ 372,597

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	Brazil Real	N/A	\$ 641,838	\$ 1,361,305	\$ 1,842,397
Artisan International Fund	Chinese Onshore Yuan	N/A	67,562	143,295	193,936
Artisan International Fund	Danish Kroner	N/A	439,152	931,419	1,260,587
Artisan International Fund	European Euro	N/A	18,613,304	39,477,836	53,429,502
Artisan International Fund	Hong Kong Dollar	N/A	1,047,209	2,221,076	3,006,016
Artisan International Fund	India Rupee	N/A	675,619	1,432,952	1,939,365
Artisan International Fund	Indonesian Rupiah	N/A	202,686	429,886	581,809
Artisan International Fund	Japanese Yen	N/A	844,524	1,791,190	2,424,206
Artisan International Fund	Swiss Franc	N/A	2,398,447	5,086,981	6,884,745
Artisan International Fund	United Kingdom Pound Sterling	N/A	3,580,781	7,594,647	10,278,634
Total			\$ 28,511,122	\$ 60,470,587	\$ 81,841,197

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D. 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, 2018.

E. 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, 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, 2018 was 32 days for the operating pool and 29 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, 2018, 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.

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
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NOTE 5: NET POSITION, FUND BALANCE, INTERFUND TRANSFERS, RECEIVABLES AND PAYABLES, AND RESTRICTED ASSETS

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.

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 below 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	\$ 1,150,286	\$ -	\$ -	\$ -	\$ 1,150,286
Internal Loan Fund (2)	191,221,156	4,863,070	19,292,879	25,420,011	141,645,196
Total Governmental Activities	<u>\$ 192,371,442</u>	<u>\$ 4,863,070</u>	<u>\$ 19,292,879</u>	<u>\$ 25,420,011</u>	142,795,482
Capital Assets					714,971,522
Net Investment in Capital Assets					<u>\$ 572,176,040</u>
Business-type Activities					
Water Reclamation Revenue Bonds	\$ 34,816,045	\$ 3,007,662	\$ -	\$ 39,105	\$ 31,769,278
Water Reclamation SRF Loans	56,258,069	-	-	-	56,258,069
Parking Internal Loans	8,932,083	-	-	-	8,932,083
Parking Bonds	47,053,251	-	-	-	47,053,251
Orlando Venues Bonds and Loans	440,672,279	37,809,476	-	82,774,598	320,088,205
Total Business-type Activities	<u>\$ 587,731,727</u>	<u>\$ 40,817,138</u>	<u>\$ -</u>	<u>\$ 82,813,703</u>	464,100,886
Capital Assets					1,569,552,599
Net Investment in Capital Assets					<u>\$ 1,105,451,713</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 \$191,221,156 in the internal loan fund (as shown above) represents the total internal loan fund debt of \$236,744,000 as shown on page 103, plus unamortized discounts, premiums, and deferred expense on refunding bonds (\$18,401,293), less the loans made to the proprietary funds (\$50,443,362), less loans to the governmental funds that are not related to capital asset acquisition (\$13,480,775) (e.g., loans for economic development incentives).

CITY OF ORLANDO, FLORIDA
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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

A schedule of City fund balances is shown below:

	General Fund	Community Redevelopment Agency	Capital Improvement	Non Major Governmental Funds	Total
Fund Balances:					
Nonspendable:					
Inventory	\$ 502,409	\$ -	\$ -	\$ 32,376	\$ 534,785
Prepaid Items	846,619	-	-	-	846,619
Permanent Funds	-	-	-	1,000	1,000
Sub-total	<u>1,349,028</u>	<u>-</u>	<u>-</u>	<u>33,376</u>	<u>1,382,404</u>
Restricted for:					
Housing and Community Development	-	-	-	385,822	385,822
Law Enforcement	-	-	-	2,125,466	2,125,466
911 Services	409,632	-	-	-	409,632
Cemetery Trust Fund	946	-	-	-	946
Orlando Public Library	946	-	-	-	946
Families, Parks, and Recreation	946	-	-	2,722,438	2,723,384
Transportation Projects	-	-	-	67,778,243	67,778,243
Debt Service Reserve	-	15,025,182	-	-	15,025,182
Debt Service Principal and Interest	-	2,759,350	-	-	2,759,350
Community Redevelopment	-	30,487,220	-	-	30,487,220
Building Code Enforcement	-	-	-	15,117,029	15,117,029
Law Enforcement Training	340,635	-	-	-	340,635
Capital Projects	3	1,379,714	-	24,288,778	25,668,495
Leu Gardens	-	-	-	133,026	133,026
Education	12,898	-	-	-	12,898
Street Tree Replacement	638,880	-	-	-	638,880
Renewal and Replacement	938,618	-	5,064,203	-	6,002,821
Sub-total	<u>2,343,504</u>	<u>49,651,466</u>	<u>5,064,203</u>	<u>112,550,802</u>	<u>169,609,975</u>
Committed to:					
Low and Very-Low Income Housing	125,440	-	-	-	125,440
Economic Development	1,385,104	-	-	-	1,385,104
Neighborhood Improvement	-	-	-	1,334,489	1,334,489
Capital Projects	-	-	86,841,443	-	86,841,443
Cemetery Trust Fund	-	-	-	1,866,846	1,866,846
Sub-total	<u>1,510,544</u>	<u>-</u>	<u>86,841,443</u>	<u>3,201,335</u>	<u>91,553,322</u>
Assigned to:					
Code Enforcement Board	3,603,836	-	-	-	3,603,836
Human Resources	726,672	-	-	-	726,672
Families, Parks, and Recreation	897,503	-	-	-	897,503
Retirement Plan Administration	407,967	-	-	-	407,967
General Fund Projects	69,248	-	-	-	69,248
Geotechnical Testing	186,053	-	-	-	186,053
Subsequent Years Expenditures	2,124,802	-	-	-	2,124,802
Debt Service	11,574,164	-	-	359,934	11,934,098
Economic Development	4,589,614	-	-	-	4,589,614
Orlando Police Department Activities	68,617	-	-	-	68,617
School Crossing Guards	431,567	-	-	-	431,567
Emergency Medical Services	1,413,324	-	-	-	1,413,324
Special Assessments	-	-	-	2,465,943	2,465,943
Sub-total	<u>26,093,367</u>	<u>-</u>	<u>-</u>	<u>2,825,877</u>	<u>28,919,244</u>
Unassigned:	95,732,993	(16,400)	-	(598,133)	95,118,460
Total Fund Balances	<u>\$ 127,029,436</u>	<u>\$ 49,635,066</u>	<u>\$ 91,905,646</u>	<u>\$ 118,013,257</u>	<u>\$ 386,583,405</u>

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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		Purpose
		2018	2017	
(in thousands)				
BETWEEN GOVERNMENTAL AND BUSINESS-TYPE COLUMNS:				
Operating or Debt Subsidy:				
General Fund	Orlando Venues Fund	\$ 2,131	\$ 2,130	Debt Service subsidy for City's portion of existing Arena financing
General Fund	Orlando Venues Fund	729	729	Operating subsidy for Camping World Stadium
Capital Improvement Fund	Parking System Fund	1,023	589	Operating subsidy for Lynx Lymmoo
Community Redevelopment Agency	Orlando Venues Fund	4,096	2,322	Orlando Venues related items for debt service
Community Redevelopment Agency	Parking System Fund	1,584	781	Operating subsidy for Lynx Lymmoo
Stormwater Utility Fund	General Fund	5,238	5,586	Employees with multiple funding sources
Capital Contributions:				
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
Solid Waste Fund	Fleet Management Fund	718	-	Cover costs of new vehicles
Water Reclamation	Fleet Management Fund	703	-	Cover costs of new vehicles
BETWEEN FUNDS WITHIN THE GOVERNMENTAL OR BUSINESS-TYPE COLUMNS: (1)				
Operating or Debt Subsidy:				
General Fund	Nonmajor Governmental Funds	\$ 1,582	\$ 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	Cover the re-allocation of Code Enforcement overhead expenses
Capital Contributions:				
General Fund	Capital Improvement Fund	35,474	29,094	Annual funding for budgeted Capital Projects

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

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D. Interfund Receivables and Payables

The following schedule represents interfund receivables and payables as of September 30, 2018:

	Interfund Receivables	Interfund Payables
Primary Government:		
Major Fund:		
General Fund	\$ 3,485,000	\$ -
Non Major Governmental Funds:		
Grants Fund	-	2,450,000
Housing and Urban Development	-	30,000
GOAA Police	-	560,000
Internal Service Funds:		
Construction Management	-	445,000
Total	<u>\$ 3,485,000</u>	<u>\$ 3,485,000</u>

All interfund transactions represent cash transfers for operating purposes. All amounts owed to the General Fund were repaid during October 2018.

E. Restricted Assets

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

	Governmental	Enterprise
Debt Service Funds	\$ 3,523,796	\$ 8,626,765
Reserve Funds	19,888,252	57,980,479
Renewal and Replacement Funds	5,064,203	106,611,725
Total Restricted Assets	<u>\$ 28,476,251</u>	<u>\$ 173,218,969</u>

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NOTE 6: CAPITAL ASSETS

1. Capital asset activity for the year ended September 30, 2018 was as follows:

	Primary Government			Ending Balance
	Beginning Balance	Additions	Transfers, Retirements and Other Adjustments	
Governmental Activities				
Non-Depreciable Assets:				
Land	\$ 199,087,463	\$ 6,040,097	\$ (7,304,185)	\$ 197,823,375
Artwork	5,564,252	14,670	(12,933)	5,565,989
Infrastructure in Progress	26,496,463	13,974,442	(11,287,922)	29,182,983
Construction in Progress	34,743,665	35,697,269	(4,467,764)	65,973,170
Depreciable Assets:				
Buildings	255,011,469	308,045	(82,598)	255,236,916
Improvements	185,038,564	1,246,981	-	186,285,545
Equipment	60,968,907	3,158,556	2,542,735	66,670,198
Motor Vehicles	118,854,427	17,273,824	(11,427,457)	124,700,794
Infrastructure	485,898,550	11,287,922	-	497,186,472
Intangibles (Software)	8,896,739	-	-	8,896,739
Totals at historical cost	<u>1,380,560,499</u>	<u>89,001,806</u>	<u>(32,040,124)</u>	<u>1,437,522,181</u>
Less accumulated depreciation for:				
Buildings	(99,287,160)	(4,436,786)	82,598	(103,641,348)
Improvements	(156,069,348)	(5,193,435)	-	(161,262,783)
Equipment	(52,483,597)	(4,737,761)	1,727,372	(55,493,986)
Motor Vehicles	(67,391,922)	(12,778,317)	6,746,096	(73,424,143)
Infrastructure	(310,355,445)	(12,283,781)	-	(322,639,226)
Intangibles (Software)	(5,248,601)	(840,572)	-	(6,089,173)
Total accumulated depreciation	<u>(690,836,073)</u>	<u>(40,270,652)</u>	<u>8,556,066</u>	<u>(722,550,659)</u>
Governmental activities capital assets, net	<u>\$ 689,724,426</u>	<u>\$ 48,731,154</u>	<u>\$ (23,484,058)</u>	<u>\$ 714,971,522</u>
Business-type Activities				
Non-Depreciable Assets:				
Land	\$ 142,561,743	\$ 197,059	\$ (8,951,345)	\$ 133,807,457
Artwork	617,338	-	-	617,338
Construction in Progress	98,815,960	103,215,908	(40,906,419)	161,125,449
Depreciable Assets:				
Buildings	1,126,145,311	665,758	(6,663,337)	1,120,147,732
Improvements	353,126,206	4,980,391	(5,205,300)	352,901,297
Equipment	88,661,552	448,338	(1,396,101)	87,713,789
Sewer Lines	569,185,224	40,960,532	-	610,145,756
Totals at historical cost	<u>2,379,113,334</u>	<u>150,467,986</u>	<u>(63,122,502)</u>	<u>2,466,458,818</u>
Less accumulated depreciation/amortization for:				
Buildings	(290,311,968)	(28,631,301)	6,663,338	(312,279,931)
Improvements	(237,054,854)	(13,878,786)	4,583,841	(246,349,799)
Equipment	(59,587,859)	(4,267,749)	1,333,951	(62,521,657)
Sewer Lines	(261,876,572)	(13,878,260)	-	(275,754,832)
Total accumulated depreciation	<u>(848,831,253)</u>	<u>(60,656,096)</u>	<u>12,581,130</u>	<u>(896,906,219)</u>
Business-type activities capital assets, net	<u>\$ 1,530,282,081</u>	<u>\$ 89,811,890</u>	<u>\$ (50,541,372)</u>	<u>\$ 1,569,552,599</u>
Depreciation expense was charged to governmental functions as follows:				
Executive Offices				\$ 281,295
Economic Development				563,476
Office of Business and Financial Services				3,065,707
Housing and Community Development				309,266
Community Redevelopment Agency				312,871
Public Works				13,016,731
Transportation				6,311,645
Families, Parks, & Recreation				7,644,677
Police				5,966,343
Fire				2,798,641
Total depreciation expense				<u>\$ 40,270,652</u>
Depreciation expense was charged to business-type funds as follows:				
Water Reclamation System				\$ 23,570,859
Orlando Venues				29,338,859
Parking System				2,483,205
Stormwater Utility				5,206,062
Solid Waste Management				57,111
Total depreciation expense				<u>\$ 60,656,096</u>

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NOTE 7: COMMITMENTS AND CONTINGENCIES:

a. Construction Commitments – As of September 30, 2018 major outstanding construction commitments (in excess of \$1 million) were as follows (for the Community Venues, see Notes on page 93):

<u>Project Description</u>	<u>Outstanding Commitment (in millions)</u>
Packing District	\$ 20.8
Performing Arts Center Stage 2 - County TDT	11.9
Conserv II Biosolids Dewater - Water Reclamation	6.8
Lift Station Underground Rehabilitation	3.1
Lake Davis/Greenwood Interconnect	2.6
Oregon St (Hampton to Altaloma) Drainage Improvements	2.5
Colonial Pedestrian Bridge LAP	2.2
Leu Gardens Area Stormwater Improvements	1.9
Facilities Management (Energy Initiative)	1.8
Grand National - Oakridge to Sand Lake	1.8
Lift Station Rehabilitation Phase I	1.7
Lake Nona Radio Tower	1.5
Econlockhatchee Trail - Lee Vista to Curry Ford	1.5
Total Construction Commitments	<u>\$ 60.1</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, 2018, the related operating subsidy to the Lymmo system was \$1,584,392 from the Downtown CRA District and \$1,307,154 from the Parking Fund, which is net of a \$1,023,090 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 developers 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 after an initial five-year, interest-only period. Final payment of the assesment was made during the fiscal year ended September 30, 2018.

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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 (\$247,647 in FY 2018) 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, 2018 is \$999,997.

Pursuant to the original agreement, during the fiscal year ended September 30, 2018, the CRA made the eleventh of twelve installments on the residential-only tax increment recapture.

Paramount on Lake Eola – This project involves the redevelopment of property 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. Final payment of the assessment was made during the fiscal year ending September 30, 2018.

Camden Orange Court Project – This project involves the redevelopment of the former Orange Court Motor Lodge property 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, 2018, the CRA made the ninth of eleven tax increment recapture payments.

Parramore Area Initiatives:

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.

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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. During the year ended September 30, 2018, the City received \$6.9 million in proceeds from the sale of Creative Village sites.

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, the entire \$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, 2018, this additional \$1 million commitment is still outstanding.

e. Community Enhancements – Remaining commitments for the Community Venues projects are shown below. Debt financing incurred as of September 30, 2018 for the Community Venues projects is included on page 99.

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 2018, \$57.6 million was spent on Stage 2 construction, with \$5.3M of that amount paid by the Dr. Phillips Center for the Performing Arts. Overall through FY 2018, \$93.2 million has been spent on Stage 2 with \$8.9 million of that amount paid by the Performing Arts Center.

Camping World Stadium – Originally constructed in 1936, Camping World Stadium (formerly the Citrus Bowl) is currently the home of three college football bowl games and the Florida Classic football game. It has also hosted two Wrestlemania events and the past two National Football League (NFL) Pro Bowls. The Pro Bowl for the 2018 NFL season was held in January 2019. 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 payments on the major reconstruction project were made in fiscal year 2018. Through September 30, 2018, the City has incurred \$207.7 million in costs on the project.

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In September 2018, the Orange County Tourist Development Council approved the use of \$60 million in additional TDT funds for further improvements at the stadium, including additional seating and Club renovations. Pertinent Agreements with Orange County and Florida Citrus Sports to allow work to proceed are expected to be finalized in fiscal year 2019.

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, 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 109 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 Debary 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 17.2 miles and four additional stations and began operating on July 30, 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, 2018, 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.

At September 30, 2018, the City had encumbrance commitments in the Governmental Funds as follows:

Major Funds and Non Major Funds	Encumbrances
General Fund	\$ 2,310,855
Community Redevelopment Agency	214,563
Capital Improvement	2,019,497
Aggregate Non Major Funds	12,610,914
Total Encumbrances	\$ 17,155,829

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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. During fiscal year 2018, the City added a cyber liability policy with the deductible and coverage as shown below.

<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 Section 768.28, Florida Statutes)
\$ 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
\$ 75,000	Cyber liability	\$1 million

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

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

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The table below reflects the discounted and undiscounted estimates:

Estimated Risk Management Liability (1)		
(in thousands)		
	Discounted (2)	Undiscounted
Workers' Compensation	\$ 16,146	\$ 19,082
General Liability	8,517	9,643
Automobile Liability	3,999	4,331
Total	\$ 28,662	\$ 33,056

- (1) Actuarial projection excludes property liability. The reserve for property at September 30, 2018 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, 2018 and 2017						
(in thousands)						
	Property and Casualty		Workers' Compensation		Totals	
	2018	2017	2018	2017	2018	2017
Unpaid claims and claims adjustment expenses at beginning of fiscal year	\$ 14,521	\$ 19,442	\$ 16,967	\$ 15,997	\$ 31,488	\$ 35,439
Incurred claims and claim adjustment expenses:						
Provisions for insured events of the current fiscal year	4,799	6,548	5,789	4,451	10,588	10,999
Increase (Decrease) in provision for insured events of prior fiscal years	(3,428)	(8,968)	1,039	1,854	(2,389)	(7,114)
Total insured claims and claim adjustment expenses	1,371	(2,420)	6,828	6,305	8,199	3,885
Payments:						
Claims and claim adjustment expenses attributable to insured events of current fiscal year	(930)	(922)	(4,798)	(5,227)	(5,728)	(6,149)
Claims and claim adjustment expenses attributable to insured events of prior fiscal years	(738)	(1,579)	85	(108)	(653)	(1,687)
Total payments	(1,668)	(2,501)	(4,713)	(5,335)	(6,381)	(7,836)
Total unpaid claims and claim adjustment expenses at end of fiscal year	\$ 14,224	\$ 14,521	\$ 19,082	\$ 16,967	\$ 33,306	\$ 31,488

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Self-Insurance for Employee Medical Benefits

The City's self-insurance plan covers claims up to \$600,000 for employees and \$1.6 million for one high risk employee, with an aggregating specific deductible endorsement of \$334,300. The claims liability is reported in accounts payable in the Healthcare Fund (an Internal Service fund) and is the actuarially determined undiscounted amount. The change in the fund's claims liability during fiscal year 2018 (in thousands) was:

Liability beginning balance	\$	4,598
Claims incurred		59,647
Claims payments		<u>(59,733)</u>
Liability ending balance	\$	<u>4,512</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:

<u>Year Ending September 30</u>	<u>Lease Payments</u>
2019	\$ 704,621
2020	704,621
2021	778,019
2022	880,776
2023	880,776
2024-2028	4,936,014
2029-2033	6,170,018
2034-2038	7,712,523
2039-2043	9,640,653
2044-2048	12,050,817
2049-2053	15,063,521
2054-2058	18,829,402
2059-2063	23,536,752
2064-2065	11,046,524

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, 2018 was \$2,995,555.

CITY OF ORLANDO, FLORIDA
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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.

Fiscal Year Ending September 30	Governmental Activities
2019	Radio System Improvements
Total Minimum Lease Payments	\$ 1,175,132
Less Amount Representing Interest	1,175,132
	<u>(24,846)</u>
Present Value of Minimum Lease Payments	\$ 1,150,286

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

The assets acquired through capital leases are shown below. The assets under capital leases were fully depreciated during fiscal year 2017.

Asset:	Governmental Activities
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, \$1,000,763 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. At fiscal year-end, \$15,150,209 of internal service funds net OPEB liability is included in the governmental activities total. The remainder of the net OPEB liability in the governmental activities is generally liquidated by the general fund. The net pension liability in the governmental activities is generally liquidated by the general fund.

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2018

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, 2018:

	<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	\$ 4,944,028	2.45%	\$ 1,729,450
Community Redevelopment Agency--					
Republic Dr. (Universal Blvd) Series 2012	Refunding	29,430,000	17,720,000	3.00-5.00%	3,008,750
Republic Dr. (Universal Blvd) Series 2013 (1)	Capital Improvements	9,000,000	5,561,816	2.17%	864,993
Conroy Road Series 2012	Refunding	19,225,000	12,540,000	5.00%	1,947,750
Downtown CRA Series 2009A	Performing Arts Ctr.	14,475,000	8,070,000	5.00-5.25%	2,285,325
Downtown CRA Series 2009C	Performing Arts Ctr.	50,955,000	50,955,000	7.50-8.10%	6,298,385
Downtown CRA Series 2010B	Performing Arts Ctr.	71,415,000	71,415,000	6.21-7.78%	10,837,876
Total		<u>\$ 209,374,867</u>	<u>\$ 171,205,844</u>		
Internal Loan Fund --					
SSGFC Tax-exempt Series H	Refunding	18,510,000	11,106,000	(2)	(3)
Capital Improvement Special					
Revenue Bonds:					
Series 2009B	Refunding	15,965,000	10,900,000	5.00%	5,732,000
Series 2010B	Refunding	17,650,000	17,395,000	5.00%	6,554,375
Series 2010C	Refunding	40,260,000	6,705,000	5.00%	2,514,375
Series 2014A (1)	Refunding	6,205,000	1,825,000	1.99%	1,843,158
Series 2014B	Public Safety projects	62,205,000	60,775,000	5.00%	4,506,125
Series 2014C	Refunding	10,355,000	7,855,000	5.00%	1,338,500
Series 2014D	Refunding	12,450,000	9,795,000	5.00%	1,491,500
Series 2015A (1)	Refunding	5,705,000	5,705,000	1.82%	3,738,716
Series 2016A (1)	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	25,615,000	4.00-5.00%	2,019,900
Series 2017A (1)	Refunding	8,173,000	8,173,000	2.36%	4,291,402
Series 2018A (1)	Refunding	9,050,000	9,050,000	2.85%	5,872,507
Total		<u>294,798,000</u>	<u>236,744,000</u>		
Total Governmental Activities		<u>\$ 504,172,867</u>	<u>\$ 407,949,844</u>		
Business-Type Activities					
Wastewater Revenue Bonds	Water Reclamation Treatment				
Series 2013	and Refunding	\$ 36,170,000	\$ 30,825,000	2.00-5.00%	2,877,900
State Revolving Fund Loans	Water Reclamation Projects	99,970,358	56,258,069	0.30-2.66%	5,372,087
Total Water Reclamation		<u>\$ 136,140,358</u>	<u>\$ 87,083,069</u>		
Orlando Venues -- SSGFC Venue Loans	Events Center projects	\$ 110,000,000	\$ 90,000,000	(2)	(3)
State Sales Tax Rev. Bonds, Series 2016	Refunding	28,090,000	26,345,000	4.00-5.00%	1,998,425
Senior Tourist Dev. Tax Bonds, Series 2008C	Events Center projects	87,270,000	23,835,000	5.50%	3,236,475
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	2,665,000	4.78-4.99%	1,397,694
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	5.00%	1,503,125
Total Business-Type Activities		<u>\$ 641,985,358</u>	<u>\$ 498,463,069</u>		

(1) Bonds from direct borrowings and direct placements.

(2) 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 2.13%, 0.57%, and 0.15% respectively, on September 30, 2018.

(3) 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, 2018

b. Long-term liability activity for the year ended September 30, 2018 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	\$ 133,605,000	\$ -	\$ (3,165,000)	\$ 130,440,000	\$ 3,310,000
Republic Drive (Universal Blvd.) District	19,880,000	-	(2,160,000)	17,720,000	2,225,000
Conroy Road District	13,785,000	-	(1,245,000)	12,540,000	1,305,000
Bonds from Direct Borrowings and Direct Placements	6,290,308	-	(728,492)	5,561,816	744,300
Capital Improvement bonds	164,375,240	1,951,397	(22,880,000)	143,446,637	13,190,000
Bonds from Direct Borrowings and Direct Placements	22,698,000	9,050,000	-	31,748,000	-
Sunshine State Loans (SSGFC)	12,957,000	-	(1,851,000)	11,106,000	1,851,000
State Infrastructure Bank Loan	6,513,888	-	(1,569,860)	4,944,028	1,608,321
Leases payable	2,276,251	-	(1,125,965)	1,150,286	1,150,286
	<u>382,380,687</u>	<u>11,001,397</u>	<u>(34,725,317)</u>	<u>358,656,767</u>	<u>25,383,907</u>
Plus (Less) bond discounts and premiums	27,917,732	-	(3,917,125)	24,000,607	-
Total bonds, loans, and leases payable	<u>410,298,419</u>	<u>11,001,397</u>	<u>(38,642,442)</u>	<u>382,657,374</u>	<u>25,383,907</u>
Other liabilities:					
Environmental remediation liability	6,114,544	1,358,551	(680,294)	6,792,801	100,000
Net Pension Liability	238,563,316	33,188,301	(5,971,386)	265,780,231	-
Net OPEB Liability	274,676,324 (1)	4,005,133	(6,437,666)	272,243,791	-
Compensated absences	38,526,412	4,178,264	(3,562,538)	39,142,138	3,131,371
Claims and judgments	31,488,000	8,860,076	(7,041,076)	33,307,000	10,080,000
Totals other liabilities	<u>589,368,596</u>	<u>51,590,325</u>	<u>(23,692,960)</u>	<u>617,265,961</u>	<u>13,311,371</u>
Governmental activities long-term liabilities	<u>\$ 999,667,015</u>	<u>\$ 62,591,722</u>	<u>\$ (62,335,402)</u>	<u>\$ 999,923,335</u>	<u>\$ 38,695,278</u>
Business-Type Activities:					
Bonds, loans and leases payable:					
Wastewater revenue bonds	\$ 32,240,000	\$ -	\$ (1,415,000)	\$ 30,825,000	\$ 1,470,000
State Revolving Fund loans	53,626,624	6,778,560	(4,147,115)	56,258,069	4,213,226
Parking - Internal loans	9,957,083	-	(1,025,000)	8,932,083	1,080,000
Parking bonds	-	48,095,000	(1,245,000)	46,850,000	1,300,000
Orlando Venues - Internal loans	42,437,677	-	(926,397)	41,511,280	963,543
Orlando Venues SSGFC loans	90,000,000	-	-	90,000,000	-
Orlando Venues bonds	325,380,000	-	(50,850,000)	274,530,000	7,775,000
	<u>553,641,384</u>	<u>54,873,560</u>	<u>(59,608,512)</u>	<u>548,906,432</u>	<u>16,801,769</u>
Plus (Less) bond discounts and premiums	44,645,594	-	(3,825,491)	40,820,103	-
Total bonds, loans, and leases payable	<u>598,286,978</u>	<u>54,873,560</u>	<u>(63,434,003)</u>	<u>589,726,535</u>	<u>16,801,769</u>
Environmental remediation liability	14,220	-	(14,220)	-	-
Net Pension Liability	15,565,083	-	(2,485,796)	13,079,287	-
Net OPEB Liability	60,034,652 (1)	875,380	-	60,910,032	-
Compensated absences	4,069,931	392,702	(379,583)	4,083,050	326,644
Business-type activities long-term liabilities	<u>\$ 677,970,864</u>	<u>\$ 56,141,642</u>	<u>\$ (66,313,602)</u>	<u>\$ 667,798,904</u>	<u>\$ 17,128,413</u>
Component Unit:					
Net Pension Liability	\$ 54,565	\$ -	\$ (12,683)	\$ 41,882	\$ -
Net OPEB Liability	203,163 (1)	2,962	-	206,125	-
Compensated absences	69,068	20,447	(6,216)	83,299	6,664
Component unit long-term liabilities	<u>\$ 326,796</u>	<u>\$ 23,409</u>	<u>\$ (18,899)</u>	<u>\$ 331,306</u>	<u>\$ 6,664</u>

Reconciliation of long-term liability activity to summary of debt service requirements to maturity	
Total Governmental and Internal Service Fund Debt	\$ 409,100,130
Less Internal Loans provided to non-governmental activities, as per above:	
Parking loans	(8,932,083)
Orlando Venues loans	(41,511,280)
Total Governmental activities debt (as per above)	<u>\$ 358,656,767</u>

(1) Restated beginning balance per GASB Statement 75.



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CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2018

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)	Direct Placement and Direct Borrowings (2)	SSGFC Loans (3)	Direct Placement and Direct Borrowings 2014A, 2015A 2016A, 2017A 2018A
2019	\$ 6,840,000	\$ 744,300	\$ 1,851,000	\$ -
2020	7,190,000	760,452	1,851,000	-
2021	7,495,000	776,953	1,851,000	-
2022	7,870,000	793,813	1,851,000	2,000,000
2023	8,255,000	811,039	1,851,000	3,825,000
2024-2028	34,620,000	1,675,259	1,851,000	25,923,000
2029-2033	30,350,000	-	-	-
2034-2038	39,315,000	-	-	-
2039-2043	18,765,000	-	-	-
2044-2048	-	-	-	-
Total	160,700,000	5,561,816	11,106,000	31,748,000
Less:				
Payable Within One Year	(6,840,000)	(744,300)	(1,851,000)	-
Total	153,860,000	4,817,516	9,255,000	31,748,000
Less:				
Bond (Discount) Premium	1,258,009	-	-	-
Long-Term Principal Due After One Year	\$ 155,118,009	\$ 4,817,516	\$ 9,255,000	\$ 31,748,000

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

2019	\$ 11,256,767	\$ 120,692	\$ 263,500	\$ 725,295
2020	10,914,869	104,540	210,800	723,862
2021	10,576,648	88,038	158,100	723,862
2022	10,171,776	71,178	105,400	705,661
2023	9,748,884	53,952	52,700	650,302
2024-2028	41,223,094	54,726	-	1,621,050
2029-2033	30,352,154	-	-	-
2034-2038	16,944,572	-	-	-
2039-2043	2,209,489	-	-	-
2044-2048	-	-	-	-
Total	\$ 143,398,253	\$ 493,126	\$ 790,500	\$ 5,150,032

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

2019	\$ 18,096,767	\$ 864,992	\$ 2,114,500	\$ 725,295
2020	18,104,869	864,992	2,061,800	723,862
2021	18,071,648	864,991	2,009,100	723,862
2022	18,041,776	864,991	1,956,400	2,705,661
2023	18,003,884	864,991	1,903,700	4,475,302
2024-2028	75,843,094	1,729,985	1,851,000	27,544,050
2029-2033	60,702,154	-	-	-
2034-2038	56,259,572	-	-	-
2039-2043	20,974,489	-	-	-
2044-2048	-	-	-	-
Total	\$ 304,098,253	\$ 6,054,942	\$ 11,896,500	\$ 36,898,032

Notes:

- (1) Includes Republic Drive (Universal Boulevard) Series 2012, Conroy Road Series 2012, and Downtown Series 2009A, 2009C, and 2010B.
- (2) Includes Republic Drive (Universal Boulevard) Series 2013.
- (3) The Commission loan is a multi-mode product and is presently in the weekly (or 7-day) mode. The interest rate on September 30, 2018 of 2.13%, plus line of credit fees of 0.57%, and other charges of 0.15% for a total of 2.85% for the Series H Tax Exempt loan.

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
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Capital Improvement 2009B 2010B, 2010C 2014B,C,D 2016B,C	Total Principal Payments for Internal Service Funds	Capital Lease	State Infrastructure Bank (SIB) Loan	Total Principal Payments Governmental Activities
\$ 13,190,000	\$ 15,041,000	\$ 1,150,286	\$ 1,608,321	\$ 25,383,907
13,730,000	15,581,000	-	1,647,725	25,179,177
14,235,000	16,086,000	-	1,687,982	26,045,935
14,440,000	18,291,000	-	-	26,954,813
13,955,000	19,631,000	-	-	28,697,039
41,005,000	68,779,000	-	-	105,074,259
32,390,000	32,390,000	-	-	62,740,000
29,485,000	29,485,000	-	-	68,800,000
10,755,000	10,755,000	-	-	29,520,000
10,705,000	10,705,000	-	-	10,705,000
<u>193,890,000</u>	<u>236,744,000</u>	<u>1,150,286</u>	<u>4,944,028</u>	<u>409,100,130</u>
(13,190,000)	(15,041,000)	(1,150,286)	(1,608,321)	(25,383,907)
180,700,000	221,703,000	-	3,335,707	383,716,223
<u>22,742,598</u>	<u>22,742,598</u>	<u>-</u>	<u>-</u>	<u>24,000,607</u>
<u>\$ 203,442,598</u>	<u>\$ 244,445,598</u>	<u>\$ -</u>	<u>\$ 3,335,707</u>	<u>\$ 407,716,830</u>
\$ 9,061,541	\$ 10,050,336	\$ 24,846	\$ 121,129	\$ 21,573,770
8,388,541	9,323,203	-	81,725	20,424,337
7,689,416	8,571,378	-	41,355	19,277,419
6,972,541	7,783,602	-	-	18,026,556
6,262,666	6,965,668	-	-	16,768,504
24,174,579	25,795,629	-	-	67,073,449
15,308,933	15,308,933	-	-	45,661,087
8,396,382	8,396,382	-	-	25,340,954
4,073,125	4,073,125	-	-	6,282,614
1,103,125	1,103,125	-	-	1,103,125
<u>\$ 91,430,849</u>	<u>\$ 97,371,381</u>	<u>\$ 24,846</u>	<u>\$ 244,209</u>	<u>\$ 241,531,815</u>
\$ 22,251,541	\$ 25,091,336	\$ 1,175,132	\$ 1,729,450	\$ 46,957,677
22,118,541	24,904,203	-	1,729,450	45,603,514
21,924,416	24,657,378	-	1,729,337	45,323,354
21,412,541	26,074,602	-	-	44,981,369
20,217,666	26,596,668	-	-	45,465,543
65,179,579	94,574,629	-	-	172,147,708
47,698,933	47,698,933	-	-	108,401,087
37,881,382	37,881,382	-	-	94,140,954
14,828,125	14,828,125	-	-	35,802,614
11,808,125	11,808,125	-	-	11,808,125
<u>\$ 285,320,849</u>	<u>\$ 334,115,381</u>	<u>\$ 1,175,132</u>	<u>\$ 5,188,237</u>	<u>\$ 650,631,945</u>

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2018

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
2019	\$ 4,213,226	\$ 1,470,000	\$ 6,865,000	\$ 910,000
2020	4,309,167	1,545,000	9,000,000	950,000
2021	4,407,483	1,620,000	9,330,000	985,000
2022	4,508,232	1,685,000	9,725,000	1,015,000
2023	4,611,476	1,770,000	10,145,000	1,045,000
2024-2028	21,854,240	10,080,000	57,250,000	5,875,000
2029-2033	9,826,587	12,655,000	56,740,000	7,420,000
2034-2038	2,527,658	-	72,405,000	8,145,000
2039-2043	-	-	16,725,000	-
2044-2048	-	-	-	-
Total	<u>56,258,069</u>	<u>30,825,000</u>	<u>248,185,000</u>	<u>26,345,000</u>
Less:				
Payable Within One Year	<u>(4,213,226)</u>	<u>(1,470,000)</u>	<u>(6,865,000)</u>	<u>(910,000)</u>
Total	52,044,843	29,355,000	241,320,000	25,435,000
Less:				
Bond (Discount) Premium	<u>-</u>	<u>3,991,045</u>	<u>32,561,538</u>	<u>3,819,903</u>
Long-Term Principal Due After One Year	<u>\$ 52,044,843</u>	<u>\$ 33,346,045</u>	<u>\$ 273,881,538</u>	<u>\$ 29,254,903</u>

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

2019	\$ 1,172,416	\$ 1,391,700	\$ 12,001,625	\$ 1,081,950
2020	1,076,475	1,316,325	11,687,150	1,045,150
2021	978,160	1,245,300	11,323,063	1,011,650
2022	877,411	1,170,775	10,917,262	981,900
2023	774,166	1,084,400	10,459,963	951,250
2024-2028	2,266,994	4,186,500	43,895,800	4,098,825
2029-2033	577,047	1,542,625	29,651,250	2,549,400
2034-2038	30,388	-	13,585,125	836,200
2039-2043	-	-	418,125	-
2044-2048	-	-	-	-
Total	<u>\$ 7,753,057</u>	<u>\$ 11,937,625</u>	<u>\$ 143,939,363</u>	<u>\$ 12,556,325</u>

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

2019	\$ 5,385,642	\$ 2,861,700	\$ 18,866,625	\$ 1,991,950
2020	5,385,642	2,861,325	20,687,150	1,995,150
2021	5,385,643	2,865,300	20,653,063	1,996,650
2022	5,385,643	2,855,775	20,642,262	1,996,900
2023	5,385,642	2,854,400	20,604,963	1,996,250
2024-2028	24,121,234	14,266,500	101,145,800	9,973,825
2029-2033	10,403,634	14,197,625	86,391,250	9,969,400
2034-2038	2,558,046	-	85,990,125	8,981,200
2039-2043	-	-	17,143,125	-
2044-2048	-	-	-	-
Total	<u>\$ 64,011,126</u>	<u>\$ 42,762,625</u>	<u>\$ 392,124,363</u>	<u>\$ 38,901,325</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, 2018 of 1.78%, plus line of credit fees of 0.47%, and other charges of 0.15%, for a total of 2.37% for the Series H Tax-Exempt loans.

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Capital Improvement Series 2009A, 2009C & 2016B	SSGFC Orlando Venues Loans (1)	Total Principal Payments Business Type Activities	Total Principal Payments Governmental & Business Type Activities
\$ 1,300,000	\$ -	\$ 14,758,226	\$ 40,142,133
1,365,000	-	17,169,167	42,348,344
1,325,000	-	17,667,483	43,713,418
1,395,000	-	18,328,232	45,283,045
1,465,000	-	19,036,476	47,733,515
8,825,000	45,000,000	148,884,240	253,958,499
10,985,000	45,000,000	142,626,587	205,366,587
13,755,000	-	96,832,658	165,632,658
6,435,000	-	23,160,000	52,680,000
-	-	-	10,705,000
<u>46,850,000</u>	<u>90,000,000</u>	<u>498,463,069</u>	<u>907,563,199</u>
(1,300,000)	-	(14,758,226)	(40,142,133)
<u>45,550,000</u>	<u>90,000,000</u>	<u>483,704,843</u>	<u>867,421,066</u>
447,617	-	40,820,103	64,820,710
<u>\$ 45,997,617</u>	<u>\$ 90,000,000</u>	<u>\$ 524,524,946</u>	<u>\$ 932,241,776</u>
\$ 3,114,619	\$ 2,135,331	\$ 20,897,641	\$ 42,471,411
3,049,550	2,135,331	20,309,981	40,734,318
2,983,800	2,135,331	19,677,304	38,954,723
2,915,800	2,135,331	18,998,479	37,025,035
2,844,300	2,135,331	18,249,410	35,017,914
12,580,181	7,473,659	74,501,959	141,575,408
9,176,144	2,135,331	45,631,797	91,292,884
4,813,623	-	19,265,336	44,606,290
462,032	-	880,157	7,162,771
-	-	-	1,103,125
<u>\$ 41,940,049</u>	<u>\$ 20,285,645</u>	<u>\$ 238,412,064</u>	<u>\$ 479,943,879</u>
\$ 4,414,619	\$ 2,135,331	\$ 35,655,867	\$ 82,613,544
4,414,550	2,135,331	37,479,148	83,082,662
4,308,800	2,135,331	37,344,787	82,668,141
4,310,800	2,135,331	37,326,711	82,308,080
4,309,300	2,135,331	37,285,886	82,751,429
21,405,181	52,473,659	223,386,199	395,533,907
20,161,144	47,135,331	188,258,384	296,659,471
18,568,623	-	116,097,994	210,238,948
6,897,032	-	24,040,157	59,842,771
-	-	-	11,808,125
<u>\$ 88,790,049</u>	<u>\$ 110,285,645</u>	<u>\$ 736,875,133</u>	<u>\$ 1,387,507,078</u>

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

On March 29, 2018, the City issued \$9,050,000 Capital Improvement Refunding Special Revenue Bonds, Series 2018A. Proceeds of the bonds were used to refund the City's outstanding Capital Improvement Special Revenue Bonds, Series 2012A.

<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>
2018A	2.850%	2.850%	10/1/2027	\$ 9,050,000	\$ 81,500	\$ -

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 Series 2018A bonds were issued to make principal payments on the City's Designated Maturity Debt, Series 2012A (\$9,965,000) maturing on April 1, 2018. The net carrying amount exceeded the reacquisition price of the Capital Improvement Special Revenue Bonds, Series 2012A by \$521,290. This amount is recorded as a deferred inflow of resources and recognized as a component of interest expense over the life of the new debt.

Advance Refunded Bonds

The following schedule reflects the advance refunded bonds outstanding as of September 30, 2018:

<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 9/30/2018</u>
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

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.

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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. 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 2018.

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, 2018 the City had total loans outstanding of \$56,258,069 payable to the State. The net revenues of the water reclamation funds will be used to make the debt service payments.

	Interest Rate	Balance 10/1/2017	Additions	Reductions	Balance 9/30/2018	Due Within One Year
Loans Payable:						
State Revolving Loan 65001S	2.60%	\$ 15,661,203	\$ -	\$ 1,473,371	\$ 14,187,832	\$ 1,511,950
State Revolving Loan 65002P	2.66%	969,956	-	76,996	892,960	79,057
State Revolving Loan 65003P	2.66%	879,373	-	52,600	826,773	54,009
State Revolving Loan 650040	2.56%	5,669,795	-	340,211	5,329,584	349,216
State Revolving Loan 650060	2.49%	10,586,300	-	847,787	9,738,513	869,028
State Revolving Loan 480400	2.47%	10,223,368	-	531,123	9,692,245	543,926
State Revolving Loan 480410	1.72%	4,276,418	-	211,378	4,065,040	215,030
State Revolving Loan 480420	1.59%	2,498,482	-	117,158	2,381,324	119,029
State Revolving Loan 480430	1.72%	2,263,918	-	111,904	2,152,014	113,836
State Revolving Loan 480460	0.30%	597,811	6,778,560	384,587	6,991,784	358,145
Total Loans Payable		<u>\$ 53,626,624</u>	<u>\$ 6,778,560</u>	<u>\$ 4,147,115</u>	<u>\$ 56,258,069</u>	<u>\$ 4,213,226</u>

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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 2018.

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, 2018, the total principal and interest paid was \$23.5 million and 6th Cent TDT revenue distributions received totaled \$25.8 million. Total principal and interest remaining on the Series 2017A, Series 2017B, and Series 2008C bonds as of September 30, 2018 is \$392 million, with annual requirements ranging from \$17.1 million in fiscal year 2019, to \$20.7 million in fiscal year 2039, the final year. 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 \$20 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 2018.

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, 2018, the total principal and interest paid on the Series 2016 bonds was \$1,997,450, 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, 2018 is \$38.9 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.

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Governmental Funds:

State Infrastructure Bank Loan Agreement (the SIB Loan):

In February 2007, the City approved the SIB Loan with the Florida Department of Transportation (FDOT). The purpose of the SIB Loan is to provide the City's local funding necessary for the final design of both Phases I and II, right-of-way and track acquisition, vehicle procurement, construction, testing, and start-up of the commuter rail service (SunRail). The SIB Loan provides for a total amount up to \$16.17 million at an interest rate of 2.45%. The loan will be repaid over a period of ten years. The City has agreed to budget and appropriate General Fund money to repay the obligation. The first loan repayment was made in October 2012. As of September 30, 2018, the outstanding loan balance is \$4,944,028.

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; 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; and the Series 2009C bonds mature on September 1, 2037. As of September 30, 2018, the outstanding balance on the bonds is \$59,025,000. See Note 22 for additional information regarding the refunding of the Series 2009A and 2009C Bonds.

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

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, 2018, the outstanding balance on the bonds is \$17,720,000.

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, 2018, the outstanding balance on the bonds is \$5,561,816.

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, 2018, the outstanding balance on the bonds is \$12,540,000.

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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. The variable rate loans do not require debt amortization during the first two-thirds of the nominal life. The City is required to demonstrate, in its annual secondary market bond disclosure supplement, how its internal loans and external debt amortization match up to avoid any future balloon maturity issues.

Capital Improvement Special Revenue Bonds (Fixed Rate)

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

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, 2018 totaled \$231,651,191 as reported on page 192. Of this amount, \$50,443,362 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 \$181,207,829 as shown on the reconciliation on page 37.

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, 2018.

Variable Rate Debt Program. (Amounts outstanding are in thousands)

Program	Series	Outstanding Amount	Number of Modes	Present Mode
Internal Loan:				
SSGFC	2004	\$ 11,106	N/A	CP
SSGFC	2007	40,000	N/A	CP
SSGFC	2008	50,000	N/A	CP
Total		<u>\$ 101,106</u>		

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

	Internal Loan Fund SSGFC Series H Commercial Paper Notes
REIMBURSEMENT AGREEMENTS (1)	
General:	
Term	Commitment Expires 2/15/2022
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, December 2016, and November 2018).
- (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. Effective February 15, 2019 the rate changes to 55 basis points.
- (5) Base Rate is defined as the greater of the Prime Rate plus 150 basis points, the Federal Funds Rate plus 200 basis points, or 7.5% per annum.
- (6) The Commission's potential to default is minimal and a default on the part of a loan participant can only cause an acceleration of that particular loan. In other words, there is no cross default provision between stand alone programs or their individual participants.
- (7) Ratings based on Moody's, Standard & Poor's (S&P), and Fitch, respectively.

CITY OF ORLANDO, FLORIDA
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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, 2018 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 \$991,927 and paid retirement benefits of \$291,720. At September 30, 2018, the Firefighters' Pension Fund included \$13,163,404 in the Share Program investment account and \$79,879 in cash, which can be used for Share Program expenses.

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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 Program is funded from 50% of the excess state insurance premium tax revenue over the base amount and is held in reserve to provide extra benefits to participants in the plan. Share Program assets are administered by a third party and are included in the Police Pension Fund financial Statements.

In February 2018, the initial deposit of \$3,915,345 was made to the Share Program investment account. During the year ended September 30, 2018 the Share Program incurred a net investment gain of \$216,927 and paid retirement benefits of \$637,273. At September 30, 2018, the Police Pension Fund included \$3,863,496 invested in the Share Program investment account and \$525,101 in cash, which was deposited in the Share Program investment account in fiscal year 2019.

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, 2018, the fire pension plan balance included \$3,701,860 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, 2018, were \$3.3 million by the employees and \$8.1 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, 2018 financial statements 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 at September 30, 2018 will agree to the Change in Net Pension Liability schedule. The respective plan's fiduciary net position used in the calculation is dated as of the measurement date of September 30, 2017 and will agree to the respective plan's financial statements as of September 30, 2017.

Employer contributions to the pension plan subsequent to the measurement date (i.e., the City's contributions made during the year ended September 30, 2018 and included in the respective pension plans) are reported as deferred outflows of resources.

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

	General Employees' Pension Fund	Firefighter Pension Fund	Police Pension Fund
Inflation	3.75%	3.25%	2.76%
Salary Increases	4.05% to 6.35%, including inflation	0.00% to 2.50%, including inflation	3.00%, plus service based scale of 0.00% to 7.00%
Investment Rate of Return	7.50%	7.75%	7.60%, 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.
Discount Rate:			
Single Discount Rate	7.50%	7.75%	7.60%
Long-Term Expected Rate of Return	7.50%	7.75%	7.60%
Long-Term Municipal Bond Rate	3.50%	N/A	N/A
Sensitivity of Net Pension Liability to the Single Discount Rate Assumption:			
1% Decrease	6.50% - \$ 70,443,033	6.75% - \$164,661,898	6.60% - \$218,736,570
Current Single Discount Rate Assumption	7.50% - \$ 43,691,157	7.75% - \$106,391,581	7.60% - \$128,818,662
1% Increase	8.50% - \$ 21,019,093	8.75% - \$ 54,336,625	8.60% - \$ 55,249,994

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, 2017 measurement date are summarized on the next page:

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<i>Asset Class and Long-Term Expected Real Rate of Return:</i>	General Employees' Pension Fund	Firefighter Pension Fund	Police Pension Fund
Domestic Equities	5.3% - Large Cap 5.8% - Small/Mid Cap	4.3%	6.7%
Asset Backed Securities	N/A	4.5%	N/A
International Equities	7.5%	4.8%	7.7%
Fixed income / Core Bonds	2.3%	1.6%	2.1%
Global Asset Allocation	6.9%	3.8%	N/A
Hedge Funds	6.3%	3.5%	3.9%
Real Estate	6.0%	3.3%	5.2%
Private Equity	N/A	6.3%	10.9%
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, 2018 financial statements was measured as of September 30, 2017, 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 (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Beginning Balance	\$ 258,162,267	\$ 206,001,245	\$ 52,161,022
Changes for the year:			
Service Cost	1,117,890	-	1,117,890
Interest on Total Pension Liability	18,729,088	-	18,729,088
Contributions - Employer	-	7,411,177	(7,411,177)
Contributions - Member	-	346,072	(346,072)
Difference between expected and actual experience of the Total Pension Liability	430,512	-	430,512
Assumption	39,418	-	39,418
Net investment income	-	21,238,852	(21,238,852)
Benefits paid	(18,000,074)	(18,000,074)	-
Plan administrative expense	-	(127,283)	127,283
Other	-	(82,045)	82,045
Net changes	2,316,834	10,786,699	(8,469,865)
Ending Balance	<u>\$ 260,479,101</u>	<u>\$ 216,787,944</u>	<u>\$ 43,691,157</u> (1)

(1) Includes \$41,882 related to the Downtown Development Board (a discretely presented component unit).

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Firefighter Pension Fund

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a)-(b)
Beginning Balance	\$ 449,094,409	\$ 346,924,612	\$ 102,169,797
Changes for the year:			
Service Cost	14,059,252	-	14,059,252
Interest on Total Pension Liability	34,974,947	-	34,974,947
Difference between expected and actual experience of the Total Pension Liability	13,625,537	-	13,625,537
Contributions - Employer	-	16,562,106	(16,562,106)
Contributions - State Insurance	-	2,104,643	(2,104,643)
Contributions - Member	-	3,117,933	(3,117,933)
Net investment income	-	36,820,830	(36,820,830)
Benefits paid	(23,728,033)	(23,728,033)	-
Plan administrative expense	-	(167,560)	167,560
Net changes	38,931,703	34,709,919	4,221,784
Ending Balance	\$ 488,026,112	\$ 381,634,531	\$ 106,391,581

Police Pension Fund

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a)-(b)
Beginning Balance	\$ 611,715,985	\$ 511,863,840	\$ 99,852,145
Changes for the year:			
Service Cost	15,187,294	-	15,187,294
Interest on Total Pension Liability	47,098,982	-	47,098,982
Difference between expected and actual experience of the Total Pension Liability	8,876,985	-	8,876,985
Change of Benefit Terms	821,116	-	821,116
Change of Assumptions	43,742,437	-	43,742,437
Contributions - Employer	-	24,901,407	(24,901,407)
Contributions - State Insurance	-	2,458,293	(2,458,293)
Contributions - Member	-	4,632,008	(4,632,008)
Contributions - State Insurance Excess	-	368,497	(368,497)
Net investment income	-	54,661,401	(54,661,401)
Benefits paid	(38,348,962)	(38,348,962)	-
Plan administrative expense	-	(261,309)	261,309
Net changes	77,377,852	48,411,335	28,966,517
Ending Balance	\$ 689,093,837	\$ 560,275,175	\$ 128,818,662

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Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. For the fiscal year ended September 30, 2018, the City recognized pension expense under GASB 68 of \$6,864,788, \$35,971,400 and \$26,025,268 (and the City made contributions of \$7,880,413, \$31,628,774, and \$20,951,655) for the General Employees' Pension Fund, Police Pension Fund and Firefighter Pension Fund, respectively.

At September 30, 2018, 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	\$ 1,161,393 (1)	\$ -
Employer's contributions to the plan subsequent to the measurement of the total pension liability	7,880,413	-
Total	\$ 9,041,806	\$ -

(1) Includes \$1,901 related to the Downtown Development Board (a discretely presented component unit).

Police Pension Fund	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 7,688,421	\$ -
Changes of Assumptions	44,726,041	-
Net difference between projected and actual earnings on pension plan investments	591,283	-
Employer's contributions to the plan subsequent to the measurement of the total pension liability	31,628,774	-
Total	\$ 84,634,519	\$ -

Firefighter Pension Fund	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 11,722,240	\$ (883,759)
Changes of Assumptions	9,132,300	-
Net difference between projected and actual earnings on pension plan investments	1,117,916	-
Employer's contributions to the plan subsequent to the measurement of the total pension liability	20,951,655	-
Total	\$ 42,924,111	\$ (883,759)

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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 Ending September 30:		Amount
2019	\$	1,742,765
2020		2,050,854
2021		(1,396,085)
2022		(1,236,141)
2023		-
Police Pension Fund		
Fiscal Year Ending September 30:		Amount
2019	\$	17,030,458
2020		18,119,770
2021		10,378,462
2022		7,477,055
2023		-
Firefighter Pension Fund		
Fiscal Year Ending September 30:		Amount
2019	\$	6,746,301
2020		7,305,051
2021		2,145,708
2022		2,620,715
2023		2,270,922

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, 2018 was measured using the following dates:

<u>Pension Plan</u>	<u>Actuarial Date</u>	<u>Measurement Date</u>
General Employees' Pension Fund	September 30, 2017	September 30, 2018
Firefighter Pension Fund	October 1, 2017	September 30, 2018
Police Pension Fund	October 1, 2017	September 30, 2018

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, 2017.

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The components of the net pension liability of the City's pension plans (calculated under the provisions of GASB 67) at September 30, 2018 were as follows:

	General Employees' Pension Fund	Firefighter Pension Fund	Police Pension Fund
Total Pension Liability	\$ 267,188,135	\$ 505,688,364	\$ 728,062,714
Plan Fiduciary Net Position	220,889,747	409,469,833 (1)	594,783,157 (2)
Net Pension Liability	<u>\$ 46,298,388</u>	<u>\$ 96,218,531</u>	<u>\$ 133,279,557</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	82.67%	80.97%	81.69%

(1) Plan Fiduciary Net Position does not include \$13,243,283 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.

(2) Plan Fiduciary Net Position does not include \$4,388,597 in Police Share Plan cash and mutual funds as those funds are only available for eligible Share Plan participants and not necessarily all Police 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, 2017. The total pension liability was rolled forward from the valuation date to the plan year ended September 30, 2018 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%	3.00%
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	7.25%	7.70%	7.50%, 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.	Florida Retirement System (FRS) mortality tables. The FRS tables use versions of the RP-2000 tables.	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.	Last performed for the period October 1, 2009 to September 30, 2014.	Last performed for the period October 1, 2009 to September 30, 2014.
Discount Rate:			
Single Discount Rate	7.25%	7.70%	7.50%
Long-Term Expected Rate of Return	7.25%	7.70%	7.50%
Long-Term Municipal Bond Rate	3.83%	N/A	N/A
Sensitivity of Net Pension Liability to the Single Discount Rate Assumption:			
1% Decrease	6.25% - \$73,602,817	6.70% - \$159,985,818	6.50% - \$227,620,198
Current Single Discount Rate Assumption	7.25% - \$46,298,388	7.70% - \$ 96,218,531	7.50% - \$133,279,557
1% Increase	8.25% - \$23,157,326	8.70% - \$ 42,541,952	8.50% - \$ 56,126,528

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

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The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2018 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	5.3% - Large Cap 5.8% - Small/Mid Cap	4.3%	6.7%
Asset Backed Securities	N/A	4.5%	N/A
International Equities	7.5%	4.8%	7.7%
Fixed income / Core Bonds	2.8%	1.6%	2.1%
Global Asset Allocation	6.9%	3.8%	N/A
Hedge Funds	6.3%	3.5%	3.9%
Real Estate	6.0%	3.3%	5.2%
Private Equity	N/A	6.3%	10.9%
Short-Term / Cash	N/A	N/A	N/A

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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		Firefighter	Police
	Defined Benefit (DB)	Defined Contribution (DC)		
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	806	N/A	466	735
Inactive Plan Members Entitled to but not yet Receiving Benefits	69	N/A	3	13
Active Plan Members	109	1,674 (1)	498	721
	<u>984</u>	<u>1,674</u>	<u>967</u>	<u>1,469</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)	104.50%	10.00% (9)	42.48% (8)	56.04% (8)
Participants	4.88%	3.00% (9)	7.49%	8.47% (10)
CONDENSED FINANCIAL (In Millions):				
Cash, Receivables, and Investments	\$ 221.0	\$ 231.9	\$ 422.9	\$ 599.4
Security Lending Collateral	10.3	0.0	23.6	36.2
Participant Loans	0.0	5.1	0.0	0.0
Total Assets	<u>231.3</u>	<u>237.0</u>	<u>446.5</u>	<u>635.6</u>
Security Lending Obligation	10.3	0.0	23.6	36.2
Other	0.1	0.0	(0.1)	(0.2)
Total Liabilities	<u>10.4</u>	<u>0.0</u>	<u>23.5</u>	<u>36.0</u>
Net Position	<u>\$ 220.9</u>	<u>\$ 237.0</u>	<u>\$ 423.0</u>	<u>\$ 599.6</u>
Contributions	\$ 8.2	\$ 11.6	\$ 24.1	\$ 36.8
Net Investment Income (Loss)	14.4	18.0	26.8	40.2
Benefits and Refunds	(18.4)	(11.7)	(22.2)	(37.9)
Other operating expenses	(0.1)	0.0	(0.1)	(0.2)

- (1) For active plan members invested assets which are vested represent 95% and invested assets which are not vested represent 4%. An additional 685 former participants have terminated from the plan. For terminated plan members invested assets which are vested represent 97.03% and invested assets which are not vested represent 2.97%.
- (2) Although "Normal" retirement for all three defined benefit plans is with 25 years service at any age, Firefighters and Police Officers may retire with 20 years at any age.
- (3) The General Employees' Defined Benefit Plan allows retirement after ten years of service if 55 or older with a 2% per year benefit penalty for each year before 65, 65 with five years of service, and retirement at any age with 25 years of service.
- (4) Effective July 1, 2009, the revised Firefighter Pension Plan's "Normal" retirement yields a 68% of "average monthly salary" pension benefit for 20 years of credited service (equals 3.4% per year), additional years up to a maximum of 5 years earn an additional 3.4% for a maximum of 85% with 25 years of credited service. The Firefighter Plan provides for 2% accruals which are retroactively adjusted as the participant reaches 20 years. Service over 42.5 years earns an additional 2% up to a maximum 100%. (Before July 1, 2009, 20 years of credited service yielded a 60% pension benefit (3% per year), additional years up to a maximum of 5 years earned an additional 4% for a maximum of 80% with 25 years. Service over 40 years earned an additional 2% up to a maximum 100%. Service less than 20 years earned 2% which was retroactively adjusted as the participant reached 20 years.
- (5) Effective July 1, 2003, the revised Police Pension Plans "Normal" retirement yields a 70% of "average monthly salary" pension benefit for 20 years of credited service (equals 3.5% per year), additional years up to a maximum of 5 years earn an additional 2% for a maximum of 80% with 25 years of credited service. The Police Plan provides for 2% accruals which are retroactively adjusted as the participant reaches 20 years. Service over 40 years credited service earns an additional 2% up to a maximum 100% at 50 year credited service.
- (6) A General Employee under the Defined Contribution Plan earns 25% vesting (in the employer's contribution) starting with three years of credited service and another 25% for each successive year of credited service through the sixth year of credited service.
- (7) The General Employees' Pension Plans have a separate Long-Term Disability program which provides varying benefits between the age at injury and normal retirement. The City Police and Firefighter Pension Plans include a specific disabilities provision within the respective pension plan programs.
- (8) The City contribution for Firefighter and Police Pension Plans include actuarially estimated contributions from the State; the contributions received from the State were \$2,159,558 and \$3,508,494, respectively (excluding excess contributions of \$525,101 for Police, which is used to offset the actuarially required amount).
- (9) The employer pays 7% and matches the employee contribution (up to 3%).
- (10) Since January 2003, both Firefighter Management and Non-Management contribute 7.49%
- (11) This is the contribution for Non-management Police employees as presented in the actuarial report. Police Management contributes 8.47%.

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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.

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.

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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 2018 fiscal year, the City contributed \$569,855 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, 2017, the date of the latest actuarial valuation report:

	Defined Benefit OPEB Plan
Retirees and beneficiaries receiving benefits	1,934
Plan members entitled to, but not currently receiving benefits	629
Active plan members	<u>2,901</u>
Total	<u><u>5,464</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.

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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	95%
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.

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Financial Statements. Separate financial reports for the DB and DC retirement healthcare plans are not prepared. The financial statements at September 30, 2018 are as follows:

	STATEMENT OF NET POSITION AT SEPTEMBER 30, 2018		STATEMENT OF CHANGES IN NET POSITION AT SEPTEMBER 30, 2018
	<u>OPEB Trust Fund</u>		<u>OPEB Trust Fund</u>
ASSETS		ADDITIONS	
Cash and Cash Equivalents	\$ 12,031,597	Employer Contributions	\$ 27,885,400
Investments, at Fair Value	121,293,164	Net Investment Gain	6,490,497
Total Assets	<u>133,324,761</u>	Total Additions	<u>34,375,897</u>
LIABILITIES		DEDUCTIONS	
Accounts Payable	-	Retiree Healthcare Benefits	17,000,228
NET POSITION		Administrative Expense	94,305
Restricted for OPEB Benefits	<u>\$ 133,324,761</u>	Total Deductions	<u>17,094,533</u>
		Increase in Net Position	17,281,364
		Net Position - Beginning of Year	116,043,397
		Net Position - End of Year	<u>\$ 133,324,761</u>

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, 2017. The Total OPEB Liability was rolled-forward from the valuation date to the fiscal year ended September 30, 2018 using generally accepted actuarial principles.

The components of the Net OPEB Liability of the City at September 30, 2018 were as follows:

Total OPEB Liability	\$ 484,911,140
Plan Fiduciary Net Position	<u>133,324,761</u>
Net OPEB Liability	<u>\$ 351,586,379</u>
Plan fiduciary net position as a percentage of the total OPEB liability	27.49%

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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
	6.50%	7.50%	8.50%
Net OPEB Liability	\$ 412,998,119	\$ 351,586,379	\$ 300,763,472

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
Net OPEB Liability	\$ 298,028,279	\$ 351,586,379	\$ 416,333,170

Net OPEB Liability - GASB 75. The City's Total OPEB Liability and Net OPEB Liability (as recorded in the September 30, 2018 financial statements) are based on an actuarial valuation performed as of September 30, 2016 and rolled-forward to September 30, 2017 using generally accepted actuarial principles.

Actuarial Methods and Assumptions. The Total OPEB Liability in the September 30, 2018 financial statements was calculated using the following actuarial assumptions:

Inflation	3.75%
Salary Increases	4.05% to 7.75% for General Employees', 3.75% to 6.25% for Fire, and 3.75% to 10.75% for Police, 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. Male (Police and Fire): The Florida Retirement System (FRS) Fully Generational Mortality: 10% of the RP-2000 Annuitant White Collar Table and 90% of the RP-2000 Annuitant Blue Collar Table, scale BB. Female (All groups): The Florida Retirement System (FRS) Fully Generational Mortality: 100% of the RP-2000 Annuitant White Collar Table, projected with scale BB.
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. Female (Police & Fire): The FRS Mortality. 60% RP-2000 disabled female set forward 2 years / 40% annuitant white collar with no setback, no projection scale. Male (Police & Fire): The FRS Mortality. 60% RP-2000 disabled male setback 4 years / 40% annuitant white collar with no setback, no projection scale.
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.

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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, 2018 are summarized below:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Domestic Equities - Large Cap	21.0%	5.3%
Domestic Equities - Small/Mid Cap	8.0%	5.8%
Global Asset Allocation	15.0%	7.5%
Fixed Income	36.0%	2.8%
International Equities	10.0%	6.9%
Private Equity	5.0%	6.3%
Real Estate	5.0%	6.0%
Total	<u>100.0%</u>	

Discount rate. A single discount rate of 7.50 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 2117. As a result, the long-term expected rate of return on OPEB plan investments was applied to projected benefit payments for all years in the projection period.

Change in the Net OPEB Liability. The following schedule presents the change in the Net OPEB Liability:

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan	Net OPEB Liability (a) - (b)
		Fiduciary Net Position (b)	
Balances at 9/30/2016	\$ 432,590,843	\$ 97,676,704	\$ 334,914,139
Changes for the year:			
Service Cost	7,882,358	-	7,882,358
Interest	32,111,995	-	32,111,995
Contributions - employer	-	25,372,981	(25,372,981)
Net investment income	-	9,844,942	(9,844,942)
Benefits paid	(16,744,185)	(16,744,185)	-
Administrative expense	-	(107,045)	107,045
Net changes	<u>23,250,168</u>	<u>18,366,693</u>	<u>4,883,475</u>
Balances at 9/30/2017	<u>\$ 455,841,011</u>	<u>\$ 116,043,397</u>	<u>\$ 339,797,614 (1)</u>

(1) Includes \$206,125 related to the Downtown Development Board (a discretely presented component unit).

Net OPEB Liability	\$ 339,797,614
Net LTD OPEB (Asset)	<u>(6,437,666)</u>
Primary Government and Component Unit Total	<u>\$ 333,359,948</u>

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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 6.50%	Current Single Discount Rate Assumption 7.50%	1% Increase 8.50%
Net OPEB Liability	\$ 397,594,227	\$ 339,797,614	\$ 291,952,240

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
Net OPEB Liability	\$ 289,093,260	\$ 339,797,614	\$ 401,162,969

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources related to OPEB. For the fiscal year ended September 30, 2018, the City recognized OPEB expense of \$32,016,155. At September 30, 2018, the City reported deferred outflows or resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on OPEB plan investments	\$ -	\$ (1,759,698) (1)
Employer's contributions to the plan subsequent to the measurement of the total OPEB liability	27,885,400	-
Total	<u>\$ 27,885,400</u>	<u>\$ (1,759,698)</u>

(1) Includes \$1,068 related to the Downtown Development Board (a discretely presented component unit).

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

Fiscal Year Ended	Amount
<u>September 30:</u>	
2019	\$ (439,925)
2020	(439,925)
2021	(439,925)
2022	(439,923)
2023	-

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.

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

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

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

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

Termination of benefits occur as follows:

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

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.

Financial statements of the LTD Plan at September 30, 2018 and for the plan year then ended are as follows:

STATEMENT OF NET POSITION AT SEPTEMBER 30, 2018		STATEMENT OF CHANGES IN NET POSITION AT SEPTEMBER 30, 2018	
	Employees' Disability Fund		Employees' Disability Fund
ASSETS		ADDITIONS	
Cash and Cash Equivalents	\$ 7,455,602	Investment Income	\$ 2,207
Cash with Fiscal Agents	75,000	DEDUCTIONS	
Total Assets	7,530,602	Long-term Disability Benefits	168,520
LIABILITIES		Administrative Expense	33,608
Liabilities	-	Total Deductions	202,128
NET POSITION		Decrease in Net Position	(199,921)
Restricted for OPEB Benefits	\$ 7,530,602	Net Position - Beginning of Year	7,730,523
		Net Position - End of Year	\$ 7,530,602

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Actuarial Methods and Assumptions. The Net LTD OPEB asset as recorded in the September 30, 2018 financial statements was calculated using the following actuarial assumptions:

Investment Rate of Return	3.75%, net of expenses
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 LTD 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 LTD 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.

Change in the Net LTD OPEB Asset. The following schedule presents the change in the Net LTD OPEB Asset:

	Increase (Decrease)		
	Total LTD OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net LTD OPEB Asset (a) - (b)
Balances at 9/30/2017	\$ 1,319,030	\$ 7,965,718	\$ (6,646,688)
Changes for the year:			
Interest	44,150	-	44,150
Difference between expected and actual experience of the total LTD OPEB asset	213,067	-	213,067
Net Investment Income	-	70,455	(70,455)
Benefits paid	(283,390)	(283,390)	-
Administrative expense	-	(22,260)	22,260
Net changes	<u>(26,173)</u>	<u>(235,195)</u>	<u>209,022</u>
Balances at 9/30/2018	<u>\$ 1,292,857</u>	<u>\$ 7,730,523</u>	<u>\$ (6,437,666)</u>

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	1% Increase
	2.75%	3.75%	4.75%
Net LTD OPEB Asset	\$(6,378,057)	\$(6,437,666)	\$(6,492,221)

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.

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LTD OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources related to LTD OPEB. For the fiscal year ended September 30, 2018, the City recognized LTD OPEB expense of \$31,000. At September 30, 2018, the City reported deferred outflows of resources related to LTD OPEB from the following sources.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on LTD OPEB plan investments	\$ 178,022	\$ -

Amounts reported as deferred outflows of resources and deferred inflows of resources related to LTD OPEB will be recognized in LTD OPEB 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 LTD OPEB liability measurement date):

Fiscal Year Ending September 30:	Amount
2019	\$ 44,506
2020	44,506
2021	44,506
2022	44,504

NOTE 14: TAX ABATEMENTS

The City provides tax abatement programs subject to the requirements of GASB Statement No. 77, *Tax Abatement Disclosures*. The City negotiates the terms of the tax abatement agreements on an individual basis. See pages 91 through 93 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 that make timely payment of ad valorem, tangible and/or intangible taxes for the year, to which the rebate payment is applied. 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, 2018, taxes abated through this program were \$48,795.

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 help improve the local economy by attracting businesses, creating jobs, thus 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, 2018, taxes abated through this program totaled \$481,469.

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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.

B. Capital Assets

Capital asset activity for the year ended September 30, 2018 for the Downtown Development Board is shown below.

	Component Unit Capital Asset Activity			Ending Balance 9/30/2018
	Beginning Balance 10/1/2017	Additions	Transfers and Retirements	
Depreciable Assets:				
Improvements	\$ 6,303	\$ -	\$ -	\$ 6,303
Equipment	31,493	-	(16,633)	14,860
Totals at historical cost	<u>37,796</u>	<u>-</u>	<u>(16,633)</u>	<u>21,163</u>
Less accumulated depreciation for:				
Improvements	(6,051)	(252)	-	(6,303)
Equipment	(19,268)	(3,423)	8,729	(13,962)
Total accumulated depreciation	<u>(25,319)</u>	<u>(3,675)</u>	<u>8,729</u>	<u>(20,265)</u>
Component unit capital assets, net	<u>\$ 12,477</u>	<u>\$ (3,675)</u>	<u>\$ (7,904)</u>	<u>\$ 898</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:

A. Central Florida Fire Consortium

The Central Florida Emergency Services Institute (CFESI) was created by an ordinance on June 6, 1977, in an effort to coordinate the firefighter training activities of the City and Orange County. On June 12, 2001, the Board of Trustees voted to change the name to the Central Florida Fire Academy (CFFA). In May 2014, the CFFA changed its name to the Central Florida Fire Consortium (CFFC) and altered its purpose from operating a state certified education and training program in fire and emergency services to that of managing, operating, and maintaining the former CFFA facility in support of the 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.

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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.

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, 2018, franchise fee and dividend revenues from OUC totaled \$90,008,190 (\$60,615,946 for the dividend payment and \$29,392,244 for the franchise fee equivalent) and \$2,822,858 was due from OUC and recorded in Due from Other Governments.

At September 30, 2018, the City owed OUC approximately \$939,921 for uncollectible customer billings that were remitted to the City (approximately \$85,016, \$34,905, and \$820,000 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, 2018 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, 2018, the revenue for these services was \$13,975,245. Additionally, the City also provides fire protection services for GOAA at the Orlando Executive Airport and in FY 2018 the revenue for these services was \$558,085.

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2018

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. Those which are not covered are addressed by the City's Office of Legal Affairs and generally involve either construction contract claims/counterclaims or land use/zoning (inverse condemnation) actions.

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

B. Federally Assisted Programs - Compliance Audits

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

C. Environmental Matters

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

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

The City recorded a pollution remediation liability as of September 30, 2018 of approximately \$6.8 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 services, changes in remediation technology, or changes in laws and regulations governing the remediation efforts.

During the fiscal year ended September 30, 2018, the City had the following activity related to pollution remediation:

	Governmental Activities	Business-type Activities	Primary Government Total
Environmental remediation liability, beginning of year	\$ 6,114,544	\$ 14,220	\$ 6,128,764
Expected additional future outlays, increase in liability estimates	3,406,618	-	3,406,618
Fiscal year 2018 outlays for environmental remediation	(726,930)	(5,765)	(732,695)
Reduction in liability estimates	(921,431)	(8,455)	(929,886)
Estimated recoveries from third parties or tax credits	(1,080,000)	-	(1,080,000)
Environmental remediation liability, end of year	<u>\$ 6,792,801</u>	<u>\$ -</u>	<u>\$ 6,792,801</u>

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2018

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

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

Pursuant to the Guaranteed Remediation Program Agreement, ARCADIS will perform the work necessary to implement an EPA issued Record of Decision, and to achieve at least 90% reduction in dissolved-phase contaminants of concern concentrations in groundwater associated with the Spellman site. As of September 30, 2018, 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 \$2,702,801.

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, 2018, the City's estimated remediation obligation for this site is \$2,970,000. 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, 2018, the estimated remediation obligation for this site is \$1,000,000.

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, 2018, the estimated remediation obligation for this site is \$120,000.

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2018

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, 2018, 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.

Downtown District Trust Fund

Source of Deposits	<u>Date</u>	<u>Amount</u>
City of Orlando	12/31/2017	\$ 16,702,089
Orange County	12/29/2017	11,138,159
Downtown Development Board	12/31/2017	2,267,377
Build America Bond Subsidy	2/6/2018	1,541,387
Build America Bond Subsidy	8/7/2018	1,541,387
Income (Loss) on Investments	Monthly	(51,517)
Total Deposits		<u>\$ 33,138,882</u>

Purpose of Withdrawals	<u>Date</u>	<u>Amount</u>
Transfer to Debt Service Account - Series 2009 Bonds	12/31/2017	\$ 6,299,810
Transfer to Debt Service Account - Series 2010 Bonds	12/31/2017	6,862,544
Transfer to Debt Service Account - Internal Loans	12/31/2017	2,888,509
Transfer to Debt Service Account - SIB Loan (Sun Rail)	12/31/2017	750,000
Transfer to Debt Service Account - Events Center	Monthly	2,117,175
Transfer to Debt Service Account - Performing Arts Center	Monthly	502,980
Transfer to Debt Service Account - Citrus Bowl	Monthly	279,389
Transfer to Downtown CRA Operating Fund	12/31/2017	11,000,747
Transfer to Downtown CRA Operating Fund	5/1/2018	1,541,387
Transfer to Downtown CRA Operating Fund	9/1/2018	1,541,387
Other Debt Service	Various	2,035
Total Withdrawals		<u>\$ 33,785,963</u>

Principal and Interest on Indebtedness	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Series 2009A Bonds	\$ 1,775,000	\$ 511,425	\$ 2,286,425
Series 2009C Bonds	-	4,013,385	4,013,385
Series 2010A Bonds	1,390,000	55,600	1,445,600
Series 2010B Bonds	-	5,416,944	5,416,944
Internal Loans	1,461,795	182,847	1,644,642
Totals	<u>\$ 4,626,795</u>	<u>\$ 10,180,201</u>	<u>\$ 14,806,996</u>

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2018

Republic Drive (Universal Blvd.) Trust Fund

Source of Deposits	<u>Date</u>	<u>Amount</u>
City of Orlando	12/31/2017	\$ 10,475,530
Orange County	12/29/2017	6,985,841
Transfer from Debt Service Account	1/31/2018	52,999
Income on Investments	Monthly	(12,800)
Total Deposits		<u>\$ 17,501,570</u>

Purpose of Withdrawals	<u>Date</u>	<u>Amount</u>
Transfer to Debt Service Account - Series 2012 Bonds	12/31/2017	\$ 2,977,600
Transfer to Debt Service Account - Series 2013 Bonds	12/31/2017	857,088
Surplus Increment Revenue to Orange County	1/25/2018	5,481,531
Surplus Increment Revenue to City of Orlando	1/31/2018	8,219,761
Total Withdrawals		<u>\$ 17,535,980</u>

Principal and Interest on Indebtedness	<u>Principal</u>	<u>Interest</u>	<u>Other</u>	<u>Total</u>
Series 2012 Bonds	\$ 2,160,000	\$ 813,600	\$ 2,000	\$ 2,975,600
Series 2013 Bonds	728,492	128,596	6,000	863,088
Total Debt Service	<u>\$ 2,888,492</u>	<u>\$ 942,196</u>	<u>\$ 8,000</u>	<u>\$ 3,838,688</u>

Conroy Road Trust Fund

Source of Deposits	<u>Date</u>	<u>Amount</u>
City of Orlando	12/31/2017	\$ 3,441,118
Orange County	12/29/2017	2,294,786
Transfer in from Debt Service Account	1/31/2018	29,396
Income on Investments	Monthly	(3,596)
Total Deposits		<u>\$ 5,761,704</u>

Purpose of Withdrawals	<u>Date</u>	<u>Amount</u>
Transfer to Debt Service Account - Series 2012 Bonds	12/31/2017	\$ 1,905,125
Surplus Increment Revenue to Orange County	1/25/2018	1,547,600
Surplus Increment Revenue to City of Orlando	1/31/2018	2,320,684
Total Withdrawals		<u>\$ 5,773,409</u>

Principal and Interest on Indebtedness	<u>Principal</u>	<u>Interest</u>	<u>Other</u>	<u>Total</u>
Series 2012 Bonds	\$ 1,245,000	\$ 658,125	\$ 2,000	\$ 1,905,125

NOTE 20. DOWNTOWN SOUTH NEIGHBORHOOD IMPROVEMENT DISTRICT (NID)

As of September 30, 2018, the Downtown South NID's Balance Sheet was comprised of:

Cash	\$ 1,341,239
Accounts Receivable	310
Due from Other Governments	4,711
Current Liabilities	(11,771)
Fund Balance	<u>\$ 1,334,489</u>

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2018

For the year-ended September 30, 2018, the Downtown South NID's Statement of Revenues, Expenditures, and Changes in Fund Balance was comprised of:

Property Taxes	\$ 440,793
Other Revenues	151,667
Income on Investments	<u>513</u>
Total Revenues	592,973
Events and Marketing	(21,100)
Other Contractual Services	(434,250)
Salaries & Wages	(131,617)
Other	<u>(1,257)</u>
Total Expenditures	<u>(588,224)</u>
Increase in Fund Balance	<u>\$ 4,749</u>

NOTE 21. PRIOR PERIOD ADJUSTMENT

During fiscal year 2018, the City implemented GASB Statement 75. The effects of implementing GASB Statement 75 were applied to the Statements of Net Position as of the implementation date of October 1, 2017. During fiscal year 2018, the City reviewed sewer benefit fees advance payments (recorded in the Water Reclamation Fund) and determined that some of the advance payments should have been recorded into revenue in prior fiscal years. The effect of these advance payments was recorded as a prior period adjustment as of October 1, 2017. The impact for the City for these two items is shown below:

	Governmental <u>Activites (1)</u>	Business-type <u>Activites</u>	<u>Total</u>
Net Position, September 30, 2017	\$ 625,842,388	\$ 1,390,697,543	\$ 2,016,539,931
Cumulative effect of implementing GASB Statement 75 (1)	(247,220,248)	(55,486,451)	(302,706,699)
Prior year's sewer benefit fees	-	<u>18,482,669</u>	<u>18,482,669</u>
Net Position, September 30, 2017 (restated)	<u>\$ 378,622,140</u>	<u>\$ 1,353,693,761</u>	<u>\$ 1,732,315,901</u>

(1) Includes \$13,801,198 from the City's Internal Service Funds.

	Enterprise Funds					<u>Total</u>
	<u>Water Reclamation</u>	<u>Orlando Venues</u>	<u>Parking System</u>	<u>Stormwater Utility</u>	<u>Solid Waste Management</u>	
Net Position, September 30, 2017	\$ 534,418,552	\$ 609,469,707	\$ 45,266,933	\$ 155,504,745	\$ 23,332,930	\$ 1,367,992,867
Cumulative effect of implementing GASB Statement 75	(22,532,569)	(6,290,342)	(9,294,685)	(7,886,399)	(9,482,456)	(55,486,451)
Prior year's sewer benefit fees	<u>18,482,669</u>	-	-	-	-	<u>18,482,669</u>
Net Position, September 30, 2017 (restated)	<u>\$ 530,368,652</u>	<u>\$ 603,179,365</u>	<u>\$ 35,972,248</u>	<u>\$ 147,618,346</u>	<u>\$ 13,850,474</u>	<u>\$ 1,330,989,085</u>

	Component Unit
	Downtown Development <u>Board</u>
Net Position, September 30, 2017	\$ 2,286,147
Cumulative effect of implementing GASB Statement 75	<u>(187,771)</u>
Net Position, September 30, 2017 (restated)	<u>\$ 2,098,376</u>

CITY OF ORLANDO, FLORIDA
Notes to Financial Statements
September 30, 2018

NOTE 22. SUBSEQUENT EVENTS

City of Orlando, Florida Community Redevelopment Agency Tax Increment Revenue Refunding Bonds (Downtown District), Series 2019A - On November 12, 2018 the City Council and Community Redevelopment Agency (CRA) approved a resolution authorizing the issuance of Tax Increment Revenue Refunding Bonds (Downtown District), Series 2019A. The resolution authorizes the issuance of up to \$60 million in bonds to refund the CRA's outstanding Tax Increment Revenue Bonds (Downtown District), Series 2009A, and its Taxable Tax Increment Revenue Bonds (Downtown District – Direct Subsidy Build America Bonds), Series 2009C. The resolution also provides for paying the transaction's financing costs. The Series 2019A Bond is a Forward Delivery refunding of the Series 2009A & 2009C Bonds. The refunding is expected to occur on September 3, 2019.

City of Orlando, Capital Improvement Special Revenue Bonds, Series 2018B - On October 22, 2018 the City Council approved a resolution authorizing the issuance of Capital Improvement Special Revenue Bonds, Series 2018B. The resolution authorizes the issuance of up to \$125 million in bonds to finance a portion of the costs of various municipal capital projects related to the Neighborhood Infrastructure Improvements Program and Packing District improvements. The resolution also provides for paying the transaction's financing costs. On November 29, 2018 the City issued \$105,135,000 of Capital Improvement Special Revenue Bonds, Series 2018B.

City of Orlando, Capital Improvement Refunding Special Revenue Bonds, Series 2019A - On October 22, 2018 the City Council approved a resolution authorizing the issuance of Capital Improvement Refunding Special Revenue Bonds, Series 2019A. The resolution authorizes the issuance of up to \$42 million in bonds to refund \$40 million in outstanding Taxable Capital Improvement Special Revenue Bonds, Series 2009C (Direct Subsidy Build America Bonds). The resolution also provides for paying the transaction's financing costs. The Series 2019A Bond is a Forward Delivery refunding of the Series 2009C Bonds. The refunding is expected to occur on October 2, 2019.

Long Term Disability (LTD) Trust Fund Assumption Agreement - On August 20, 2018 the City Council approved an assumption agreement with Standard Insurance Company (Standard) for the City's LTD Trust Fund. Under the agreement Standard would assume full financial responsibility and liability for the remaining claims in the City's self-funded LTD plan. Once the current LTD beneficiaries in the City's self-funded plan (with a date of disability prior to January 1, 2014) are transitioned to the fully-insured policy with Standard, the City will seek judicial approval to dissolve the LTD Trust. The City expects the Trust to be dissolved during the 2019 fiscal year.



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LAUREATE CITY PARK

MAYOR BUDDY DYER

Jim Gray
DISTRICT 1

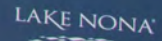
Tony Ortiz
DISTRICT 2

Robert F. Stuart
DISTRICT 3

Patty Sheehan
DISTRICT 4

Regina I. Hill
DISTRICT 5

Samuel B. Ings
DISTRICT 6



MAYOR BUDDY DYER

Jim Gray
DISTRICT 1

Tony Ortiz
DISTRICT 2

Robert F. Stuart
DISTRICT 3

Patty Sheehan
DISTRICT 4

Regina I. Hill
DISTRICT 5

Samuel B. Ings
DISTRICT 6

Laureate City Park

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, 2018

	<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):				
Taxes:				
Property	\$ 178,408,645	\$ 178,408,645	\$ 177,769,204	\$ (639,441)
Communication Services	12,200,000	14,200,000	14,136,222	(63,778)
Local Business	9,115,000	9,765,000	9,774,170	9,170
Utilities Services	29,858,572	29,858,572	32,089,752	2,231,180
Intergovernmental:				
Orlando Utilities Commission Contribution	61,325,000	60,625,000	60,615,946	(9,054)
State Sales Tax	41,200,000	45,500,000	46,106,097	606,097
Other Intergovernmental	20,035,876	21,610,876	22,233,725	622,849
Franchise Fees	31,670,000	33,070,000	33,112,845	42,845
Permits and Fees	6,261,070	8,586,070	8,576,663	(9,407)
Charges for Services	53,205,486	53,390,629	53,421,117	30,488
Fines and Forfeitures	3,684,000	5,709,000	6,207,412	498,412
Income on Investments	839,099	3,764,200	395,846	(3,368,354)
Special Assessments	-	-	47,662	47,662
Other	8,096,587	14,742,170	15,144,745	402,575
Transfers from Other Funds	7,273,459	7,475,193	7,493,757	18,564
Amounts available for appropriation	<u>463,172,794</u>	<u>486,705,355</u>	<u>487,125,163</u>	<u>419,808</u>
Charges to Appropriations (outflows):				
Executive Offices	24,356,443	26,834,935	23,822,739	3,012,196
Housing and Community Development	973,312	973,312	862,486	110,826
Economic Development	14,271,903	15,581,689	13,786,738	1,794,951
Public Works	11,385,099	10,630,217	9,843,120	787,097
Transportation	15,977,878	15,569,992	15,227,986	342,006
Families, Parks, and Recreation	34,778,716	35,826,537	35,105,495	721,042
Police	147,584,941	156,072,778	155,186,958	885,820
Fire	117,132,045	112,826,652	110,948,305	1,878,347
Business and Financial Services	32,875,572	34,320,016	30,891,787	3,428,229
Orlando Venues	566,550	566,550	542,590	23,960
Non-departmental:				
Other Expenditures	26,011,328	22,263,158	27,727,669	(5,464,511)
Debt Service	19,796,905	19,675,209	19,429,102	246,107
Transfers to Other Funds	18,078,800	43,399,816	43,099,816	300,000
Total	<u>463,789,492</u>	<u>494,540,861</u>	<u>486,474,791</u>	<u>8,066,070</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	(616,698)	(7,835,506)	650,372	8,485,878
Fund Balance Allocation	<u>616,696</u>	<u>7,835,506</u>	<u>-</u>	<u>(7,835,506)</u>
Excess (Deficiency) of Resources Over Charges to Appropriations-Restated	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 650,372</u>	<u>\$ 650,372</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.	\$ 487,125,163
Differences - budget to GAAP:	
Securities Lending Income is not budgeted as a source of resources	3,288,804
Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes.	(7,493,757)

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

\$ 482,920,210

Uses/outflows of resources

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.	\$ 486,474,791
Differences - budget to GAAP:	
Securities Lending expenditures are not budgeted as a use of resources	2,870,607
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is place for budgetary purposes, but in the year the supplies are received for financial reporting purposes.	(2,310,855)
Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes	(43,099,816)

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

\$ 443,934,727

**CITY OF ORLANDO, FLORIDA
BUDGETARY COMPARISON SCHEDULE
COMMUNITY REDEVELOPMENT AGENCY
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

	Budgeted Amounts		Actual Amounts	Variance With
	Original	Final	(Budgetary Basis)	Final Budget Positive (Negative)
Resources (inflows):				
Other Intergovernmental	\$ 53,387,424	\$ 53,387,424	\$ 53,258,189	\$ (129,235)
Charges for Services	17,000	17,000	21,591	4,591
Income on Investments	137,069	137,069	74,472	(62,597)
Other	3,330,615	3,330,615	3,217,695	(112,920)
Sale of Land	-	-	27,681	27,681
Transfers from Other Funds	-	-	43,117	43,117
Amounts available for appropriation	<u>56,872,108</u>	<u>56,872,108</u>	<u>56,642,745</u>	<u>(229,363)</u>
Charges to Appropriations (outflows):				
Community Redevelopment Agency	28,242,903	38,345,818	27,260,892	11,084,926
Capital Improvements	2,139,600	4,536,482	1,530,397	3,006,085
Debt Service	21,511,826	21,511,826	21,300,808	211,018
Transfers to Other Funds	4,977,779	5,484,279	7,273,879	(1,789,600)
Total	<u>56,872,108</u>	<u>69,878,405</u>	<u>57,365,976</u>	<u>12,512,429</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	-	(13,006,297)	(723,231)	12,283,066
Fund Balance Allocation	-	13,006,297	-	(13,006,297)
Excess (Deficiency) of Resources Over Charges to Appropriations	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (723,231)</u>	<u>\$ (723,231)</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.	\$ 56,642,745
Differences - budget to GAAP:	
Sale of Land are inflows of budgetary resources but are not revenues for financial reporting purposes.	(27,681)
Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes.	(43,117)

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

\$ 56,571,947

Uses/outflows of resources

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.	\$ 57,365,976
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.	(214,563)
Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes.	(7,273,879)

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

\$ 49,877,534



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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, 2018**

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

Measurement Date:	<u>9/30/2018</u>	<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	\$ 975	\$ 1,118	\$ 1,091	\$ 1,327	\$ 1,417
Interest on the total pension liability	18,882	18,729	17,972	17,862	17,585
Differences between expected and actual experience	(876)	431	1,743	(520)	-
Changes of Assumptions	6,141	39	22,107	-	-
Benefit payments, including refunds on member contributions	(18,413)	(18,000)	(17,440)	(16,650)	(14,335)
Other Deductions	-	-	(266)	-	-
Net change in total pension liability	<u>6,709</u>	<u>2,317</u>	<u>25,207</u>	<u>2,019</u>	<u>4,667</u>
Total pension liability - beginning	260,479	258,162	232,955	230,936	226,269
Total pension liability - ending (a)	<u>\$ 267,188</u>	<u>\$ 260,479</u>	<u>\$ 258,162</u>	<u>\$ 232,955</u>	<u>\$ 230,936</u>
Plan fiduciary net position					
Contributions - employer	\$ 7,881	\$ 7,411	\$ 7,858	\$ 8,720	\$ 9,057
Contributions - member	327	346	384	431	508
Net investment income	14,361	21,239	16,354	(909)	17,016
Benefit payments, including refunds on member contributions	(18,413)	(18,000)	(17,440)	(16,650)	(14,335)
Administrative expenses	(83)	(127)	(134)	(89)	(111)
Other	29	(82)	(233)	(305)	-
Net change in plan fiduciary net position	<u>4,102</u>	<u>10,787</u>	<u>6,789</u>	<u>(8,802)</u>	<u>12,135</u>
Plan fiduciary net position - beginning	216,788	206,001	199,212	208,014	195,879
Plan fiduciary net position - ending (b)	<u>\$ 220,890</u>	<u>\$ 216,788</u>	<u>\$ 206,001</u>	<u>\$ 199,212</u>	<u>\$ 208,014</u>
Net pension liability - ending (a) - (b)	<u>\$ 46,298</u>	<u>\$ 43,691</u>	<u>\$ 52,161</u>	<u>\$ 33,743</u>	<u>\$ 22,922</u>

NOTE: Five 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, 2018**

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

Measurement Date:	9/30/2018	9/30/2017	9/30/2016	9/30/2015	9/30/2014
Total Pension Liability					
Service Cost	\$ 15,520	\$ 15,794	\$ 14,859	\$ 15,339	\$ 15,244
Interest on the total pension liability	52,217	47,146	44,111	41,992	40,086
Change of benefit terms	-	809			
Differences between expected and actual experience	(224)	8,223	520	549	-
Changes of assumptions	20,726	31,781	-	19,464	-
Benefit payments, including refunds on member contributions	(37,296)	(38,349)	(33,898)	(32,226)	(30,804)
Net change in total pension liability	50,943	65,404	25,592	45,118	24,526
Total pension liability - beginning	677,120	611,716	586,124	541,006	516,480
Total pension liability - ending (a)	\$ 728,063	\$ 677,120	\$ 611,716	\$ 586,124	\$ 541,006
Plan fiduciary net position					
Contributions - employer	\$ 31,628	\$ 27,360	\$ 24,274	\$ 23,956	\$ 21,535
Contributions - member	4,645	4,632	4,424	4,323	4,399
Contributions - state insurance excess	(4,283)	368	721	436	249
Net investment income	39,993	54,661	39,482	(366)	40,857
Benefit payments, including refunds on member contributions	(37,296)	(38,349)	(33,898)	(32,226)	(30,804)
Administrative expenses	(179)	(261)	(190)	(161)	(179)
Net change in plan fiduciary net position	34,508	48,411	34,813	(4,038)	36,057
Plan fiduciary net position - beginning	560,275	511,864	477,051	481,089	445,032
Plan fiduciary net position - ending (b) (1)	\$ 594,783	\$ 560,275	\$ 511,864	\$ 958,140	\$ 481,089
Net pension liability - ending (a) - (b)	\$ 133,280	\$ 116,845	\$ 99,852	\$ (372,016)	\$ 59,917

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

(1) The ending balance for 9/30/2018 does not include Police Share program assets.

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. The excess balance of state funding for benefit improvements was transferred to a new Police Share program during fiscal year 2018.

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. The investment return assumption was lowered from 7.75% to 7.50% and was included for the first time in the September 30, 2018 GASB 67 disclosure.

**CITY OF ORLANDO, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

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

(Dollar amounts in thousands)

Measurement Date:	<u>9/30/2018</u>	<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	\$ 14,132	\$ 14,059	\$ 13,512	\$ 12,956	\$ 12,949
Interest on the total pension liability	38,069	34,975	33,103	31,389	29,568
Differences between expected and actual experience	(15,557)	13,626	419	(1,767)	205
Changes of assumptions	2,898	-	13,698	-	-
Benefit payments, including refunds on member contributions	(21,880)	(23,728)	(23,822)	(19,601)	(20,338)
Net change in total pension liability	<u>17,662</u>	<u>38,932</u>	<u>36,910</u>	<u>22,977</u>	<u>22,384</u>
Total pension liability - beginning	488,026	449,094	412,184	389,207	366,823
Total pension liability - ending (a)	<u><u>\$ 505,688</u></u>	<u><u>\$ 488,026</u></u>	<u><u>\$ 449,094</u></u>	<u><u>\$ 412,184</u></u>	<u><u>\$ 389,207</u></u>
Plan fiduciary net position					
Contributions - employer	\$ 18,541	\$ 16,562	\$ 13,481	\$ 13,350	\$ 12,939
Contributions - nonemployer contributing member	3,396	2,105	2,380	2,346	2,410
Contributions - member	2,159	3,118	3,097	3,073	3,123
Net investment income	25,765	36,821	26,855	639	27,157
Benefit payments, including refunds on member contributions	(21,880)	(23,728)	(23,822)	(19,601)	(20,339)
Administrative expenses	(146)	(168)	(150)	(163)	(121)
Net change in plan fiduciary net position	<u>27,835</u>	<u>34,710</u>	<u>21,841</u>	<u>(356)</u>	<u>25,169</u>
Plan fiduciary net position - beginning (1)	381,635	346,925	325,084	325,440	300,271
Plan fiduciary net position - ending (b) (1)	<u><u>\$ 409,470</u></u>	<u><u>\$ 381,635</u></u>	<u><u>\$ 346,925</u></u>	<u><u>\$ 325,084</u></u>	<u><u>\$ 325,440</u></u>
Net pension liability - ending (a) - (b)	<u><u>\$ 96,218</u></u>	<u><u>\$ 106,391</u></u>	<u><u>\$ 102,169</u></u>	<u><u>\$ 87,100</u></u>	<u><u>\$ 63,767</u></u>

NOTE: Five 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, 2018**

**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)
9/30/18	\$ 7.88	\$ 7.88	\$ -	\$ 7.54	104.5%
9/30/17	7.41	7.41	-	8.15	90.9%
9/30/16	7.86	7.86	-	9.80	80.2%
9/30/15	8.72	8.72	-	10.49	83.1%
9/30/14	9.06	9.06	-	11.83	76.6%
9/30/13	10.19	10.19	-	12.72	80.1%
9/30/12	9.67	9.67	-	13.61	71.1%
9/30/11	8.95	8.95	-	16.60	53.9%
9/30/10	9.29	9.29	-	18.36	50.6%
9/30/09	5.61	5.61	-	19.14	29.3%

NOTES TO SCHEDULE

Valuation Date: September 30, 2016 (for the fiscal year ended September 30, 2018)
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. The rates are from an experience study of the period October 1, 2009 through September 30, 2014.
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, 2018.
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, 2018**

**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)
9/30/18	\$ 31.63	\$ 31.63	\$ -	\$ 54.92	57.6%
9/30/17	27.36	27.36	-	50.41	54.3%
9/30/16	24.27	24.27	-	49.19	49.3%
9/30/15	23.96	23.96	-	48.94	49.0%
9/30/14	21.54	21.54	-	48.58	44.3%
9/30/13	18.53	18.53	-	47.59	38.9%
9/30/12	17.10	17.10	-	48.42	35.3%
9/30/11	15.30	15.30	-	47.34	32.3%
9/30/10	13.82	13.82	-	46.07	30.0%
9/30/09	13.58	13.58	-	44.81	30.3%

NOTES TO SCHEDULE

Valuation Date: October 1, 2016 (for the fiscal year ended September 30, 2018)
Actuarially determined contribution is calculated using an October valuation date as of the beginning of the fiscal year prior to the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age
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 less unrecognized returns in each of the last five years
Wage Inflation	2.76%
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
Cost of living adjustments	2.00%, beginning at age 55
Mortality:	
Pre-retirement	Male Non-Disabled (Special Risk): RP2000 Generational, 10% Combined Healthy White Collar / 90% Combined Healthy Blue Collar, projected with Scale BBM Female Non-Disabled: RP 2000 Generational, 100% Combined Health White Collar, projected generationally with Scale BBF
Healthy annuitants	Male Non-Disabled (Special Risk): RP2000 Generational, 10% Annuitant White Collar / 90% Annuitant Blue Collar, projected generationally with Scale BBM Female Non-Disabled: RP 2000 Generational, 100% Annuitant White Collar, projected generationally with Scale BBF
Disabled annuitants	Male Disabled (Special Risk): 60% RP2000 Disabled Male setback four years / 40% Annuitant White Collar with no setback, no projection scale Female Disabled (Special Risk): 60% RP2000 Disabled Female set forward two years / 40% Annuitant White Collar with no setback, no projection date

Other Information:

Notes The payroll inflation assumption is 3.00%. However, based on Section 112.64(5)(a), Florida Statutes, an assumption of 2.76% was used for amortization purposes in the October 1, 2016 valuation.

**CITY OF ORLANDO, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

**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)
9/30/18	\$ 20.70	\$ 20.70	\$ -	\$ 41.97	49.3%
9/30/17	18.66	18.66	-	40.38	46.2%
9/30/16	15.86	15.86	-	39.03	40.6%
9/30/15	15.70	15.70	-	38.75	40.5%
9/30/14	15.35	15.35	-	36.28	42.3%
9/30/13	14.96	14.96	-	36.51	41.0%
9/30/12	14.31	14.31	-	36.67	39.0%
9/30/11	12.75	12.75	-	35.66	35.8%
9/30/10	11.31	11.31	-	34.18	33.1%
9/30/09	9.96	9.96	-	31.28	31.8%

NOTES TO SCHEDULE

Valuation Date: October 1, 2016 (for the fiscal year ended September 30, 2018)

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 September 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	0.00% to 2.50%
Investment Rate of Return	7.70% 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, 2018**

**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	
9/30/18	7.15%
9/30/17	10.62%
9/30/16	8.98%
9/30/15	-0.52%
9/30/14	8.67%
Firefighter Pension Fund	
9/30/18	7.13%
9/30/17	10.58%
9/30/16	8.70%
9/30/15	0.39%
9/30/14	9.02%
Police Pension Fund	
9/30/18	7.46%
9/30/17	10.58%
9/30/16	8.65%
9/30/15	0.06%
9/30/14	9.12%

NOTE: Five year's of data is available for GASB 67.

**CITY OF ORLANDO, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

**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						
9/30/18	\$ 267.19	\$ 220.89	\$ 46.30	82.7%	\$ 6.64	697.3%
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)						
9/30/18	\$ 505.69	\$ 409.47	\$ 96.22	81.0%	\$ 41.40	232.4%
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%	38.75	164.6%
Police Pension Fund (2)						
9/30/18	\$ 728.06	\$ 594.78	\$ 133.28	81.7%	\$ 54.59	244.1%
9/30/17	677.12	560.28	116.84	82.7%	54.92	212.7%
9/30/16	611.71	511.86	99.85	83.7%	50.41	198.1%
9/30/15	586.12	477.05	109.07	81.4%	49.19	221.7%
9/30/14	541.01	481.09	59.92	88.9%	48.94	122.4%

(1) The Firefighter Pension Fund does not include Fire Share Plan assets in its Plan Fiduciary Net Position.

(2) Beginning with the Plan Fiduciary Net Position as of 9/30/2018, the Police Pension Fund does not include Police Share Plan assets.

NOTE: Five year's 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, 2018**

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

	<u>9/30/2018</u>	<u>9/30/2017</u>
Total OPEB Liability		
Service Cost	\$ 15,614,390	\$ 16,697,453
Interest on the total OPEB liability	30,501,554	28,336,360
Difference between expected and actual experience	(12,548,898)	
Changes of assumptions	(173,137,541)	(38,241,697)
Benefit payments, including refunds on member contributions	(17,000,228)	(16,744,185)
Net change in total OPEB liability	<u>(156,570,723)</u>	<u>(9,952,069)</u>
Total OPEB liability - beginning	641,481,863	651,433,932
Total OPEB liability - ending (a)	<u>\$ 484,911,140</u>	<u>\$ 641,481,863</u>
Plan fiduciary net position		
Contributions - employer	\$ 27,885,400	\$ 25,372,981
Contributions - member	-	-
OPEB plan net investment income	6,490,497	9,844,942
Benefit payments, including refunds on member contributions	(17,000,228)	(16,744,185)
OPEB plan administrative expense	(94,305)	(107,045)
Other	-	-
Net change in plan fiduciary net position	<u>17,281,364</u>	<u>18,366,693</u>
Plan fiduciary net position - beginning	116,043,397	97,676,704
Plan fiduciary net position - ending (b)	<u>\$ 133,324,761</u>	<u>\$ 116,043,397</u>
Net OPEB liability - ending (a) - (b)	<u>\$ 351,586,379</u>	<u>\$ 525,438,466</u>
Plan fiduciary net position as a percentage of the total OPEB liability	27.49%	18.09%
Covered payroll	\$ 189,507,510	\$ 182,480,152
Net OPEB liability as a percentage of covered payroll	185.53%	287.94%

NOTE: Two years of data is available for GASB 74.

Notes to Schedule:

The amortization period was changed from a 30-year open period to a 30-year closed period. In addition, the discount rate was increased from 4.76% to 7.50%.

Additional assumptions are shown in the footnotes on page 126.

**CITY OF ORLANDO, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

**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)
9/30/18	\$ 27.89	\$ 27.89	\$ -	\$ 174.32	16.00%
9/30/17	25.37	25.37	-	171.52	14.79%

NOTES TO SCHEDULE

Valuation Date:

September 30, 2016 (for the fiscal year ended September 30, 2018)

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 10.75%, 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 BB
Disabled Mortality	The Florida Retirement System (FRS) Mortality: using 100% of the RP-2000 Disabled Table (General), 60% of the RP-2000 Disabled Table & and 40% the RP-2000 Annuitant White Collar Table(Police&Fire)
Health Care Trend Rates:	Trend starting at 8.50% 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. There have been changes in actuarial assumptions since the prior valuation. The health care cost trend has been updated, and the Police and Fire demographic assumptions were updated.

NOTE: Two years 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, 2018**

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

Fiscal Year Ending	Annual Money Weighted Rate of Return, Net of Investment Expense
9/30/2018	6.02%
9/30/2017	9.85%

NOTE: Two years 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, 2018**

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

	<u>9/30/2018</u>	<u>9/30/2017</u>
Total LTD OPEB Liability		
Service Cost	\$ -	\$ -
Interest on the total LTD OPEB liability	37,332	44,150
Differences between expected and actual experience	138,837	-
Benefit payments, including refunds on member contributions	<u>(168,520)</u>	<u>(283,390)</u>
Net change in total LTD OPEB liability	7,649	(239,240)
Total LTD OPEB liability - beginning	<u>1,079,790</u>	<u>1,319,030</u>
Total LTD OPEB liability - ending (a)	<u>\$ 1,087,439</u>	<u>\$ 1,079,790</u>
Plan fiduciary net position		
Net investment income	\$ 2,207	\$ 70,455
Benefit payments	(168,520)	(283,390)
Administrative expenses	<u>(33,608)</u>	<u>(22,260)</u>
Net change in plan fiduciary net position	(199,921)	(235,195)
Plan fiduciary net position - beginning	<u>7,730,523</u>	<u>7,965,718</u>
Plan fiduciary net position - ending (b)	<u>\$ 7,530,602</u>	<u>\$ 7,730,523</u>
Net LTD OPEB liability (asset) - ending (a) - (b)	<u>\$ (6,443,163)</u>	<u>\$ (6,650,733)</u>
Plan fiduciary net position as a percentage of the total LTD OPEB liability	692.51%	715.93%
Covered payroll	N/A	N/A
Net LTD OPEB liability as a percentage of covered payroll	N/A	N/A

NOTE: Two years 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, 2018**

**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)
9/30/18	\$ -	\$ -	\$ -	\$ -	-
9/30/17	-	-	-	-	-

NOTES TO SCHEDULE

Valuation Date:

September 30, 2017

Actuarially determined contributions are calculated as of October 1, which is 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	26 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: Two years 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, 2018**

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

Fiscal Year Ending	Annual Money Weighted Rate of Return, Net of Investment Expense
9/30/18	0.24%
9/30/17	1.22%

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



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COMBINING STATEMENTS

Malibu Groves Park

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, 2018**

	<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	\$ 31,241,404	\$ -	\$ -	\$ -	\$ 1,379,714
Restricted Cash and Cash Equivalents	-	2,774,048	-	436,651	-
Restricted Investments	-	10,070,693	-	3,032,885	-
Total Assets	<u>\$ 31,241,404</u>	<u>\$ 12,844,741</u>	<u>\$ -</u>	<u>\$ 3,469,536</u>	<u>\$ 1,379,714</u>
LIABILITIES					
Accounts Payable	\$ 716,756	\$ -	\$ 12,803	\$ -	\$ -
Accrued Liabilities	37,082	-	-	-	-
Advance Payments	346	-	-	-	-
Accrued Interest Payable	-	-	-	450,946	-
Total Liabilities	<u>754,184</u>	<u>-</u>	<u>12,803</u>	<u>450,946</u>	<u>-</u>
FUND BALANCES					
Restricted	30,487,220	12,844,741	-	3,018,590	1,379,714
Unassigned	-	-	(12,803)	-	-
Total Fund Balances	<u>30,487,220</u>	<u>12,844,741</u>	<u>(12,803)</u>	<u>3,018,590</u>	<u>1,379,714</u>
Total Liabilities and Fund Balances	<u>\$ 31,241,404</u>	<u>\$ 12,844,741</u>	<u>\$ -</u>	<u>\$ 3,469,536</u>	<u>\$ 1,379,714</u>

Conroy Road Revenue Funds	Conroy Road Debt Service	Total CRA Funds
\$ -	\$ -	\$ 32,621,118
-	313,097	3,523,796
-	1,921,604	15,025,182
<u>\$ -</u>	<u>\$ 2,234,701</u>	<u>\$ 51,170,096</u>
\$ 3,597	\$ -	\$ 733,156
-	-	37,082
-	-	346
-	313,500	764,446
<u>3,597</u>	<u>313,500</u>	<u>1,535,030</u>
-	1,921,201	49,651,466
(3,597)	-	(16,400)
<u>(3,597)</u>	<u>1,921,201</u>	<u>49,635,066</u>
<u>\$ -</u>	<u>\$ 2,234,701</u>	<u>\$ 51,170,096</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, 2018**

	<u>Downtown Trust Fund</u>	<u>Downtown Debt Service</u>	<u>Republic Drive Trust Fund</u>	<u>Republic Drive Debt Service</u>	<u>Republic Drive Construction</u>
REVENUES					
Other Intergovernmental	\$ 30,060,277	\$ -	\$ 17,462,008	\$ -	\$ -
Charges for Services	21,591	-	-	-	-
Income on Investments	(68,658)	139,216	(12,800)	11,204	(7,209)
Other Revenues	3,217,695	-	-	-	-
Total Revenues	<u>33,230,905</u>	<u>139,216</u>	<u>17,449,208</u>	<u>11,204</u>	<u>(7,209)</u>
EXPENDITURES					
Community Redevelopment Agency	7,656,936	-	13,701,292	-	1,819,817
Capital Improvements	1,530,397	-	-	-	-
Principal Payments	-	5,376,795	-	2,888,492	-
Interest and Other	-	10,180,200	-	950,196	-
Total Expenditures	<u>9,187,333</u>	<u>15,556,995</u>	<u>13,701,292</u>	<u>3,838,688</u>	<u>1,819,817</u>
Excess (deficiency) of revenues over expenditures	<u>24,043,572</u>	<u>(15,417,779)</u>	<u>3,747,916</u>	<u>(3,827,484)</u>	<u>(1,827,026)</u>
OTHER FINANCING SOURCES (USES)					
Transfers In	43,117	16,800,863	52,999	3,834,688	-
Transfers Out	(22,878,671)	(1,196,072)	(3,834,688)	(52,999)	-
Sale of Land	27,681	-	-	-	-
Total Other Financing Sources (Uses)	<u>(22,807,873)</u>	<u>15,604,791</u>	<u>(3,781,689)</u>	<u>3,781,689</u>	<u>-</u>
Net change in fund balances	1,235,699	187,012	(33,773)	(45,795)	(1,827,026)
Fund balances - beginning	<u>29,251,521</u>	<u>12,657,729</u>	<u>20,970</u>	<u>3,064,385</u>	<u>3,206,740</u>
Fund balances - ending	<u>\$ 30,487,220</u>	<u>\$ 12,844,741</u>	<u>\$ (12,803)</u>	<u>\$ 3,018,590</u>	<u>\$ 1,379,714</u>

Conroy Road Revenue Funds	Conroy Road Debt Service	Total CRA Funds
\$ 5,735,904	\$ -	\$ 53,258,189
-	-	21,591
(3,596)	16,315	74,472
-	-	3,217,695
<u>5,732,308</u>	<u>16,315</u>	<u>56,571,947</u>
3,868,284	-	27,046,329
-	-	1,530,397
-	1,245,000	9,510,287
-	660,125	11,790,521
<u>3,868,284</u>	<u>1,905,125</u>	<u>49,877,534</u>
1,864,024	(1,888,810)	6,694,413
29,396	1,905,125	22,666,188
(1,905,125)	(29,396)	(29,896,951)
-	-	27,681
<u>(1,875,729)</u>	<u>1,875,729</u>	<u>(7,203,082)</u>
(11,705)	(13,081)	(508,669)
8,108	1,934,282	50,143,735
<u>\$ (3,597)</u>	<u>\$ 1,921,201</u>	<u>\$ 49,635,066</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.
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**CITY OF ORLANDO, FLORIDA
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2018**

	Special Revenue Funds				
	Housing & Urban Development Grants	State Housing Partnership Fund	Grant Fund	Forfeitures Act	Special Assessments
ASSETS					
Current Cash and Cash Equivalents	\$ 1,583	\$ 2,284,252	\$ 21,720	\$ 2,085,961	\$ 2,825,877
Receivables (Net)					
Accounts Receivables	2,248,104	-	3,051,814	-	-
Taxes	-	-	-	-	-
Special Assessments	-	-	-	-	10,369
Due from Other Governments	-	-	-	-	-
Inventories	-	-	-	-	-
Total Assets	\$ 2,249,687	\$ 2,284,252	\$ 3,073,534	\$ 2,085,961	\$ 2,836,246
LIABILITIES AND FUND BALANCES					
BALANCES					
Liabilities:					
Accounts Payable	\$ 1,476,112	\$ 91,091	\$ 314,221	\$ 16,070	\$ -
Accrued Liabilities	24,757	-	-	-	-
Advance Payments	-	-	-	-	-
Due to Other Funds	30,000	-	2,450,000	-	-
Due to Other Governments	-	-	-	-	-
Unearned Revenue	332,996	2,193,161	253,738	-	10,369
Total Liabilities	1,863,865	2,284,252	3,017,959	16,070	10,369
Fund Balances:					
Nonspendable	-	-	-	-	-
Restricted	385,822	-	55,575	2,069,891	-
Committed	-	-	-	-	-
Assigned	-	-	-	-	2,825,877
Unassigned	-	-	-	-	-
Total Fund Balances	385,822	-	55,575	2,069,891	2,825,877
Total Liabilities and Fund Balances	\$ 2,249,687	\$ 2,284,252	\$ 3,073,534	\$ 2,085,961	\$ 2,836,246

Special Revenue Funds

Downtown South Neighborhood Improvement District	H.P. Leu Gardens	Cemetery	Building Code Enforcement	GOAA Police	Gas Tax
\$ 1,341,239	\$ 203,270	\$ 1,910,075	\$ 15,593,012	\$ 1,442	\$ 14,019,011
-	-	193	950	-	-
310	-	-	-	-	-
4,711	-	-	-	4,651,090	1,615,955
-	32,376	-	-	-	-
<u>\$ 1,346,260</u>	<u>\$ 235,646</u>	<u>\$ 1,910,268</u>	<u>\$ 15,593,962</u>	<u>\$ 4,652,532</u>	<u>\$ 15,634,966</u>
\$ 9,358	\$ 22,172	\$ 38,229	\$ 314,617	\$ 4,493,956	\$ 410,803
2,413	26,344	4,188	162,316	196,709	-
-	21,162	-	-	-	-
-	-	-	-	560,000	-
-	566	5	-	-	-
-	-	-	-	-	-
<u>11,771</u>	<u>70,244</u>	<u>42,422</u>	<u>476,933</u>	<u>5,250,665</u>	<u>410,803</u>
-	32,376	1,000	-	-	-
-	133,026	-	15,117,029	-	15,224,163
1,334,489	-	1,866,846	-	-	-
-	-	-	-	-	-
-	-	-	-	(598,133)	-
<u>1,334,489</u>	<u>165,402</u>	<u>1,867,846</u>	<u>15,117,029</u>	<u>(598,133)</u>	<u>15,224,163</u>
<u>\$ 1,346,260</u>	<u>\$ 235,646</u>	<u>\$ 1,910,268</u>	<u>\$ 15,593,962</u>	<u>\$ 4,652,532</u>	<u>\$ 15,634,966</u>

(Continued)

**CITY OF ORLANDO, FLORIDA
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2018
(Continued)**

	<u>Special Revenue Funds</u>	<u>Capital Projects Funds</u>	
	<u>Impact Fees</u>	<u>Public Safety Construction</u>	<u>Total Non-Major Governmental Funds</u>
ASSETS			
Current Cash and Cash Equivalents	\$ 58,759,103	\$ 24,594,040	\$ 123,640,585
Receivables (Net)			
Accounts Receivables	-	-	5,301,061
Taxes	-	-	310
Special Assessments	-	-	10,369
Due from Other Governments	-	-	6,271,756
Inventories	-	-	32,376
Total Assets	<u>\$ 58,759,103</u>	<u>\$ 24,594,040</u>	<u>\$ 135,256,457</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts Payable	\$ 119,076	\$ 305,262	\$ 7,610,967
Accrued Liabilities	-	-	416,727
Advance Payments	3,363,509	-	3,384,671
Due to Other Funds	-	-	3,040,000
Due to Other Governments	-	-	571
Unearned Revenue	-	-	2,790,264
Total Liabilities	<u>3,482,585</u>	<u>305,262</u>	<u>17,243,200</u>
Fund Balances:			
Nonspendable	-	-	33,376
Restricted	55,276,518	24,288,778	112,550,802
Committed	-	-	3,201,335
Assigned	-	-	2,825,877
Unassigned	-	-	(598,133)
Total Fund Balances	<u>55,276,518</u>	<u>24,288,778</u>	<u>118,013,257</u>
Total Liabilities and Fund Balances	<u>\$ 58,759,103</u>	<u>\$ 24,594,040</u>	<u>\$ 135,256,457</u>



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**CITY OF ORLANDO, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

	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	6,811,027	764,862	9,727,584	222,826	-
Permits and Fees	-	-	-	-	-
Charges for Services	-	-	-	472,672	-
Income on Investments	176	9,911	-	91	606
Special Assessments	-	-	-	-	57,335,946
Other Revenues	-	8,765	43,545	-	-
Total Revenues	<u>6,811,203</u>	<u>783,538</u>	<u>9,771,129</u>	<u>695,589</u>	<u>57,336,552</u>
EXPENDITURES					
Current Operating:					
Executive Offices	-	-	113,520	-	-
Housing and Community Development	6,884,601	783,538	-	-	-
Economic Development	-	-	-	-	-
Public Works	-	-	1,987,600	-	-
Transportation	-	-	4,837,538	-	-
Families, Parks, and Recreation	-	-	1,690,678	-	-
Police	-	-	585,105	1,483,926	-
Fire	-	-	172,460	-	-
Orlando Venues	-	-	47,453	-	-
Other Expenditures	-	-	336,775	-	56,994,107
Intergovernmental	-	-	-	-	-
Capital Improvements	-	-	-	-	-
Debt Service:					
Principal Payments	-	-	-	-	166,667
Interest and Other	-	-	-	-	36,002
Total Expenditures	<u>6,884,601</u>	<u>783,538</u>	<u>9,771,129</u>	<u>1,483,926</u>	<u>57,196,776</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(73,398)</u>	<u>-</u>	<u>-</u>	<u>(788,337)</u>	<u>139,776</u>
OTHER FINANCING SOURCES AND (USES)					
Transfers In	-	-	180	-	-
Transfers Out	-	-	-	-	-
Total Other Financing Sources and (Uses)	<u>-</u>	<u>-</u>	<u>180</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>(73,398)</u>	<u>-</u>	<u>180</u>	<u>(788,337)</u>	<u>139,776</u>
Fund Balances - Beginning	<u>459,220</u>	<u>-</u>	<u>55,395</u>	<u>2,858,228</u>	<u>2,686,101</u>
Fund Balances - Ending	<u>\$ 385,822</u>	<u>\$ -</u>	<u>\$ 55,575</u>	<u>\$ 2,069,891</u>	<u>\$ 2,825,877</u>

Special Revenue Funds

Downtown South Neighborhood Improvement District	H.P. Leu Gardens	Cemetery	Building Code Enforcement	GOAA Police	Gas Tax
\$ 440,793	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	9,590,228
151,667	-	-	-	324,198	4,775
-	-	-	17,236,274	-	-
-	1,368,666	1,033,117	309	13,975,245	-
513	952	1,194	13,769	-	(729)
-	-	-	-	-	-
-	6,927	3,049	67,930	224	129,017
<u>592,973</u>	<u>1,376,545</u>	<u>1,037,360</u>	<u>17,318,282</u>	<u>14,299,667</u>	<u>9,723,291</u>
-	-	839,830	-	-	-
-	-	-	-	-	-
588,224	-	-	16,792,286	-	-
-	-	-	-	-	-
-	-	-	-	14,878,622	-
-	-	-	-	-	-
-	2,912,669	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	3,873,006
-	-	-	-	-	7,192,162
-	-	-	-	-	-
<u>588,224</u>	<u>2,912,669</u>	<u>839,830</u>	<u>16,792,286</u>	<u>14,878,622</u>	<u>11,065,168</u>
<u>4,749</u>	<u>(1,536,124)</u>	<u>197,530</u>	<u>525,996</u>	<u>(578,955)</u>	<u>(1,341,877)</u>
-	1,582,000	41,571	-	-	-
-	-	-	(862,218)	-	-
-	<u>1,582,000</u>	<u>41,571</u>	<u>(862,218)</u>	-	-
4,749	45,876	239,101	(336,222)	(578,955)	(1,341,877)
<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>\$ 1,334,489</u>	<u>\$ 165,402</u>	<u>\$ 1,867,846</u>	<u>\$ 15,117,029</u>	<u>\$ (598,133)</u>	<u>\$ 15,224,163</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, 2018
(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	\$ -	\$ -	\$ 440,793
Local Option Fuel	-	-	9,590,228
Other Intergovernmental	-	-	18,006,939
Permits and Fees	14,049,463	-	31,285,737
Charges for Services	1,250	31	16,851,290
Income on Investments	26,088	11,116	63,687
Special Assessments	-	-	57,335,946
Other Revenues	118,822	-	378,279
Total Revenues	<u>14,195,623</u>	<u>11,147</u>	<u>133,952,899</u>
EXPENDITURES			
Current Operating:			
Executive Offices	-	-	953,350
Housing and Community Development	-	-	7,668,139
Economic Development	-	-	17,380,510
Public Works	-	-	1,987,600
Transportation	-	-	4,837,538
Families, Parks, and Recreation	-	-	1,690,678
Police	-	-	16,947,653
Fire	-	-	172,460
Orlando Venues	-	-	2,960,122
Other Expenditures	-	-	57,330,882
Intergovernmental	-	-	3,873,006
Capital Improvements	2,832,548	8,841,638	18,866,348
Debt Service:			
Principal Payments	-	-	166,667
Interest and Other	-	-	36,002
Total Expenditures	<u>2,832,548</u>	<u>8,841,638</u>	<u>134,870,955</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>11,363,075</u>	<u>(8,830,491)</u>	<u>(918,056)</u>
OTHER FINANCING SOURCES AND (USES)			
Transfers In	-	14,272	1,638,023
Transfers Out	-	-	(862,218)
Total Other Financing Sources and (Uses)	<u>-</u>	<u>14,272</u>	<u>775,805</u>
Net Change in Fund Balances	<u>11,363,075</u>	<u>(8,816,219)</u>	<u>(142,251)</u>
Fund Balances - Beginning	<u>43,913,443</u>	<u>33,104,997</u>	<u>118,155,508</u>
Fund Balances - Ending	<u>\$ 55,276,518</u>	<u>\$ 24,288,778</u>	<u>\$ 118,013,257</u>

**CITY OF ORLANDO, FLORIDA
BUDGETARY COMPARISON SCHEDULE
CAPITAL IMPROVEMENT FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance With Final Budget Positive (Negative)
	Original	Final		
Resources (inflows):				
Permits and Fees	\$ -	\$ -	\$ 3,752	\$ 3,752
Charges for Services	-	-	48,744	48,744
Income on Investments	621,359	621,359	20,799	(600,560)
Other	-	622,763	169,459	(453,304)
Sale of Land	-	10,113,000	10,408,425	295,425
Issuance of Debt	-	628,088	628,088	-
Transfers from Other Funds	11,227,606	37,126,616	36,826,616	(300,000)
Amounts available for appropriation	<u>11,848,965</u>	<u>49,111,826</u>	<u>48,105,883</u>	<u>(1,005,943)</u>
Charges to Appropriations (outflows):				
Capital Improvements:				
Executive Offices	-	3,335,162	370,619	2,964,543
Housing and Community Development	-	1,000,000	-	1,000,000
Economic Development	-	4,593,234	385,934	4,207,300
Families, Parks, and Recreation	2,324,334	4,671,249	3,343,321	1,327,928
Business and Financial Services	2,949,342	58,538,390	20,659,154	37,879,236
Fire	1,200,000	3,946,050	1,287,671	2,658,379
Police	1,232,621	1,770,166	1,034,436	735,730
Public Works	1,900,000	10,316,259	3,166,398	7,149,861
Transportation	-	5,652,895	1,026,393	4,626,502
Orlando Venues	1,688,263	5,893,890	939,950	4,953,940
Non-departmental:				
Other Expenditures	554,405	16,544,585	296,228	16,248,357
Transfers to Other Funds	1,023,090	1,266,226	1,266,226	-
Total	<u>12,872,055</u>	<u>117,528,106</u>	<u>33,776,330</u>	<u>83,751,776</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	<u>(1,023,090)</u>	<u>(68,416,280)</u>	<u>14,329,553</u>	<u>82,745,833</u>
Fund Balance Allocation	<u>1,023,090</u>	<u>68,416,280</u>	<u>-</u>	<u>(68,416,280)</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,329,553</u>	<u>\$ 14,329,553</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.	\$ 48,105,883
Differences - budget to GAAP:	
Sale of Land are inflows of budgetary resources but are not revenues for financial reporting purposes.	(10,408,425)
Bond and loan proceeds are inflows of budgetary resources but are not revenues for financial reporting purposes.	(628,088)
Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes.	(36,826,616)
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ 242,754</u>

Uses/outflows of resources

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.	\$ 33,776,330
Differences - budget to GAAP:	
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.	(2,019,496)
Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes.	(1,266,226)
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances-governmental funds.	<u>\$ 30,490,608</u>

**CITY OF ORLANDO, FLORIDA
BUDGETARY COMPARISON SCHEDULE
HOUSING AND URBAN DEVELOPMENT GRANTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Resources (inflows):				
Other Intergovernmental	\$ 6,642,926	\$ 6,655,136	\$ 6,811,027	\$ 155,891
Income on Investments	-	-	176	176
Transfers from Other Funds	-	-	-	-
Amounts available for appropriation	<u>6,642,926</u>	<u>6,655,136</u>	<u>6,811,203</u>	<u>156,067</u>
Charges to Appropriations (outflows):				
Current Operating:				
Housing and Community Development	6,642,926	12,337,186	7,216,046	5,121,140
Total	<u>6,642,926</u>	<u>12,337,186</u>	<u>7,216,046</u>	<u>5,121,140</u>
Excess (Deficiency) of Resources Over				
Charges to Appropriations	-	(5,682,050)	(404,843)	5,277,207
Fund Balance Allocation	-	5,682,050	-	(5,682,050)
Excess (Deficiency) of Resources Over				
Charges to Appropriations	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (404,843)</u>	<u>\$ (404,843)</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.

\$ 6,811,203

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.

\$ 6,811,203

Uses/outflows of resources

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

\$ 7,216,046

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

(331,445)

 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.

\$ 6,884,601

**CITY OF ORLANDO, FLORIDA
BUDGETARY COMPARISON SCHEDULE
STATE HOUSING PARTNERSHIP
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Resources (inflows):				
Other Intergovernmental	\$ 1,158,371	\$ 1,170,815	\$ 764,862	\$ (405,953)
Income on Investments	-	-	9,911	9,911
Other	-	-	8,765	8,765
Transfers from Other Funds	-	-	-	-
Amounts available for appropriation	<u>1,158,371</u>	<u>1,170,815</u>	<u>783,538</u>	<u>(387,277)</u>
Charges to Appropriations (outflows):				
Current Operating:				
Housing and Community Development	1,158,371	2,659,883	783,538	1,876,345
Total	<u>1,158,371</u>	<u>2,659,883</u>	<u>783,538</u>	<u>1,876,345</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	-	(1,489,068)	-	1,489,068
Fund Balance Allocation	-	1,489,068	-	(1,489,068)
Excess (Deficiency) of Resources Over Charges to Appropriations	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</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.

\$ 783,538

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.

\$ 783,538

Uses/outflows of resources

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

\$ 783,538

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.

\$ 783,538

**CITY OF ORLANDO, FLORIDA
BUDGETARY COMPARISON SCHEDULE
GRANT FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance With Final Budget Positive (Negative)
	Original	Final		
Resources (inflows):				
Other Intergovernmental	\$ -	\$ 10,227,731	\$ 9,727,584	\$ (500,147)
Other	-	230,173	43,545	(186,628)
Transfers from Other Funds	-	-	-	-
Amounts available for appropriation	-	10,457,904	9,771,129	(686,775)
Charges to Appropriations (outflows):				
Current Operating:				
Executive Offices	-	539,487	113,520	425,967
Public Works	-	5,829,510	2,451,596	3,377,914
Families, Parks, and Recreation	-	4,903,742	1,725,547	3,178,195
Police	-	2,601,921	759,177	1,842,744
Fire	-	285,120	253,460	31,660
Orlando Venues	-	47,003	47,453	(450)
Transportation	-	9,148,889	7,823,331	1,325,558
Nondepartmental	-	1,602,034	336,775	1,265,259
Transfers to Other Funds	-	-	-	-
Total	-	24,957,706	13,510,859	11,446,847
Excess (Deficiency) of Resources Over Charges to Appropriations	-	(14,499,802)	(3,739,730)	10,760,072
Fund Balance Allocation	-	14,499,802	-	(14,499,802)
Excess (Deficiency) of Resources Over Charges to Appropriations	\$ -	\$ -	\$ (3,739,730)	\$ (3,739,730)

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.

\$ 9,771,129

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.

\$ 9,771,129

Uses/outflows of resources

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

\$ 13,510,859

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

(3,739,730)

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.

\$ 9,771,129

**CITY OF ORLANDO, FLORIDA
BUDGETARY COMPARISON SCHEDULE
FORFEITURES ACT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance With Final Budget Positive (Negative)
	Original	Final		
Resources (inflows):				
Other Intergovernmental	\$ -	\$ 222,825	\$ 222,826	\$ 1
Charges for Services	-	473,872	472,672	(1,200)
Income (Loss) on Investments	-	-	91	91
Other	-	-	-	-
Amounts available for appropriation	-	696,697	695,589	(1,108)
Charges to Appropriations (outflows):				
Current Operating:				
Police	459,143	1,184,244	1,850,147	(665,903)
Total	459,143	1,184,244	1,850,147	(665,903)
Excess (Deficiency) of Resources Over Charges to Appropriations	(459,143)	(487,547)	(1,154,558)	(667,011)
Fund Balance Allocation	459,143	487,547	-	(487,547)
Excess (Deficiency) of Resources Over Charges to Appropriations	\$ -	\$ -	\$ (1,154,558)	\$ (1,154,558)

**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.

\$ 695,589

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.**

\$ 695,589

Uses/outflows of resources

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

\$ 1,850,147

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

(366,221)

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.**

\$ 1,483,926

**CITY OF ORLANDO, FLORIDA
BUDGETARY COMPARISON SCHEDULE
SPECIAL ASSESSMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Resources (inflows):				
Income on Investments	\$ -	\$ -	\$ 606	\$ 606
Special Assessments	385,472	57,352,614	57,335,946	(16,668)
Transfers from Other Funds	-	-	-	-
Amounts available for appropriation	<u>385,472</u>	<u>57,352,614</u>	<u>57,336,552</u>	<u>(16,062)</u>
Charges to Appropriations (outflows):				
Current Operating:				
Other Expenditures	180,999	57,148,141	56,994,107	154,034
Debt Service	204,473	204,473	202,669	1,804
Transfer to Other Funds	-	-	-	-
Total	<u>385,472</u>	<u>57,352,614</u>	<u>57,196,776</u>	<u>155,838</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	-	-	139,776	139,776
Fund Balance Allocation	-	-	-	-
Excess (Deficiency) of Resources Over Charges to Appropriations	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 139,776</u>	<u>\$ 139,776</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.

\$ 57,336,552

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.

\$ 57,336,552

Uses/outflows of resources

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

\$ 57,196,776

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.

\$ 57,196,776

**CITY OF ORLANDO, FLORIDA
BUDGETARY COMPARISON SCHEDULE
DOWNTOWN SOUTH NEIGHBORHOOD
IMPROVEMENT DISTRICT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

	<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):				
Taxes:				
Property	\$ 443,486	\$ 443,486	\$ 440,793	\$ (2,693)
Income on Investments	-	-	513	513
Other Intergovernmental	151,667	151,667	151,667	-
Transfers from Other Funds	-	-	-	-
Amounts available for appropriation	<u>595,153</u>	<u>595,153</u>	<u>592,973</u>	<u>(2,180)</u>
Charges to Appropriations (outflows):				
Current Operating:				
Economic Development	595,153	595,153	588,224	6,929
Transfers to Other Funds	-	-	-	-
Total	<u>595,153</u>	<u>595,153</u>	<u>588,224</u>	<u>6,929</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	-	-	4,749	4,749
Fund Balance Allocation	-	-	-	-
Excess (Deficiency) of Resources Over Charges to Appropriations	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,749</u>	<u>\$ 4,749</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.	\$ 592,973
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.	<u>\$ 592,973</u>

Uses/outflows of resources

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.	\$ 588,224
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.	<u>\$ 588,224</u>

**CITY OF ORLANDO, FLORIDA
BUDGETARY COMPARISON SCHEDULE
H.P. LEU GARDENS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance With Final Budget Positive (Negative)
	Original	Final		
Resources (inflows):				
Charges for Services	\$ 1,320,000	\$ 1,320,000	\$ 1,368,666	\$ 48,666
Income on Investments	-	-	952	952
Other	7,500	7,500	6,927	(573)
Transfers from Other Funds	1,522,000	1,582,000	1,582,000	-
Amounts available for appropriation	<u>2,849,500</u>	<u>2,909,500</u>	<u>2,958,545</u>	<u>49,045</u>
Charges to Appropriations (outflows):				
Current Operating:				
Orlando Venues	2,849,500	2,845,622	2,924,569	(78,947)
Transfers to Other Funds	-	-	-	-
Total	<u>2,849,500</u>	<u>2,845,622</u>	<u>2,924,569</u>	<u>(78,947)</u>
Excess (Deficiency) of Resources Over				
Charges to Appropriations	-	63,878	33,976	(29,902)
Fund Balance Allocation	-	(63,878)	-	63,878
Excess (Deficiency) of Resources Over				
Charges to Appropriations	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 33,976</u>	<u>\$ 33,976</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.

\$ 2,958,545

Differences - budget to GAAP:

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

(1,582,000)

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

\$ 1,376,545

Uses/outflows of resources

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

\$ 2,924,569

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

(11,900)

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.

\$ 2,912,669

**CITY OF ORLANDO, FLORIDA
BUDGETARY COMPARISON SCHEDULE
CEMETERY FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

	<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):				
Charges for Services	\$ 830,000	\$ 830,000	\$ 1,033,117	\$ 203,117
Income on Investments	13,201	13,201	1,194	(12,007)
Other	1,352	1,352	3,049	1,697
Transfers from Other Funds	41,571	41,571	41,571	-
Amounts available for appropriation	<u>886,124</u>	<u>886,124</u>	<u>1,078,931</u>	<u>192,807</u>
Charges to Appropriations (outflows):				
Current Operating:				
Executive Offices	886,124	886,124	839,830	46,294
Transfers to Other Funds	-	-	-	-
Total	<u>886,124</u>	<u>886,124</u>	<u>839,830</u>	<u>46,294</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	-	-	239,101	239,101
Fund Balance Allocation	-	-	-	-
Excess (Deficiency) of Resources Over Charges to Appropriations	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 239,101</u>	<u>\$ 239,101</u>

Explanation of Differences between Budgetary Inflows and Outflows and GAAP

Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.

\$ 1,078,931

Differences - budget to GAAP:

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

(41,571)

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

\$ 1,037,360

Uses/outflows of resources

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

\$ 839,830

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.

\$ 839,830

**CITY OF ORLANDO, FLORIDA
BUDGETARY COMPARISON SCHEDULE
BUILDING CODE ENFORCEMENT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

	<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):				
Permits and Fees	\$ 11,000,000	\$ 11,000,000	\$ 17,236,583	\$ 6,236,583
Income on Investments	-	-	13,769	13,769
Other	172,613	172,613	67,930	(104,683)
Transfers from Other Funds	-	-	-	-
Amounts available for appropriation	<u>11,172,613</u>	<u>11,172,613</u>	<u>17,318,282</u>	<u>6,145,669</u>
Charges to Appropriations (outflows):				
Current Operating:				
Economic Development	12,477,527	21,579,916	16,792,961	4,786,955
Transfers to Other Funds	321,792	321,792	862,218	(540,426)
Total	<u>12,799,319</u>	<u>21,901,708</u>	<u>17,655,179</u>	<u>4,246,529</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	<u>(1,626,706)</u>	<u>(10,729,095)</u>	<u>(336,897)</u>	<u>10,392,198</u>
Fund Balance Allocation	<u>1,626,706</u>	<u>10,729,095</u>	<u>-</u>	<u>(10,729,095)</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (336,897)</u>	<u>\$ (336,897)</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.	\$ 17,318,282
Differences - budget to GAAP:	
Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes.	<u>-</u>
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ 17,318,282</u>

Uses/outflows of resources

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.	\$ 17,655,179
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	(675)
Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes.	<u>(862,218)</u>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances-governmental funds.	<u>\$ 16,792,286</u>

**CITY OF ORLANDO, FLORIDA
BUDGETARY COMPARISON SCHEDULE
GOAA POLICE FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance With Final Budget Positive (Negative)
	Original	Final		
Resources (inflows):				
Other Intergovernmental	\$ 234,518	\$ 234,518	\$ 324,198	\$ 89,680
Charges for Services	14,524,517	14,524,517	13,975,245	(549,272)
Other Revenues	-	-	224	224
Transfers from Other Funds	-	-	-	-
Amounts available for appropriation	<u>14,759,035</u>	<u>14,759,035</u>	<u>14,299,667</u>	<u>(459,368)</u>
Charges to Appropriations (outflows):				
Current Operating:				
Police	14,759,035	14,759,035	14,889,833	(130,798)
Total	<u>14,759,035</u>	<u>14,759,035</u>	<u>14,889,833</u>	<u>(130,798)</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	-	-	(590,166)	(590,166)
Fund Balance Allocation	-	-	-	-
Excess (Deficiency) of Resources Over Charges to Appropriations	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (590,166)</u>	<u>\$ (590,166)</u>

Explanation of Differences between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.	\$ 14,299,667
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.	<u>\$ 14,299,667</u>

Uses/outflows of resources

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.	\$ 14,889,833
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	(11,211)
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.	<u>\$ 14,878,622</u>

**CITY OF ORLANDO, FLORIDA
BUDGETARY COMPARISON SCHEDULE
GAS TAX FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

	<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):				
Taxes:				
Local Option Fuel	\$ 8,400,000	\$ 8,400,000	\$ 9,590,228	\$ 1,190,228
Other Intergovernmental	-	-	4,775	4,775
Income on Investments	168,835	168,835	(729)	(169,564)
Other	-	-	129,017	129,017
Amounts available for appropriation	<u>8,568,835</u>	<u>8,568,835</u>	<u>9,723,291</u>	<u>1,154,456</u>
Charges to Appropriations (outflows):				
Intergovernmental	3,873,000	3,873,000	3,873,006	(6)
Capital Improvements	6,080,557	17,791,470	8,387,225	9,404,245
Total	<u>9,953,557</u>	<u>21,664,470</u>	<u>12,260,231</u>	<u>9,404,239</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	<u>(1,384,722)</u>	<u>(13,095,635)</u>	<u>(2,536,940)</u>	<u>10,558,695</u>
Fund Balance Allocation	<u>1,384,722</u>	<u>13,095,635</u>	<u>-</u>	<u>(13,095,635)</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2,536,940)</u>	<u>\$ (2,536,940)</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.

\$ 9,723,291

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.

\$ 9,723,291

Uses/outflows of resources

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

\$ 12,260,231

Differences - budget to GAAP:

Encumbrances for goods and services ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year they are received for financial reporting purposes

(1,195,063)

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.

\$ 11,065,168

**CITY OF ORLANDO, FLORIDA
BUDGETARY COMPARISON SCHEDULE
IMPACT FEES FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

	<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):				
Permits and Fees	\$ 7,765,000	\$ 8,390,000	\$ 14,049,463	\$ 5,659,463
Income (Loss) on Investments	351,158	351,158	26,088	(325,070)
Charges for Services	-	-	1,250	1,250
Other	-	5,122	118,822	113,700
Transfers from Other Funds	-	-	-	-
Amounts available for appropriation	<u>8,116,158</u>	<u>8,746,280</u>	<u>14,195,623</u>	<u>5,449,343</u>
Charges to Appropriations (outflows):				
Capital Improvements	9,393,064	38,304,483	6,790,986	31,513,497
Transfers to Other Funds	-	-	-	-
Total	<u>9,393,064</u>	<u>38,304,483</u>	<u>6,790,986</u>	<u>31,513,497</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	(1,276,906)	(29,558,203)	7,404,637	36,962,840
Fund Balance Allocation	<u>1,276,906</u>	<u>29,558,203</u>	<u>-</u>	<u>(29,558,203)</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,404,637</u>	<u>\$ 7,404,637</u>

Explanation of Differences between Budgetary Inflows and Outflows and GAAP

Revenues and Expenditures	
Sources/inflows of resources	
Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.	\$ 14,195,623
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.	<u>\$ 14,195,623</u>
Uses/outflows of resources	
Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.	\$ 6,790,986
Differences - budget to GAAP:	
Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes.	(3,958,438)
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances-governmental funds.	<u>\$ 2,832,548</u>

**CITY OF ORLANDO, FLORIDA
BUDGETARY COMPARISON SCHEDULE
PUBLIC SAFETY CONSTRUCTION FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance With Final Budget Positive (Negative)
	Original	Final		
Resources (inflows):				
Income on Investments	\$ -	\$ -	\$ 11,116	\$ 11,116
Other	-	9,280,052	31	(9,280,021)
Issuance of Debt	-	87,609,687	-	(87,609,687)
Transfers from Other Funds	-	14,272	-	(14,272)
Amounts available for appropriation	<u>-</u>	<u>96,904,011</u>	<u>11,147</u>	<u>(96,892,864)</u>
Charges to Appropriations (outflows):				
Capital Improvements:				
Families, Parks, and Recreation	-	14,281,918	113,946	14,167,972
Business and Financial Services	-	18,328,602	6,119,174	12,209,428
Fire	-	14,272	14,272	-
Police	-	1,840,000	2,379,998	(539,998)
Public Works	-	74,372,290	2,418,935	71,953,355
Transportation	-	11,915,583	-	11,915,583
Non-departmental:				
Other Expenditures	-	8,512,664	791,544	7,721,120
Transfers to Other Funds	-	-	-	-
Total	<u>-</u>	<u>129,265,329</u>	<u>11,837,869</u>	<u>117,427,460</u>
Excess (Deficiency) of Resources Over				
Charges to Appropriations	-	(32,361,318)	(11,826,722)	20,534,596
Fund Balance Allocation	-	32,361,318	-	(32,361,318)
Excess (Deficiency) of Resources Over				
Charges to Appropriations	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (11,826,722)</u>	<u>\$ (11,826,722)</u>

Explanation of Differences between Budgetary Inflows and Outflows and GAAP

Revenues and Expenditures

Sources/inflows of resources

Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.

\$ 11,147

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.

\$ 11,147

Uses/outflows of resources

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

\$ 11,837,869

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

(2,996,231)

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.

\$ 8,841,638

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 Mgmt.	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, 2018**

	Governmental Activities Internal Service Funds		
	Fleet Management	Risk Management	Internal Loan
ASSETS			
Current Assets:			
Current Cash and Cash Equivalents	\$ 40,855,253	\$ 49,938,756	\$ 43,214,124
Due From Other Governments	4,412	-	-
Inventories	436,734	-	-
Prepaid Items	-	593,017	-
Total Current Assets	<u>41,296,399</u>	<u>50,531,773</u>	<u>43,214,124</u>
Non-Current Assets:			
Restricted:			
Investments	-	-	4,863,070
Loans Receivable from Other Funds	-	-	231,651,191
Capital Assets:			
Land	555,767	-	-
Buildings	8,292,454	-	-
Improvements Other Than Buildings	1,704,577	-	-
Equipment	9,997,952	183,932	-
Vehicles	124,700,794	-	-
Less Accumulated Depreciation	(83,004,927)	(153,172)	-
Construction in Process	10,235,014	-	-
Total Non-Current Assets	<u>72,481,631</u>	<u>30,760</u>	<u>236,514,261</u>
Total Assets	<u>113,778,030</u>	<u>50,562,533</u>	<u>279,728,385</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Expense on Refunding Bonds	-	-	4,341,305
Deferred Outflows - Pension and OPEB Related	414,432	135,324	-
Total Deferred Outflows	<u>414,432</u>	<u>135,324</u>	<u>4,341,305</u>
LIABILITIES			
Current Liabilities:			
Accounts Payable	434,652	477,005	5,528
Accrued Liabilities	59,112	22,828	-
Due to Other Funds	-	-	-
Accrued Interest Payable	-	-	5,075,440
Compensated Absences	19,435	7,743	-
Current Portion of Loans/Leases Payable	-	-	1,851,000
Current Portion of Bonds Payable	-	-	13,190,000
Current Portion of Claims Liabilities	-	10,080,000	-
Total Current Liabilities	<u>513,199</u>	<u>10,587,576</u>	<u>20,121,968</u>
Non-Current Liabilities:			
Non-Current Compensated Absences	223,497	89,045	-
Net OPEB Liability	5,050,070	1,649,002	-
Loans/Leases Due After One Year	-	-	9,255,000
Bonds Payable After One Year	-	-	235,190,598
Claims Liabilities After One Year	-	23,227,000	-
Total Non-Current Liabilities	<u>5,273,567</u>	<u>24,965,047</u>	<u>244,445,598</u>
Total Liabilities	<u>5,786,766</u>	<u>35,552,623</u>	<u>264,567,566</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows - Pension and OPEB Related	26,152	8,539	-
Deferred Gain on Refunding Bonds	-	-	492,772
Total Deferred Inflows	<u>26,152</u>	<u>8,539</u>	<u>492,772</u>
NET POSITION			
Net Investment in Capital Assets	72,481,631	30,760	-
Unrestricted	35,897,913	15,105,935	19,009,352
Total Net Position	<u>\$ 108,379,544</u>	<u>\$ 15,136,695</u>	<u>\$ 19,009,352</u>

**Governmental Activities
Internal Service Funds**

Construction Management	Health Care	Facilities Management	Total Internal Service Funds
\$ 9,797	\$ 25,297,110	\$ 3,698,522	\$ 163,013,562
-	-	-	4,412
-	-	-	436,734
-	1,460,000	-	2,053,017
<u>9,797</u>	<u>26,757,110</u>	<u>3,698,522</u>	<u>165,507,725</u>
-	-	-	4,863,070
-	-	-	231,651,191
-	-	-	555,767
-	-	11,749	8,304,203
-	-	495,886	2,200,463
-	-	2,256,658	12,438,542
-	-	-	124,700,794
-	-	(2,481,550)	(85,639,649)
-	-	-	10,235,014
-	-	<u>282,743</u>	<u>309,309,395</u>
<u>9,797</u>	<u>26,757,110</u>	<u>3,981,265</u>	<u>474,817,120</u>
-	-	-	4,341,305
<u>270,648</u>	<u>8,458</u>	<u>414,433</u>	<u>1,243,295</u>
<u>270,648</u>	<u>8,458</u>	<u>414,433</u>	<u>5,584,600</u>
1,386	4,663,990	2,150,882	7,733,443
47,861	2,466	67,251	199,518
445,000	-	-	445,000
-	-	-	5,075,440
26,912	476	25,495	80,061
-	-	-	1,851,000
-	-	-	13,190,000
-	-	-	10,080,000
<u>521,159</u>	<u>4,666,932</u>	<u>2,243,628</u>	<u>38,654,462</u>
309,488	5,470	293,202	920,702
3,298,004	103,063	5,050,070	15,150,209
-	-	-	9,255,000
-	-	-	235,190,598
-	-	-	23,227,000
<u>3,607,492</u>	<u>108,533</u>	<u>5,343,272</u>	<u>283,743,509</u>
<u>4,128,651</u>	<u>4,775,465</u>	<u>7,586,900</u>	<u>322,397,971</u>
17,079	534	26,153	78,457
-	-	-	492,772
<u>17,079</u>	<u>534</u>	<u>26,153</u>	<u>571,229</u>
-	-	282,743	72,795,134
<u>(3,865,285)</u>	<u>21,989,569</u>	<u>(3,500,098)</u>	<u>84,637,386</u>
<u>\$ (3,865,285)</u>	<u>\$ 21,989,569</u>	<u>\$ (3,217,355)</u>	<u>\$ 157,432,520</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, 2018**

	Governmental Activities Internal Service Funds		
	Fleet Management	Risk Management	Internal Loan
Operating Revenues			
User Charges	\$ 36,289,806	\$ 12,995,549	\$ 10,456,381
Other	141,349	5,182	-
Total Operating Revenues	<u>36,431,155</u>	<u>13,000,731</u>	<u>10,456,381</u>
Operating Expenses			
Salaries, Wages, and Employee Benefits	3,595,612	1,383,112	-
Services and Supplies	20,325,755	12,257,000	24,546
Depreciation Expense	13,527,569	18,255	-
Total Operating Expenses	<u>37,448,936</u>	<u>13,658,367</u>	<u>24,546</u>
Operating Income (Loss)	<u>(1,017,781)</u>	<u>(657,636)</u>	<u>10,431,835</u>
Non-Operating Revenues (Expenses)			
Income on Investments	(23,883)	14,271	102,229
Interest Expense	-	-	(10,866,719)
Gain (Loss) on Disposal of Capital Assets	668,444	-	-
Total Non-Operating Revenues (Expenses)	<u>644,561</u>	<u>14,271</u>	<u>(10,764,490)</u>
Income (Loss) Before Contributions and Transfers	<u>(373,220)</u>	<u>(643,365)</u>	<u>(332,655)</u>
Capital Contributions	264,100	-	-
Transfers In	2,147,782	-	2,499,999
Transfers Out	(361,846)	(66,975)	-
	<u>2,050,036</u>	<u>(66,975)</u>	<u>2,499,999</u>
Change in Net Position	1,676,816	(710,340)	2,167,344
Net Position - Beginning	111,303,127	17,349,206	16,842,008
Prior Period Adjustment	(4,600,399)	(1,502,171)	-
Net Position - Beginning as restated	<u>106,702,728</u>	<u>15,847,035</u>	<u>16,842,008</u>
Net Position - Ending	<u>\$ 108,379,544</u>	<u>\$ 15,136,695</u>	<u>\$ 19,009,352</u>

**Governmental Activities
Internal Service Funds**

Construction Management	Health Care	Facilities Management	Total Internal Service Funds
\$ 3,335,294	\$ 56,034,296	\$ 23,675,508	\$ 142,786,834
-	3,449,667	-	3,596,198
<u>3,335,294</u>	<u>59,483,963</u>	<u>23,675,508</u>	<u>146,383,032</u>
2,989,345	140,331	3,853,199	11,961,599
697,321	61,746,318	19,745,713	114,796,653
-	-	126,827	13,672,651
<u>3,686,666</u>	<u>61,886,649</u>	<u>23,725,739</u>	<u>140,430,903</u>
<u>(351,372)</u>	<u>(2,402,686)</u>	<u>(50,231)</u>	<u>5,952,129</u>
-	9,060	(574)	101,103
-	-	-	(10,866,719)
-	-	(23,383)	645,061
<u>-</u>	<u>9,060</u>	<u>(23,957)</u>	<u>(10,120,555)</u>
<u>(351,372)</u>	<u>(2,393,626)</u>	<u>(74,188)</u>	<u>(4,168,426)</u>
-	-	-	264,100
57,172	-	323,233	5,028,186
-	(125,000)	(25,559)	(579,380)
<u>57,172</u>	<u>(125,000)</u>	<u>297,674</u>	<u>4,712,906</u>
(294,200)	(2,518,626)	223,486	544,480
(566,742)	24,602,081	1,159,558	170,689,238
<u>(3,004,343)</u>	<u>(93,886)</u>	<u>(4,600,399)</u>	<u>(13,801,198)</u>
<u>(3,571,085)</u>	<u>24,508,195</u>	<u>(3,440,841)</u>	<u>156,888,040</u>
<u>\$ (3,865,285)</u>	<u>\$ 21,989,569</u>	<u>\$ (3,217,355)</u>	<u>\$ 157,432,520</u>

**CITY OF ORLANDO, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

	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	\$ 36,426,743	\$ 13,000,730	\$ 10,456,381
Repayment of Loans from Other Funds	-	-	15,235,566
Payments to Suppliers	(20,145,176)	(10,108,795)	(24,601)
Payments to Employees	(2,162,790)	(906,139)	-
Payments to Internal Service Funds and Administrative Fees	(2,033,482)	(497,188)	-
Net Cash Flows Provided by (Used In) Operating Activities	12,085,295	1,488,608	25,667,346
Cash Flows from Noncapital Financing Activities:			
Transfers In	2,147,782	-	2,499,999
Transfers (Out)	(361,846)	(66,975)	-
Proceeds from Bonds and Loans	-	-	8,421,912
Principal Paid on Bonds and Loans	-	-	(24,731,000)
Interest Paid on Bonds and Loans	-	-	(13,545,640)
Net Cash Flows Provided by (Used in) Noncapital Financing Activities	1,785,936	(66,975)	(27,354,729)
Cash Flows from Capital and Related Financing Activities:			
Additions to Capital Assets	(24,154,453)	-	-
Disposal of Capital Assets	-	-	-
Net Cash Flows Provided by (Used in) Capital and Related Financing Activities	(24,154,453)	-	-
Cash Flows from Investing Activities:			
Purchases of Investments	-	-	(62,251)
Proceeds from Sales and Maturities of Investments	-	-	1,003,222
Interest Income on Investments	(23,883)	14,271	102,229
Net Cash Flows Provided by Investing Activities	(23,883)	14,271	1,043,200
Net Increase (Decrease) in Cash and Cash Equivalents	(10,307,105)	1,435,904	(644,183)
Cash and Cash Equivalents at Beginning of Year	51,162,358	48,502,852	43,858,307
Cash and Cash Equivalents at End of Year	\$ 40,855,253	\$ 49,938,756	\$ 43,214,124

Construction Management	Health Care	Facilities Management	Total Internal Service Funds
\$ 3,600,294	\$ 59,483,963	\$ 23,675,508	\$ 146,643,619
-	-	-	15,235,566
(961,163)	(61,618,457)	(18,924,131)	(111,782,323)
(1,981,751)	(96,486)	(2,405,111)	(7,552,277)
(709,800)	(219,282)	(629,380)	(4,089,132)
(52,420)	(2,450,262)	1,716,886	38,455,453
57,172	-	323,233	5,028,186
-	(125,000)	(25,559)	(579,380)
-	-	-	8,421,912
-	-	-	(24,731,000)
-	-	-	(13,545,640)
57,172	(125,000)	297,674	(25,405,922)
-	-	(812)	(24,155,265)
-	-	(23,383)	(23,383)
-	-	(24,195)	(24,178,648)
-	-	-	(62,251)
-	-	-	1,003,222
-	9,060	(574)	101,103
-	9,060	(574)	1,042,074
4,752	(2,566,202)	1,989,791	(10,087,043)
5,045	27,863,312	1,708,731	173,100,605
<u>\$ 9,797</u>	<u>\$ 25,297,110</u>	<u>\$ 3,698,522</u>	<u>\$ 163,013,562</u>

CITY OF ORLANDO, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018
(continued)

	Governmental Activities		
	Internal Service Funds		
	Fleet Management	Risk Management	Internal Loan
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in)			
Operating Activities:			
Operating Income (Loss)	\$ (1,017,781)	\$ (657,636)	\$ 10,431,835
Adjustments Not Affecting Cash:			
Depreciation	13,527,569	18,255	-
(Increase) Decrease in Assets and Increase (Decrease) in Liabilities:			
Inventory	(35,361)	-	-
Due from Other Governments	(4,412)	-	-
Prepaid Items	-	146,094	-
Deferred Outflows	(37,339)	(12,192)	-
Loans to Other Funds	-	-	15,235,566
Accounts Payable	(459,928)	145,403	(55)
Accrued Liabilities	710	9,505	-
Due to Other Funds	-	-	-
Compensated Absences	13,107	(12,059)	-
OPEB Liability	72,578	23,699	-
Claims Payable	-	1,819,000	-
Deferred Inflows	26,152	8,539	-
Total Adjustments	<u>13,103,076</u>	<u>2,146,244</u>	<u>15,235,511</u>
Net Cash Provided by (Used In)			
Operating Activities	<u>\$ 12,085,295</u>	<u>\$ 1,488,608</u>	<u>\$ 25,667,346</u>
Noncash Investing, Capital, and Financing Activities:			
Capital asset donations received	\$ 264,100	\$ -	\$ -
Disposal of Capital Assets	668,444	-	-
Deferred Gain on Refunding Bonds	-	-	492,772

<u>Construction Management</u>	<u>Health Care</u>	<u>Facilities Management</u>	<u>Total Internal Service Funds</u>
\$ (351,372)	\$ (2,402,686)	\$ (50,231)	\$ 5,952,129
-	-	126,827	13,672,651
-	-	-	(35,361)
-	-	-	(4,412)
-	(115,000)	-	31,094
(24,384)	(762)	(37,340)	(112,017)
-	-	-	15,235,566
413	62,860	1,531,443	1,280,136
(1,172)	47	4,236	13,326
265,000	-	-	265,000
(5,381)	3,264	43,220	42,151
47,397	1,481	72,578	217,733
-	-	-	1,819,000
17,079	534	26,153	78,457
<u>298,952</u>	<u>(47,576)</u>	<u>1,767,117</u>	<u>32,503,324</u>
<u>\$ (52,420)</u>	<u>\$ (2,450,262)</u>	<u>\$ 1,716,886</u>	<u>\$ 38,455,453</u>
\$ -	\$ -	\$ -	\$ 264,100
-	-	23,383	691,827
-	-	-	492,772



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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 retirement 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, 2018**

	<u>Firefighters' Pension Funds</u>	<u>Police Pension Funds</u>	<u>General Employees' Pension Funds</u>
ASSETS			
Cash and Cash Equivalents	\$ 2,437,650	\$ 2,686,735	\$ 1,733,758
Cash with Fiscal Agents	-	-	-
Prepaid Items	-	-	1,338,012
Investments, at Fair Value:			
Fixed Income	116,005,595	161,373,018	72,877,849
Equity	184,148,570	275,061,087	98,343,071
Real Estate	26,327,887	36,383,522	13,447,527
Global Commingled Investments	39,749,428	60,236,113	21,122,858
Hedge Fund of Funds	16,188,026	33,872,757	10,089,801
Private Equity	4,566,949	6,581,118	-
Private Debt	15,366,606	16,636,809	-
Other	4,906,172	2,683,007	2,009,526
Defined Contribution Mutual Funds	-	-	-
Firefighter Share Plan Mutual Funds	13,163,404	-	-
Police Share Plan Mutual Funds	-	3,863,496	-
Retiree Health Savings Mutual Funds	-	-	-
Securities Lending Collateral	23,565,944	36,227,566	10,253,795
Participant Loans	-	-	-
Total Assets	<u>446,426,231</u>	<u>635,605,228</u>	<u>231,216,197</u>
LIABILITIES			
Obligations Under Security Lending	23,565,944	36,227,566	10,253,795
Accounts Payable	145,819	205,908	72,655
Accrued Liabilities	1,352	-	-
Total Liabilities	<u>23,713,115</u>	<u>36,433,474</u>	<u>10,326,450</u>
NET POSITION			
Net Position - Restricted for Pension Benefits, OPEB, and Other Purposes	<u>\$ 422,713,116</u>	<u>\$ 599,171,754</u>	<u>\$ 220,889,747</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>
\$ -	\$ -	\$ 7,455,602	\$ 12,031,597	\$ 26,345,342
-	-	75,000	-	75,000
-	-	-	-	1,338,012
-	-	-	36,912,819	387,169,281
-	-	-	75,938,178	633,490,906
-	-	-	5,138,091	81,297,027
-	-	-	-	121,108,399
-	-	-	-	60,150,584
-	-	-	2,362,190	13,510,257
-	-	-	941,886	32,945,301
-	-	-	-	9,598,705
231,945,431	-	-	-	231,945,431
-	-	-	-	13,163,404
-	5,493,278	-	-	3,863,496
-	-	-	-	5,493,278
-	-	-	-	70,047,305
5,065,730	-	-	-	5,065,730
<u>237,011,161</u>	<u>5,493,278</u>	<u>7,530,602</u>	<u>133,324,761</u>	<u>1,696,607,458</u>
-	-	-	-	70,047,305
-	-	-	-	424,382
-	-	-	-	1,352
-	-	-	-	<u>70,473,039</u>
<u>\$ 237,011,161</u>	<u>\$ 5,493,278</u>	<u>\$ 7,530,602</u>	<u>\$ 133,324,761</u>	<u>\$ 1,626,134,419</u>

**CITY OF ORLANDO, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

	Firefighters' Pension Funds	Police Pension Funds	General Employees' Pension Funds
ADDITIONS			
Contributions:			
Employer	\$ 18,541,649	\$ 28,645,381	\$ 7,880,413
State	2,159,559	2,458,293	-
State in Excess of 1997 Frozen Amounts	-	1,050,201	-
Plan Members	3,130,514	4,611,342	324,073
Plan Members State Shortfall	250,447	-	-
Plan Members Buyback	15,102	34,076	3,097
Total Contributions	24,097,271	36,799,293	8,207,583
Investment Income:			
From Investment Activities			
Net Increase (Decrease) in Fair Value of Investments	24,079,058	37,097,839	13,612,236
Interest and Dividends	4,271,687	5,044,299	1,369,947
Net Investment Income	28,350,745	42,142,138	14,982,183
Investment Activity Expenses:			
Investment Management Fees	(1,546,917)	(1,844,395)	(571,581)
Custodian Fees	(110,443)	(173,649)	(49,317)
Total Investment Expenses	(1,657,360)	(2,018,044)	(620,898)
Net Income from Investing Activities	26,693,385	40,124,094	14,361,285
From Securities Lending Activities:			
Securities Lending Income	429,100	581,125	197,817
Security Lending Expenses:			
Interest and Agent Fees	(365,374)	(494,387)	(168,678)
Net Income from Securities Lending Activities	63,726	86,738	29,139
Total Net Investment Income	26,757,111	40,210,832	14,390,424
Total Additions, net	50,854,382	77,010,125	22,598,007
DEDUCTIONS			
Retirement Benefits	22,076,761	37,826,739	18,413,299
Retiree Healthcare Benefits	-	-	-
Long-Term Disability Benefits	-	-	-
Refunds of Contributions	95,667	106,827	-
Administrative Expense	118,991	152,526	55,451
Salaries, Wages and Employee Benefits	27,454	27,454	27,454
Total Deductions	22,318,873	38,113,546	18,496,204
Net Increase (Decrease)	28,535,509	38,896,579	4,101,803
Net Position - Restricted for Pension Benefits, OPEB, and Other Purposes:			
Net position - Beginning of year	394,177,607	560,275,175	216,787,944
Net position - End of year	\$ 422,713,116	\$ 599,171,754	\$ 220,889,747

Defined Contribution Plan Fund	Retiree Health Savings Fund	Employees' Disability Fund	OPEB Trust Fund	Total Employee Retirement Funds
\$ 8,175,550	\$ 569,855	\$ -	\$ 27,885,400	\$ 91,698,248
-	-	-	-	4,617,852
-	-	-	-	1,050,201
3,390,057	-	-	-	11,455,986
-	-	-	-	250,447
-	-	-	-	52,275
<u>11,565,607</u>	<u>569,855</u>	<u>-</u>	<u>27,885,400</u>	<u>109,125,009</u>
17,857,681	368,740	-	5,263,427	98,278,981
188,712	-	2,207	1,486,270	12,363,122
<u>18,046,393</u>	<u>368,740</u>	<u>2,207</u>	<u>6,749,697</u>	<u>110,642,103</u>
-	-	-	(234,188)	(4,197,081)
-	-	-	(25,012)	(358,421)
-	-	-	(259,200)	(4,555,502)
<u>18,046,393</u>	<u>368,740</u>	<u>2,207</u>	<u>6,490,497</u>	<u>106,086,601</u>
-	-	-	-	1,208,042
-	-	-	-	(1,028,439)
-	-	-	-	179,603
<u>18,046,393</u>	<u>368,740</u>	<u>2,207</u>	<u>6,490,497</u>	<u>106,266,204</u>
<u>29,612,000</u>	<u>938,595</u>	<u>2,207</u>	<u>34,375,897</u>	<u>215,391,213</u>
11,677,920	-	-	-	89,994,719
-	13,424	-	17,000,228	17,013,652
-	-	168,520	-	168,520
-	-	-	-	202,494
-	-	33,608	94,305	454,881
-	-	-	-	82,362
<u>11,677,920</u>	<u>13,424</u>	<u>202,128</u>	<u>17,094,533</u>	<u>107,916,628</u>
17,934,080	925,171	(199,921)	17,281,364	107,474,585
219,077,081	4,568,107	7,730,523	116,043,397	1,518,659,834
<u>\$ 237,011,161</u>	<u>\$ 5,493,278</u>	<u>\$ 7,530,602</u>	<u>\$ 133,324,761</u>	<u>\$ 1,626,134,419</u>

**CITY OF ORLANDO, FLORIDA
 AGENCY FUND
 STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

School Impact Fee Fund

Cash and Cash Equivalents - Beginning Balance		\$	2,563,853
Add:			
Collections	16,672,677		
Income (Loss) on Investments	(17,475)		
Administrative Fees	532,161		
Less:			
Reimbursable City Services	(514,686)		
Remittances to Orange County School Board	<u>(19,038,705)</u>		<u>(2,366,028)</u>
Cash and Cash Equivalents - Ending Balance		\$	<u>197,825</u>

Accounts Payable - Beginning Balance		\$	2,563,853
Add:			
Collections	16,672,677		
Income (Loss) on Investments	(17,475)		
Administrative Fees	532,161		
Less:			
Reimbursable City Services	(514,686)		
Remittances to Orange County School Board	<u>(19,038,705)</u>		<u>(2,366,028)</u>
Accounts Payable - Ending Balance		\$	<u>197,825</u>



SUPPLEMENTAL
INFORMATION

Orlando Skate Park

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
2019-2047**

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
2019	\$ 13,158,567	\$ 1,932,000	\$ 3,871,192	\$ 22,976,836
2020	13,160,919	1,936,750	3,872,192	22,842,403
2021	13,125,898	1,938,000	3,872,741	22,648,278
2022	13,092,526	1,940,750	3,873,491	24,118,202
2023	13,055,884	1,939,750	3,873,241	24,692,968
2024	13,018,057	1,945,000	3,871,743	23,862,268
2025	12,913,819	1,946,000	3,873,742	17,159,139
2026	12,807,247	1,947,750	-	17,653,368
2027	12,686,559	-	-	16,779,056
2028	12,563,162	-	-	17,269,798
2029	12,435,921	-	-	11,290,266
2030	12,293,710	-	-	9,496,441
2031	12,151,387	-	-	9,465,892
2032	11,994,474	-	-	9,470,667
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>\$ 267,518,853</u>	<u>\$ 15,526,000</u>	<u>\$ 27,108,342</u>	<u>\$ 322,218,881</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 107 through 110.

Business-type Activities

Wastewater Revenue Bonds		Orlando Venues Bonds		Parking System Bonds		Total Principal & Interest Primary Government (1)	
\$	2,861,700	\$	20,858,575	\$	4,414,619	\$	70,073,489
	2,861,325		22,682,300		4,414,550		71,770,439
	2,865,300		22,649,713		4,308,800		71,408,730
	2,855,775		22,639,162		4,310,800		72,830,706
	2,854,400		22,601,213		4,309,300		73,326,756
	2,848,775		22,581,650		4,367,361		72,494,854
	2,877,900		22,564,125		4,324,336		65,659,061
	2,848,650		22,546,350		4,281,345		62,084,710
	2,846,650		22,528,725		4,238,045		59,079,035
	2,844,525		20,898,775		4,194,094		57,770,354
	2,842,025		19,300,175		4,144,320		50,012,707
	2,838,900		19,285,800		4,088,724		48,003,575
	2,853,950		19,276,550		4,034,225		47,782,004
	2,833,750		19,255,025		3,975,185		47,529,101
	2,829,000		19,243,100		3,918,690		45,793,119
	-		19,227,975		3,854,385		42,716,680
	-		19,208,375		3,787,092		42,434,672
	-		19,192,475		3,716,458		42,133,097
	-		19,178,400		3,642,125		41,849,259
	-		18,164,100		3,568,563		38,547,194
	-		17,143,125		3,490,237		34,213,280
	-		-		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
\$	42,762,625	\$	431,025,688	\$	88,790,049	\$	1,194,950,438

CITY OF ORLANDO, FLORIDA
COMMUNITY REDEVELOPMENT AGENCY - DOWNTOWN DISTRICT
TAX INCREMENT REVENUE BONDS - SERIES 2009A
SCHEDULE OF BONDED DEBT AND INTEREST
SEPTEMBER 30, 2018

<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>		
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>\$ 532,238</u>	<u>\$ 532,237</u>	<u>\$ 8,070,000</u>	<u>\$ 9,134,475</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, 2018**

Year Ending September 30	Interest Rate - %	Interest (2)		Principal Due September 1	Total Debt Service
		Due September 1	Due March 1		
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>\$ 26,264,521</u>	<u>\$ 26,264,519</u>	<u>\$ 50,955,000</u>	<u>\$ 103,484,040</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
TAXABLE TAX INCREMENT REVENUE BONDS - SERIES 2010B (BUILD AMERICA BONDS)
SCHEDULE OF BONDED DEBT AND INTEREST
SEPTEMBER 30, 2018**

Year Ending September 30	Interest Rate - %	Interest (1)		Principal Due September 1	Total Debt Service
		Due September 1	Due March 1		
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>\$ 41,742,674</u>	<u>\$ 41,742,664</u>	<u>\$ 71,415,000</u>	<u>\$ 154,900,338</u>

(1) 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, 2018**

<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>		
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>\$ 1,666,700</u>	<u>\$ 1,666,700</u>	<u>\$ 17,720,000</u>	<u>\$ 21,053,400</u>

**CITY OF ORLANDO, FLORIDA
REPUBLIC DRIVE (UNIVERSAL BOULEVARD)
TAX INCREMENT REVENUE BONDS - SERIES 2013
SCHEDULE OF BONDED DEBT AND INTEREST
SEPTEMBER 30, 2018**

<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>		
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>\$ 246,563</u>	<u>\$ 246,563</u>	<u>\$ 5,561,816</u>	<u>\$ 6,054,942</u>

**CITY OF ORLANDO, FLORIDA
CONROY ROAD TAX INCREMENT
REVENUE REFUNDING BONDS - SERIES 2012
SCHEDULE OF BONDED DEBT AND INTEREST
SEPTEMBER 30, 2018**

Year Ending September 30	Interest Rate - %	Interest		Principal	Total Debt
		Due October 1	Due April 1	Due April 1	Service
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>\$ 1,493,000</u>	<u>\$ 1,493,000</u>	<u>\$ 12,540,000</u>	<u>\$ 15,526,000</u>

**CITY OF ORLANDO, FLORIDA
 CAPITAL IMPROVEMENT SPECIAL REVENUE BONDS-SERIES 2009A
 SCHEDULE OF BONDED DEBT AND INTEREST
 SEPTEMBER 30, 2018**

<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>		
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>\$ 97,694</u>	<u>\$ 32,625</u>	<u>\$ 2,665,000</u>	<u>\$ 2,795,319</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, 2018**

<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>		
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>\$ 412,000</u>	<u>\$ 139,500</u>	<u>\$ 10,900,000</u>	<u>\$ 11,451,500</u>

CITY OF ORLANDO, FLORIDA
TAXABLE CAPITAL IMPROVEMENT SPECIAL REVENUE BONDS - SERIES 2009C
BUILD AMERICA BONDS
SCHEDULE OF BONDED DEBT AND INTEREST
SEPTEMBER 30, 2018

Year Ending September 30	Interest Rate - %	Interest (2)		Principal Due October 1	Total Debt Service
		Due October 1	Due April 1		
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>\$ 21,237,095</u>	<u>\$ 19,833,260</u>	<u>\$ 40,000,000</u>	<u>\$ 81,070,355</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, 2018

<u>Year Ending September 30</u>	<u>Interest Rate -%</u>	<u>Interest</u>		<u>Principal</u>	<u>Total Debt Service</u>
		<u>Due October 1</u>	<u>Due April 1</u>	<u>Due October 1</u>	
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>\$ 1,721,500</u>	<u>\$ 1,286,625</u>	<u>\$ 17,395,000</u>	<u>\$ 20,403,125</u>

CITY OF ORLANDO, FLORIDA
CAPITAL IMPROVEMENT REFUNDING SPECIAL REVENUE BONDS-SERIES 2010C
SCHEDULE OF BONDED DEBT AND INTEREST
SEPTEMBER 30, 2018

<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>		
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>\$ 335,250</u>	<u>\$ 167,625</u>	<u>\$ 6,705,000</u>	<u>\$ 7,207,875</u>

**CITY OF ORLANDO, FLORIDA
CAPITAL IMPROVEMENT REFUNDING SPECIAL REVENUE BONDS-SERIES 2014A
SCHEDULE OF BONDED DEBT AND INTEREST
SEPTEMBER 30, 2018**

<u>Year Ending September 30</u>	<u>Interest Rate -%</u>	<u>Interest</u>		<u>Principal</u>	<u>Total Debt Service</u>
		<u>Due October 1</u>	<u>Due April 1</u>	<u>Due October 1</u>	
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>\$ 90,794</u>	<u>\$ 72,635</u>	<u>\$ 1,825,000</u>	<u>\$ 1,988,429</u>

**CITY OF ORLANDO, FLORIDA
CAPITAL IMPROVEMENT SPECIAL REVENUE BONDS-SERIES 2014B
SCHEDULE OF BONDED DEBT AND INTEREST
SEPTEMBER 30, 2018**

<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>		
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>\$ 24,041,125</u>	<u>\$ 22,521,750</u>	<u>\$ 60,775,000</u>	<u>\$ 107,337,875</u>

**CITY OF ORLANDO, FLORIDA
 CAPITAL IMPROVEMENT REFUNDING SPECIAL REVENUE BONDS-SERIES 2014C
 SCHEDULE OF BONDED DEBT AND INTEREST
 SEPTEMBER 30, 2018**

<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>		
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>\$ 822,875</u>	<u>\$ 626,500</u>	<u>\$ 7,855,000</u>	<u>\$ 9,304,375</u>

**CITY OF ORLANDO, FLORIDA
CAPITAL IMPROVEMENT REFUNDING SPECIAL REVENUE BONDS-SERIES 2014D
SCHEDULE OF BONDED DEBT AND INTEREST
SEPTEMBER 30, 2018**

<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>		
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>\$ 1,164,000</u>	<u>\$ 919,125</u>	<u>\$ 9,795,000</u>	<u>\$ 11,878,125</u>

**CITY OF ORLANDO, FLORIDA
CAPITAL IMPROVEMENT REFUNDING SPECIAL REVENUE BONDS-SERIES 2015A
SCHEDULE OF BONDED DEBT AND INTEREST
SEPTEMBER 30, 2018**

<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>		
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>\$ 275,093</u>	<u>\$ 223,178</u>	<u>\$ 5,705,000</u>	<u>\$ 6,203,271</u>

CITY OF ORLANDO, FLORIDA
CAPITAL IMPROVEMENT REFUNDING SPECIAL REVENUE BONDS-SERIES 2016A
SCHEDULE OF BONDED DEBT AND INTEREST
SEPTEMBER 30, 2018

<u>Year Ending September 30</u>	<u>Interest Rate - %</u>	<u>Interest</u>		<u>Principal</u>	<u>Total Debt Service</u>
		<u>Due October 1</u>	<u>Due April 1</u>	<u>Due October 1</u>	
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>\$ 379,718</u>	<u>\$ 313,260</u>	<u>\$ 6,995,000</u>	<u>\$ 7,687,978</u>

CITY OF ORLANDO, FLORIDA
CAPITAL IMPROVEMENT SPECIAL REVENUE REFUNDING BONDS-SERIES 2016B
SCHEDULE OF BONDED DEBT AND INTEREST
SEPTEMBER 30, 2018

<u>Year Ending September 30</u>	<u>Interest Rate - %</u>	<u>Interest</u>		<u>Principal</u>	<u>Total Debt</u>
		<u>Due Oct. 1</u>	<u>Due April 1</u>	<u>Due Oct. 1</u>	<u>Service</u>
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>\$ 13,413,164</u>	<u>\$ 12,041,108</u>	<u>\$ 59,035,000</u>	<u>\$ 84,489,272</u>

CITY OF ORLANDO, FLORIDA
CAPITAL IMPROVEMENT SPECIAL REVENUE BONDS-SERIES 2016C
SCHEDULE OF BONDED DEBT AND INTEREST
SEPTEMBER 30, 2018

<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>		
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>\$ 6,575,325</u>	<u>\$ 5,982,750</u>	<u>\$ 25,615,000</u>	<u>\$ 38,173,075</u>

**CITY OF ORLANDO, FLORIDA
CAPITAL IMPROVEMENT REFUNDING SPECIAL REVENUE BONDS-SERIES 2017A
SCHEDULE OF BONDED DEBT AND INTEREST
SEPTEMBER 30, 2018**

<u>Year Ending September 30</u>	<u>Interest Rate -%</u>	<u>Interest</u>		<u>Principal</u>	<u>Total Debt Service</u>
		<u>Due October 1</u>	<u>Due April 1</u>	<u>Due October 1</u>	
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>\$ 766,496</u>	<u>\$ 670,048</u>	<u>\$ 8,173,000</u>	<u>\$ 9,609,544</u>

CITY OF ORLANDO, FLORIDA
CAPITAL IMPROVEMENT REFUNDING SPECIAL REVENUE BONDS-SERIES 2018A
SCHEDULE OF BONDED DEBT AND INTEREST
SEPTEMBER 30, 2018

<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>		
2019	2.850	\$ 130,395	\$ 128,963	\$ -	\$ 259,358
2020	2.850	128,962	128,963	-	257,925
2021	2.850	128,962	128,963	-	257,925
2022	2.850	128,962	128,963	-	257,925
2023	2.850	128,962	128,963	-	257,925
2024	2.850	128,962	128,963	-	257,925
2025	2.850	128,962	128,963	-	257,925
2026	2.850	128,962	128,963	-	257,925
2027	2.850	128,962	82,508	3,260,000	3,471,470
2028	2.850	82,507	-	5,790,000	5,872,507
		<u>\$ 1,244,598</u>	<u>\$ 1,114,212</u>	<u>\$ 9,050,000</u>	<u>\$ 11,408,810</u>

**CITY OF ORLANDO, FLORIDA
WASTEWATER SYSTEM REFUNDING AND IMPROVEMENT
REVENUE BONDS - SERIES 2013
SCHEDULE OF BONDED DEBT AND INTEREST
SEPTEMBER 30, 2018**

<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>		
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>\$ 6,325,925</u>	<u>\$ 5,611,700</u>	<u>\$ 30,825,000</u>	<u>\$ 42,762,625</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, 2018

Year Ending September 30	Interest Rate - %	Interest		Principal		Total Debt Service
		Due Feb 1	Due Aug 1	Due Feb 1	Due Aug 1	
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>\$ 6,414,325</u>	<u>\$ 6,142,000</u>	<u>\$ 13,540,000</u>	<u>\$ 12,805,000</u>	<u>\$ 38,901,325</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, 2018

Year Ending September 30	Interest Rate - %	Interest		Principal Due Nov. 1	Total Debt Service
		Due Nov. 1	Due May 1		
2019	(1)	\$ 655,463	\$ 601,012	\$ 1,980,000	\$ 3,236,475
2020	(1)	601,013	543,537	2,090,000	3,234,550
2021	(1)	543,538	482,900	2,205,000	3,231,438
2022	(1)	482,900	418,962	2,325,000	3,226,862
2023	(1)	418,963	351,450	2,455,000	3,225,413
2024	(1)	351,450	280,225	2,590,000	3,221,675
2025	(1)	280,225	205,150	2,730,000	3,215,375
2026	(1)	205,150	125,950	2,880,000	3,211,100
2027	(1)	125,950	42,350	3,040,000	3,208,300
2028	(1)	42,350	-	1,540,000	1,582,350
2029	(1)	-	-	-	-
2030	(1)	-	-	-	-
2031	(1)	-	-	-	-
2032	(1)	-	-	-	-
2033	(1)	-	-	-	-
2034	(1)	-	-	-	-
2035	(1)	-	-	-	-
2036	(1)	-	-	-	-
2037	(1)	-	-	-	-
2038	(1)	-	-	-	-
2039	5.50	-	-	-	-
		<u>\$ 3,707,002</u>	<u>\$ 3,051,536</u>	<u>\$ 23,835,000</u>	<u>\$ 30,593,538</u>

(1) These bonds do not mature until November 1, 2038; however, the bonds are subject to Conditional Redemption. To the extent moneys are on deposit in the Third Lien Subordinate Principal Account following the October receipt by the Trustee of the Monthly Contract Sixth Cent Revenues, the Trustee shall redeem up to, but not exceeding, the principal amounts shown above, which are the Series 2008C Bonds Target Principal Amounts.

**ORLANDO VENUES - SENIOR TOURIST DEVELOPMENT TAX REFUNDING REVENUE
 BONDS 6TH CENT CONTRACT PAYMENTS - SERIES 2017A
 SCHEDULE OF BONDED DEBT AND INTEREST
 SEPTEMBER 30, 2018**

<u>Year Ending September 30</u>	<u>Interest Rate - %</u>	<u>Interest</u>		<u>Principal Due Nov. 1</u>	<u>Total Debt Service</u>
		<u>Due Nov. 1</u>	<u>Due May 1</u>		
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>\$ 57,845,325</u>	<u>\$ 196,590,000</u>	<u>\$ 317,050,525</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, 2018**

<u>Year Ending September 30</u>	<u>Interest Rate - %</u>	<u>Interest</u>		<u>Principal Due Nov. 1</u>	<u>Total Debt Service</u>
		<u>Due Nov. 1</u>	<u>Due May 1</u>		
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>\$ 8,035,175</u>	<u>\$ 27,760,000</u>	<u>\$ 44,480,300</u>



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Hankins Park

**CITY OF ORLANDO, FLORIDA
STATISTICAL SECTION**

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

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

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CITY OF ORLANDO, FLORIDA

STATISTICAL SECTION

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

CITY OF ORLANDO, FLORIDA
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(accrual basis of accounting)
(In thousands of dollars)

	<u>2018</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>
Governmental activities										
Net Investment in Capital Assets	\$ 572,176	\$ 538,126	\$ 486,949	\$ 494,439	\$ 482,308	\$ 461,370	\$ 453,477	\$ 465,285	\$ 446,066	\$ 437,545
Restricted	114,117	138,649	145,041	143,035	89,093	105,895	89,612	101,016	81,527	63,136
Unrestricted	(263,161) ⁽¹⁾	(50,933)	(87,401)	(154,037) ⁽²⁾	(10,764)	9,762	37,878	13,515	39,364	95,397
Total governmental activities net position	<u>\$ 423,132</u>	<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>
Business-type activities										
Net Investment in Capital Assets	\$ 1,105,452	\$ 1,107,937	\$ 800,515	\$ 778,581	\$ 779,609	\$ 699,499	\$ 675,954	\$ 659,462	\$ 652,672	\$ 628,334
Restricted	34,309	32,932	55,658	58,688	106,443	92,116	138,302	156,299	154,834	23,638
Unrestricted	224,599	249,829	232,815	192,064	163,265	133,838	113,430	90,046	94,805	128,025
Total business-type activities net position	<u>\$ 1,364,360</u>	<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>
Primary government										
Net Investment in Capital Assets	\$ 1,677,628	\$ 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
Restricted	148,426	171,581	200,699	201,723	195,536	198,011	227,914	257,315	236,361	86,774
Unrestricted	(38,562)	198,896	145,414	38,027	152,501	143,600	151,308	103,561	134,169	223,422
Total primary government net position	<u>\$ 1,787,491</u>	<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>

(1) Due to the implementation of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.

(2) 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>2018</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 (1)</u>
Expenses										
Governmental activities:										
Executive offices	\$ 15,536	\$ 16,353	\$ 12,391	\$ 12,497	\$ 12,492	\$ 14,087	\$ 12,334	\$ 12,523	\$ 14,358	\$ 16,300
Housing	8,790	8,846	9,599	8,033	7,415	11,838	9,850	10,939	14,356	9,694
Economic development	27,062	25,256	25,308	19,910	21,707	26,470	41,838	36,616	20,352	36,358
Public works	24,689	25,404	39,202	37,915	33,435	31,910	36,026	42,084	20,871	29,581
Transportation (2)	21,501	16,847	-	-	-	-	-	-	24,133	25,589
Families, parks, and recreation	42,943	43,872	34,997	35,587	36,125	39,027	37,574	38,527	36,914	40,593
Police	183,755	162,775	149,552	128,967	135,179	137,019	127,447	124,290	122,809	128,540
Fire	123,027	121,051	116,596	108,058	111,108	109,800	91,562	92,141	82,826	75,771
Business and financial services	28,980	26,960	33,566	28,068	28,153	12,810	18,645	19,543	24,635	22,829
Orlando venues	4,543	6,301	4,755	3,834	3,124	943	558	525	665	952
Community redevelopment	18,262	12,502	14,251	11,155	9,510	8,590	7,993	7,410	9,025	9,606
Other general government	66,937	4,759	9,873	11,883	7,581	2,762	2,617	3,758	3,667	771
Lynx/transit	3,873	3,873	3,873	3,873	3,815	3,482	3,482	3,482	3,744	4,255
Interest on long-term debt	17,382	18,448	21,315	18,023	18,573	18,968	19,274	20,462	17,010	10,113
Unallocated depreciation	-	-	-	-	-	-	-	586	1,203	1,218
Total governmental activities expenses	<u>\$ 587,281</u>	<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>
Business-type activities:										
Water Reclamation	95,207	92,098	77,836	75,962	77,581	73,845	73,997	70,439	67,025	72,679
Orlando venues	88,452	95,719	99,941	93,953	72,999	65,783	70,618	70,685	37,519	43,158
Parking	20,191	16,497	14,040	16,030	14,928	15,772	16,424	17,389	16,205	16,013
Stormwater utility	20,021	20,907	23,766	20,469	22,969	22,017	20,473	17,787	18,376	17,354
Solid waste	31,029	30,195	28,484	26,231	24,665	22,992	22,059	22,937	21,460	22,220
Total business-type activities expenses	<u>\$ 254,898</u>	<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>
Total primary government expenses	<u>\$ 842,179</u>	<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>

(1) Departmental reorganizations occurred in fiscal year 2009.

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

CITY OF ORLANDO, FLORIDA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(accrual basis of accounting)
(in thousands of dollars)
(continued)

	<u>2018</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 (1)</u>
Program Revenues										
Governmental activities:										
Charges for services:										
Economic development	\$ 26,747	\$ 18,423	\$ 32,138	\$ 28,804	\$ 24,574	\$ 25,137	\$ 21,495	\$ 17,265	\$ 18,103	\$ 19,901
Public Works	312	294	331	272	189	5,208	2,393	2,390	243	13
Transportation (2)	16,348	14,532	-	-	-	-	-	-	1,985	6,446
Families, parks & recreation	6,683	5,151	3,850	3,339	3,052	2,882	4,117	3,968	3,620	3,783
Police	19,399	18,196	17,362	14,686	15,090	14,574	12,194	13,774	12,775	13,204
Fire	11,187	15,541	15,108	15,219	20,536	19,711	11,850	10,540	-	-
Other activities	77,533	20,599	18,755	17,746	15,425	4,355	2,776	2,468	2,931	3,076
Operating grants and contributions	25,592	20,503	20,721	15,533	13,094	15,661	13,549	16,286	21,565	11,429
Capital grants and contributions	11,761	25,282	7,392	8,673	11,042	28,892	16,211	25,403	17,443	32,942
Total governmental activities program revenues	<u>\$ 195,563</u>	<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>
Business-type activities:										
Charges for services:										
Water Reclamation	109,415	107,009	101,381	95,877	89,713	85,795	76,980	70,786	76,051	60,985
Orlando venues	32,798	34,334	37,688	36,344	28,766	22,252	20,254	22,432	15,334	14,309
Parking	20,888	15,730	15,376	14,944	14,915	13,599	14,024	14,155	15,565	14,858
Stormwater utility	23,717	23,300	23,472	23,204	22,797	22,682	22,521	22,402	22,297	23,649
Solid waste	33,798	32,914	32,113	30,895	28,775	27,159	25,747	24,675	23,583	23,162
Capital grants and contributions	41,052	166,196	73,453	51,484	88,290	38,052	43,708	49,465	57,880	64,149
Total business-type activities program revenues	<u>\$ 261,668</u>	<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>
Total primary government program revenues	<u>\$ 457,231</u>	<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>
Net (Expenses) Revenue										
Governmental activities	(391,716)	(354,728)	(359,621)	(323,531)	(325,215)	(301,286)	(324,615)	(320,792)	(317,903)	(321,376)
Business-type activities	6,770	124,066	39,416	20,103	60,114	9,130	(337)	4,678	50,125	29,688
Total primary government net expense	<u>\$ (384,946)</u>	<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>

(1) Departmental reorganizations occurred in fiscal year 2009.

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

CITY OF ORLANDO, FLORIDA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(accrual basis of accounting)
(in thousands of dollars)
(continued)

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009 (1)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes:										
Property	\$ 178,210	\$ 159,237	\$ 145,100	\$ 128,134	\$ 102,111	\$ 98,782	\$ 99,143	\$ 102,301	\$ 122,169	\$ 137,236
Local Option Fuel	9,590	9,257	8,901	8,471	8,219	8,044	7,745	7,458	7,799	7,587
Franchise fees	33,113	31,532	31,852	31,077	30,033	31,772	34,507	34,065	34,360	33,043
Public service taxes	46,226	44,795	45,234	44,563	44,675	45,182	42,428	44,574	46,840	45,380
Tax increment revenue	22,640	20,022	16,809	14,163	13,245	12,491	13,064	13,548	16,196	17,548
Local Business Tax (2)	9,774	9,948	9,742	8,435	8,101	-	-	-	-	-
Unrestricted grants and contributions	80,642	77,959	73,380	70,443	65,277	62,619	62,224	62,903	60,509	59,246
State Sales tax	46,106	41,787	39,429	37,904	35,613	33,415	30,998	29,801	27,655	26,744
Investment earnings (loss)	1,140	6,752	20,643	6,527	12,936	(3,040)	26,970	14,452	32,145	38,851
Miscellaneous	7,052	9,480	7,033	5,513	6,005	13,164	13,512	14,533	16,340	15,829
Gain on sale of capital assets	3,784	4,962	29,663	11,516	3,250	-	-	-	-	25
Transfers in (out)	(2,052)	20,249	(7,013)	(4,381)	(20,642)	(1,438)	(4,826)	10,016	(75,231)	(66,423)
Total governmental activities	<u>\$ 436,226</u>	<u>\$ 435,981</u>	<u>\$ 420,773</u>	<u>\$ 362,365</u>	<u>\$ 308,823</u>	<u>\$ 300,991</u>	<u>\$ 325,765</u>	<u>\$ 333,651</u>	<u>\$ 288,782</u>	<u>\$ 315,066</u>
Business-type activities:										
Investment earnings (loss)	1,845	4,165	13,227	5,925	9,898	(3,100)	17,390	8,834	31,206	41,797
Special item - impairment loss	-	-	-	(6,786) ⁽⁴⁾	-	-	-	-	(34,248) ⁽³⁾	-
Special item - Gain on Transfer of CFA operations (5)	-	-	-	-	33,211	-	-	-	-	-
Special item - soccer stadium (6)	-	-	-	(37,216)	-	-	-	-	-	-
Special item - TDT Bond refunding	-	193,727	-	-	-	-	-	-	-	-
Transfers in (out)	2,052	(20,249)	7,013	4,381	20,642	1,438	4,826	(10,016)	75,231	66,423
Total business-type activities	<u>\$ 3,896</u>	<u>\$ 177,643</u>	<u>\$ 20,240</u>	<u>\$ (33,696)</u>	<u>\$ 63,751</u>	<u>\$ (1,662)</u>	<u>\$ 22,216</u>	<u>\$ (1,182)</u>	<u>\$ 72,189</u>	<u>\$ 108,220</u>
Total primary government	<u>\$ 440,123</u>	<u>\$ 613,624</u>	<u>\$ 441,013</u>	<u>\$ 328,669</u>	<u>\$ 372,574</u>	<u>\$ 299,329</u>	<u>\$ 347,981</u>	<u>\$ 332,469</u>	<u>\$ 360,971</u>	<u>\$ 423,286</u>
Change in Net Position										
Governmental activities	44,510	81,253	61,152	38,834	(16,392)	(295)	1,150	12,859	(29,121)	(6,310)
Business-type activities	10,666	301,710	59,656	(13,593)	123,865	7,468	21,879	3,496	122,314	137,908
Total primary government	<u>\$ 55,176</u>	<u>\$ 382,963</u>	<u>\$ 120,808</u>	<u>\$ 25,241</u>	<u>\$ 107,473</u>	<u>\$ 7,173</u>	<u>\$ 23,029</u>	<u>\$ 16,355</u>	<u>\$ 93,193</u>	<u>\$ 131,598</u>

(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) Decommissioning of the old Amway Arena.

(4) Stormwater pond on the site of the new soccer stadium.

(5) Due to the dissolution of the CFA in FY 2014, and the transfer of operations to Orlando Venues.

(6) The soccer stadium is now privately funded. Previously, this was a public/private partnership.

CITY OF ORLANDO, FLORIDA
FUND BALANCES, GOVERNMENTAL FUNDS
LAST EIGHT FISCAL YEARS
(modified accrual basis of accounting)
(in thousands of dollars)

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
Pre-GASB 54										
General Fund										
Reserved	\$ 835	\$ 882	\$ 1,676	\$ 1,394	\$ 1,600	\$ 1,374	\$ 1,251	\$ 1,830	\$ 2,188	\$ 1,960
Unreserved	86,984	77,989	70,822	71,430	65,710	58,430	58,750	58,755	55,149	67,227
Total general fund	<u>\$ 87,819</u>	<u>\$ 78,871</u>	<u>\$ 72,498</u>	<u>\$ 72,824</u>	<u>\$ 67,310</u>	<u>\$ 59,804</u>	<u>\$ 60,001</u>	<u>\$ 60,585</u>	<u>\$ 57,337</u>	<u>\$ 69,187</u>
All Other Governmental Funds										
Reserved	\$ 64,052	\$ 39,850	\$ 61,848	\$ 27,349	\$ 19,793	\$ 25,593	\$ 22,473	\$ 23,428	\$ 23,152	\$ 35,563
Designated	20,500	-	-	-	-	-	-	-	-	-
Unreserved, reported in:										
Special revenue funds	100,584	129,683	119,263	148,522	114,818	102,378	91,446	64,958	63,560	63,939
Capital projects funds	40,595	47,742	40,818	19,950	34,021	23,885	17,340	14,702	39,264	28,465
Total all other governmental funds	<u>\$ 225,731</u>	<u>\$ 217,275</u>	<u>\$ 221,929</u>	<u>\$ 195,821</u>	<u>\$ 168,632</u>	<u>\$ 151,856</u>	<u>\$ 131,259</u>	<u>\$ 103,088</u>	<u>\$ 125,976</u>	<u>\$ 127,967</u>
	<u>2018</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>	
Post-GASB 54										
General Fund										
Nonspendable	\$ 1,349	\$ 738	\$ 714	\$ 1,455	\$ 1,813	\$ 734	\$ 1,081	\$ 816	\$ 493	
Restricted	2,344	2,003	2,292	3,154	3,604	2,560	2,544	2,623	2,232	
Committed	1,511	1,989	1,969	1,874	1,805	2,948	3,158	2,185	638	
Assigned	26,092	21,715	22,388	12,568	10,112	38,746	40,872	29,733	9,249	
Unassigned	95,733	97,204	88,748	75,531	70,908	62,067	81,617	85,301	75,207	
Total general fund	<u>\$ 127,028</u>	<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	\$ 33	\$ 22	\$ 49	\$ 46	\$ 85	\$ 36	\$ 94	\$ 47	\$ 35	
Restricted	167,266	166,588	161,017	155,647	104,646	129,972	119,235	134,579	123,725	
Committed	90,043	74,578	70,618	62,762	47,056	43,158	34,085	30,878	49,292	
Assigned	2,826	2,687	3,334	10,555	8,750	7,688	14,707	14,950	41,703	
Unassigned	(615)	(19)	(1,134)	(313)	(2,809)	(538)	(31)	(316)	10,976	
Total all other governmental funds	<u>\$ 259,554</u>	<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: Eight 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)

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014 (1)</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009 (2)</u>
Revenues										
Taxes:										
Property	\$ 178,210	\$ 159,237	\$ 145,100	\$ 128,498	\$ 102,111	\$ 98,782	\$ 99,143	\$ 102,301	\$ 122,169	\$ 137,236
Local Option Fuel	9,590	9,257	8,901	8,471	8,219	-	-	-	-	-
Communication Services	14,136	13,498	13,709	14,222	14,560	-	-	-	-	-
Local Business Taxes (3)	9,774	9,948	9,742	8,435	8,101	57,130	42,634	42,362	42,632	41,190
Utilities services tax	32,090	31,298	31,525	30,341	30,115	28,744	42,434	44,574	46,840	45,380
Intergovernmental:										
OUC Contribution	60,616	59,061	55,719	53,211	48,622	47,000	47,161	47,976	45,596	45,900
State Sales Tax	46,106	41,787	39,429	37,904	35,613	33,415	30,998	29,801	27,655	26,744
Other Intergovernmental	93,499	82,707	77,331	67,267	77,724	97,011	82,470	95,550	102,612	88,833
Franchise Fees	33,113	31,532	31,852	31,077	30,033	-	-	-	-	-
Permits and Fees	39,866	29,985	29,801	26,123	23,312	52,197	38,712	32,421	23,246	37,266
Charges for Services	70,343	74,930	74,884	68,472	60,470	-	-	-	-	-
Fines and forfeitures	6,207	4,748	3,829	3,274	3,082	3,600	3,359	3,461	3,858	4,841
Investment earnings (loss)	555	4,600	14,448	3,933	8,389	(3,782)	18,639	11,012	23,516	30,879
Securities lending income	3,289	1,428	420	467	618	514	914	258	751	-
Special assessments	57,384	753	5,366	1,526	3,398	1,881	1,861	1,292	1,394	941
Other revenue	18,910	12,889	14,569	10,444	6,625	32,792	36,484	37,668	29,276	33,452
Total revenue	<u>\$ 673,688</u>	<u>\$ 567,658</u>	<u>\$ 556,625</u>	<u>\$ 493,665</u>	<u>\$ 460,992</u>	<u>\$ 449,284</u>	<u>\$ 444,809</u>	<u>\$ 448,676</u>	<u>\$ 469,545</u>	<u>\$ 492,662</u>
Expenditures										
Executive offices	\$ 24,700	\$ 23,314	\$ 22,195	\$ 20,761	\$ 20,202	\$ 20,199	\$ 19,052	\$ 18,904	\$ 18,867	\$ 20,953
Housing and community development	8,531	8,589	9,464	7,839	7,266	12,966	9,934	11,403	15,413	10,337
Economic development	30,482	24,533	28,060	24,178	21,737	28,091	19,344	19,647	18,509	38,280
Public works	11,593	10,272	21,239	22,009	26,927	25,584	24,801	26,584	16,212	13,937
Transportation (4)	19,931	16,303	-	-	-	-	-	-	17,339	12,451
Families, parks, and recreation	36,618	35,848	34,008	31,983	30,892	32,941	30,623	31,940	31,411	33,426
Police	172,050	159,555	148,850	140,897	134,096	128,524	122,811	124,121	124,022	124,096
Fire	111,053	112,893	112,084	108,035	110,066	107,327	90,484	89,941	81,270	77,506
Business and Financial Services	30,373	29,563	28,076	27,297	26,318	24,048	26,539	27,362	27,145	28,421
Orlando Venues	3,503	3,626	3,311	3,327	3,105	506	526	541	707	918
Other expenditures	84,731	22,035	15,844	16,918	14,707	12,509	13,690	15,459	18,247	17,758
Community Redevelopment Agency	27,046	17,921	18,073	13,420	11,812	12,618	10,980	9,903	12,756	14,253
Intergovernmental	3,873	3,873	3,873	3,873	3,815	3,482	3,482	3,482	3,744	4,255
Capital improvements	50,887	57,637	68,233	42,857	29,613	39,038	39,265	57,291	38,192	67,678
Securities lending	2,871	1,032	356	234	245	198	166	118	133	810
Debt Service:										
Principal	21,710	24,111	33,029	23,453	22,985	22,127	17,811	21,537	18,280	19,180
Interest	19,222	19,097	15,911	18,332	18,887	19,287	25,550	20,000	17,458	16,548
Total expenditures	<u>\$ 659,174</u>	<u>\$ 570,202</u>	<u>\$ 562,606</u>	<u>\$ 505,413</u>	<u>\$ 482,673</u>	<u>\$ 489,445</u>	<u>\$ 455,058</u>	<u>\$ 478,233</u>	<u>\$ 459,705</u>	<u>\$ 500,807</u>

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

CITY OF ORLANDO, FLORIDA
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)
(in thousands of dollars)
(continued)

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009 (1)
Excess of revenues over (under) expenditures	\$ 14,514	\$ (2,544)	\$ (5,981)	\$ (11,748)	\$ (21,681)	\$ (40,161)	\$ (10,249)	\$ (29,557)	\$ 9,840	\$ (8,145)
Other Financing Sources (Uses)										
Transfers in	68,625	88,531	49,170	78,217	71,581	83,803	80,509	103,875	96,750	110,528
Transfers out	(75,125)	(70,877)	(57,257)	(79,851)	(94,761)	(84,234)	(84,905)	(107,811)	(170,367)	(176,496)
Sale of capital assets	10,436	2,400	6,541	18,468 ⁽²⁾	3,250	-	-	-	-	25
Refunding bonds issued	-	-	-	-	-	-	-	-	-	5,975
Premium/(discount) on refunding bonds	-	-	-	-	-	-	3,784	-	7	310
Payments to refunded bond escrow agent	-	-	-	-	-	-	(46,971)	-	-	(5,733)
Issuance of debt	628	-	34,244	72,223	211	30,600	54,398	20,738	81,175	75,255
Total other financing sources (uses)	<u>\$ 4,563</u>	<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>
Net change in fund balances	<u>\$ 19,077</u>	<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>
Debt service as a percentage of non-capital expenditures	<u>6.56%</u>	<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>

(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
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
2018	35,092,248,999	5,074,699,491	4,399,743	12,279,015,028	27,892,333,205	6.6500	50,516,124,913	79.522

(1) Includes tax exempt 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 all railroad operating property and rolling stock of private car and freight line and equipment companies, which are assessed by the State of Florida, Department of Revenue.

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)	
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	1.0000	0.3748	0.2885	20.5590
2018	6.6500	4.4347	7.4700 (1)	1.0000	0.3748	0.2724	20.2019

Source: Orange County Property Appraiser

- Note:** (1) All millage rates are for operating purposes, except for the Orange County School Board. The 7.4700 millage rate consists of 5.9700 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 (0.3100 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	2018			2009		
		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	\$ 2,298,206,688	1	8.24%	\$ 1,166,609,169	1	4.62%
Universal Studios Florida	Entertainment	283,024,989	2	1.01%			
HIW-KC Orlando LLC	Developer	198,047,607	3	0.71%	207,132,430	2	0.82%
SWVP Orlando Office LLC	Commercial	170,220,224	4	0.61%			
Forbes Taubman Orlando LLC	Developer	149,983,680	5	0.54%	131,557,801	4	0.52%
Volcano Bay	Entertainment	147,050,758	6	0.53%			
Piedmont-CNL Towers Orlando Owner LLC	Developer	140,657,532	7	0.50%			
Publix Super Markets Inc	Commercial	138,596,999	8	0.50%			
PBP Apartments LLC	Developer	137,742,197	9	0.49%			
Piedmont 200 and 250 S. Orange Ave LLC	Developer	136,824,579	10	0.49%			
ZML-Sun Center LLP	Developer				135,450,857	3	0.54%
MMM Lakewood LTD	Developer				94,306,613	5	0.37%
Lake Nona Land Co. LLC	Developer				82,722,874	6	0.33%
ACP/UTAH Orange Ave. LLC	Developer				82,425,652	7	0.33%
B T Orlando LP	Commercial				78,518,886	8	0.31%
Orlando Outlet Owner LLC	Commercial				78,057,569	9	0.31%
OCC Ownwe LLC	Commercial				74,546,117	10	0.29%
Other Taxpayers		24,091,977,952		86.37%	23,144,478,822		91.57%
Total		<u>\$ 27,892,333,205</u>		<u>100.00%</u>	<u>\$ 25,275,806,790</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
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	99.11%	425,780	164,559,709	99.36%
2018	185,802,739	184,353,846	99.22%	-	184,353,846	99.22%

Source: Orange County Tax Collector and City of Orlando Office of Business and Financial Services.

- Note:** (1) Amounts collected within the fiscal year of the levy are inclusive of legally available early payment discounts (ranging from a high of 4% to a low of 1%).
(2) Reduction based on prior year adjustments by the Tax Collector.

**CITY OF ORLANDO, FLORIDA
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

Fiscal Year Ended Sept. 30	Governmental Activities							Business-Type Activities							Total Primary Government	Percentage of Personal Income	Per Capita	
	Redevelopment Bonds	Tax Increment Revenue Bonds	Special Assessment Bonds	Capital Improvement Bonds	Sunshine State Governmental Financing Commission Loans	Capital Leases	State Infrastructure Bank	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
2009	\$ 71,405,000	\$ 36,330,000	\$ 24,260,000	\$ 187,425,000	\$ 67,011,338	\$ 8,095,972	\$ 71,741	\$ 45,998,973	\$ 59,480,000	\$ 7,345,000	\$ 110,000,000	\$ 310,885,000	\$ 30,895,000	\$ 51,950,000	\$ 861,854	\$ 1,012,014,878	11.93%	\$ 4,341
2010	147,580,000	34,740,000	23,380,000	179,265,000	67,011,338	6,992,083	-	48,322,711	50,410,000	5,580,000	110,000,000	310,885,000	30,350,000	51,950,000	559,330	1,067,025,462	13.11%	4,576
2011	146,255,000	33,095,000	22,455,000	213,740,000	25,740,000	13,404,713	10,780,000	48,159,348	41,110,000	3,770,000	90,000,000	308,385,000	29,775,000	51,950,000	244,499	1,038,863,560	11.93%	4,293
2012	144,870,000	48,655,000	-	206,060,000	25,740,000	11,938,525	14,102,867	47,183,225	31,520,000	1,915,000	90,000,000	305,635,000	29,180,000	51,950,000	-	1,008,749,617	11.11%	4,111
2013	143,420,000	54,850,000	-	198,930,000	25,740,000	9,781,018	12,426,780	50,457,064	36,170,000	-	90,000,000	302,310,000	28,565,000	51,950,000	-	1,004,599,862	10.84%	4,012
2014	141,655,000	51,364,256	-	191,080,000	25,740,000	7,958,185	11,001,786	52,056,400	36,170,000	-	90,000,000	298,540,000	27,930,000	51,950,000	-	985,445,627	10.39%	3,855
2015	139,570,000	47,716,203	-	239,485,000	23,889,000	6,117,035	9,541,880	56,964,775	34,915,000	-	90,000,000	530,600,000	27,275,000	50,725,000	1,104,577	1,257,903,470	12.38%	4,784
2016	136,645,000	43,908,327	-	250,165,000	14,808,000	4,223,591	8,046,206	56,701,173	33,610,000	-	90,000,000	525,780,000	28,090,000	49,285,000	284,726	1,241,547,023	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	8.07%	3,345
2018	130,440,000	37,079,825	-	248,380,598	11,106,000	1,150,286	4,944,028	56,258,069	34,816,045	-	90,000,000	280,746,538	30,164,903	47,297,617	-	972,383,909	N/A	3,183

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.

Reconciliation of statistical schedule to the long-term liability activity notes to financial statements and entity-wide statement of net position	
Total governmental activities debt per statistical schedule	\$ 433,100,737
Less internal loans provided to non-governmental activities:	
Parking loans	(8,932,083)
Orlando Venues loans	(41,511,280)
Total governmental activities debt	<u>\$ 382,657,374</u>
Total business-type activities debt per statistical schedule	\$ 539,283,172
Plus internal loans provided to business-type activities:	
Parking loans	8,932,083
Orlando Venues loans	41,511,280
Total business-type activities debt	<u>\$ 589,726,535</u>
Total entity-wide (primary government)	<u>\$ 972,383,909</u>

**CITY OF ORLANDO, FLORIDA
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS**

Fiscal Year Ended Sept. 30	General Bonded Debt Outstanding					Percentage of Estimated Market Value of Taxable Property	Per Capita
	Capital Improvement Bonds	Capital Improvement Bonds-Parking	Sunshine State Governmental Financing Commission Loans	Sunshine State Gov. Financing Commission Orlando Venues Loan	Total		
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
2018	248,380,598	47,297,617	11,106,000	90,000,000	396,784,215	0.74	1,310

Source: City of Orlando Office of Business and Financial Services

**CITY OF ORLANDO, FLORIDA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
SEPTEMBER 30, 2018**

<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)	\$ 1,108,230,829	21.26%	\$ 235,609,874
City Direct Debt (Governmental Activities)			<u>409,100,130</u>
Total Direct and Overlapping Debt			<u>\$ 644,710,004</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, 2018.

**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	
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
2018	30,060,277	3,082,774	3,165,000	9,997,354	13,162,354	2.52

- (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	
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
2018	17,462,008	2,888,492	942,196	3,830,688	4.56

(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 SIX FISCAL YEARS (1)**

<u>Fiscal Year</u>	<u>Tax Increment Revenue (2)</u>	<u>Debt Service Requirements</u>			<u>Coverage</u>
		<u>Principal</u>	<u>Interest</u>	<u>Total</u>	
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
2018	5,735,904	1,245,000	658,125	1,903,125	3.01

(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	
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
2018	35,362,998	32,089,752	-	67,452,750	5,829,258	2,661,174	8,490,432	7.94

Total Impact Fee Revenues

Fiscal Year	Impact Fees	New Customer Capacity Charge	Interest Income	Total Impact Fee Revenues	Available for Senior Debt (1)
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	-
2018	5,233,575	-	222,695	5,456,270	-

- (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	
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%
2018	275,736,257	32,089,752 (3)	307,826,009	25,976,000	13,290,260	39,266,260	12.76%

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 TEN FISCAL YEARS (1)**

Fiscal Year	Tourist Development Tax Revenue (2)	Debt Service Requirements			Coverage
		Principal	Interest	Total	
2009	\$ 12,631,924	\$ -	\$ 16,263,100	\$ 16,263,100	0.78
2010	14,959,967	-	16,263,100	16,263,100	0.92
2011	16,656,748	2,500,000	16,171,433	18,671,433	0.89
2012	18,049,843	2,750,000	16,062,266	18,812,266	0.96
2013	18,257,910	3,325,000	15,931,184	19,256,184	0.95
2014	19,329,561	3,770,000	15,749,600	19,519,600	0.99
2015	21,265,438	4,230,000	15,544,624	19,774,624	1.08
2016	22,654,747	9,640,000	15,350,667	24,990,667	0.91
2017	23,783,766	5,060,000	15,146,026	20,206,026	1.18
2018	25,775,707	1,875,000	13,733,333	15,608,333	1.65

(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 TEN 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
2018	2,000,004	880,000	1,299,275	2,179,275	0.92

(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
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	11,605,648	41,480	3.2%
2018	285,099	2,508,570	N/A	N/A	2.7%

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 2018
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)

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	2018 (1)			2009 (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	5.70%	62,000	1	6.27%
Orange County Public Schools	Government	24,629	2	1.90%	21,349	2	2.16%
Universal Orlando Resort	Leisure & Hospitality	21,000	3	1.62%			
Adventist Health System (now AdventHealth)	Healthcare	20,413	4	1.57%	16,002	3	1.62%
Publix Supermarkets Inc.	Service (Grocery)	19,783	5	1.52%	15,606	4	1.58%
Orlando International Airport (MCO)	Transportation	18,000	6	1.39%			
Orlando Health	Healthcare	16,828	7	1.30%			
University of Central Florida	Education	11,833	8	0.91%	7,317	10	0.74%
Orange County Government	Government	10,532	9	0.81%	7,897	7	0.80%
Seminole County Public Schools	Government	7,596	10	0.58%	7,702	9	0.78%
Universal Studios Florida	Entertainment				13,000	5	1.31%
Busch Entertainment Corporation	Healthcare				7,800	8	0.79%
Orlando Regional Healthcare	Manufacturing				10,000	6	1.01%
Other Employers	Various	1,073,878		82.70%	820,310		82.94%
Total		1,298,492		100.00%	988,983		100.00%

Source: (1) Metro Orlando Economic Development Commission

Note: Includes the four counties in the Orlando-Kissimmee-Sanford Metropolitan Statistical Area (MSA), (Orange, Seminole, Osceola, and Lake).

**CITY OF ORLANDO, FLORIDA
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES
BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

	Full-time Equivalent Employees as of September 30									
<u>Function/Program</u>	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Executive Offices	163	157	152	150	144	144	143	143	144	150
Housing	19	19	20	20	20	20	20	20	20	19
Economic Development (1)	202	191	174	164	159	149	149	149	162	186
Public Works (1)	18	23	170	160	153	152	153	151	184	222
Transportation (1)	166	168	-	-	-	-	-	-	-	-
Families, Parks and Recreation	225	220	216	204	198	198	198	196	251	272
Police	1,025	1,009	996	995	978	976	976	976	997	1,089
Fire	611	596	592	592	592	567	567	565	561	588
Office of Business & Financial Services	227	221	212	211	191	191	191	186	206	234
Community Redevelopment Agency	27	26	19	17	17	17	17	17	17	16
Water Reclamation	241	240	239	217	217	217	218	218	221	229
Orlando Venues	89	89	88	95	88	85	85	85	83	86
Parking	95	91	91	91	91	91	91	98	96	105
Stormwater Utility	84	84	69	69	68	69	69	69	56	55
Solid Waste	102	100	98	98	97	100	100	100	105	103
Fleet Management	49	49	47	44	36	36	36	36	39	45
Civic Facilities Authority (2)	-	-	-	-	7	7	7	7	7	8
Downtown Development Board	3	3	3	3	3	3	3	3	4	5
Total	<u>3,346</u>	<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> (4)	<u>3,153</u> (3)	<u>3,412</u>

Source: City of Orlando Annual Budget Book

Notes:

- (1) 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.
- (2) The Civic Facilities Authority was dissolved during FY 2014. Most operations were transferred to Orlando Venues.
- (3) The City implemented a substantial reduction in force toward the end of FY 2009.
- (4) The City implemented an additional reduction in force during FY 2010.

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

Function/Program	Fiscal Year									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Police										
Arrests	17,306	17,065	12,382	15,944	20,389	17,448	17,504	16,923	18,908	23,510
Cases submitted to the State Attorney	10,578	10,862	12,183	12,448	12,964	13,152	13,133	13,758	14,439	15,012
Traffic citations issued	18,160	19,875	24,417	32,610	35,584	32,045	26,467	31,823	37,835	46,145
Emergency 911 calls received	333,422	330,182	341,625	341,897	340,351	284,008	292,394	264,460	251,745	261,530
Cases Investigated	3,263	3,841	4,773	4,781	4,400	4,085	4,501	5,172	5,552	5,949
Fire										
Emergency responses	45,220	53,994	54,822	51,113	49,210	49,317	47,350	45,767	44,646	44,420
Fires reported	938	1,071	969	926	959	902	909	909	995	1,030
Streets and Drainage										
Potholes repaired	4,244	2,713	4,196	6,816	6,854	3,131	2,388	2,524	3,176	5,014
Curb miles swept	44,871	56,381	65,518	37,020	52,439	58,782	53,440	51,780	48,738	60,431
Water Reclamation										
Number of customers	79,057	82,089	76,300	75,730	75,148	73,000	73,521	72,951	71,727	72,079
Gallons of wastewater treated (millions of gallons)	15,994	15,039	14,312	15,155	14,475	14,852	13,500	14,209	13,633	14,717
Orlando Venues										
Number of events	331	307	404	522	631	879	746	815	851	797
Attendance	1,977,132	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
Parking										
Parking violations written	80,888	75,847	84,744	87,582	88,232	87,946	97,039	90,948	91,092	85,943
Number of parking system garage spaces	7,605	6,071 (1)	4,195	4,195	4,198	4,791	4,753	4,791	4,791	4,786
Solid Waste										
Number of customers	66,217	66,006	64,858	64,387	63,160	61,710	59,819	59,363	58,556	58,088
Refuse collected (in tons)	167,737	163,270	182,154	165,129	154,230	154,688	163,356	132,909	150,855	155,007
Recyclables collected (in tons)	8,598	8,387	8,558	7,556	8,087	5,890	4,223	4,736	4,889	4,576
Stormwater Utility										
Volume of trash and debris collected from stormlines (in cubic yards)	2,380	4,850 (2)	1,592	1,625	1,054	2,505	2,265	1,223	1,741	1,451

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) an increase in inlet cleaning cycles, and 3) additional collection crews.

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

Function/Program	Fiscal Year									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Special teams' offices and substations	17	17	17	18	18	18	18	18	18	17
Vehicular patrol units										
Patrol cars	612	602	515	549	549	563	558	498	479	495
Motorcycles	38	35	36	36	36	36	35	35	35	35
Unmarked	213	207	209	214	227	210	223	86	125	109
Horse patrol	8	8	8	8	8	6	6	8	8	8
Bicycle patrol	70	88	95	96	51	63	63	78	78	78
Fire stations	17	17	17	17	17	17	17	17	17	18
Parks and recreation										
Parks	111	111	104	111	109	112	115	114	114	113
Neighborhood recreation & senior centers	30	30	21	19	18	22	22	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	7	6	7	7	7	7	7	7	7
Golf courses	2	2	1	1	1	1	1	1	1	1
Playgrounds	52	52	52	52	51	52	51	51	49	47
Tennis courts	33	33	26	34	35	35	37	43	43	43
Volleyball courts (sand)	11	11	7	10	10	10	10	10	10	10
Racquetball courts	2	6	6	6	4	6	6	6	6	6
Basketball courts (1)	44	44	34	44	44	46	46	55	55	55
Baseball/softball and soccer/rugby fields	58	52	27	52	51	52	53	63	56	66
Other public works										
Paved streets (miles)	668	674	723	664	653	649	637	637	630	630
Brick streets (miles)	55	55	55	55	55	55	55	55	55	55
Sidewalks (miles)	915	915	900	982	882	968	950	941	818	818
Bikepaths (miles) (3)	362	341	322	322	318	280	280	280	273	259
Water Reclamation										
Sanitary sewers (miles) (2)	1068	905	826	1,086	1,010	980	975	975	961	843
Treatment capacity (millions of gallons per day)	69	69	69	69	69	69	69	73	73	73
Parking										
Number of garages	10	10	9	9	10	10	10	10	10	10
Number of Parking Spaces	8,947	8,527	8,548	9,153	10,373	10,369	10,331	10,373	13,169	11,341

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

(3) Bikepaths include local bike routes, on street bicycle lanes, and off road bicycle facilities



Engelwood Park

SINGLE AUDIT SECTION

City of Orlando, Florida
Schedule of Expenditures of Federal Awards and State Financial Assistance
For the Year Ended September 30, 2018

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 \$43,955)			
FY 16/17 Farmers Market Promotion Program	10.168	16FMPPFL0032	\$ 67,507
Child and Adult Care Food Program Passed through Florida Department of Health			
FY 17/18 Afterschool Nutrition Program	10.558	12-3539-0-1-605	448,242
Total Department of Agriculture			515,749
U.S. Department of Housing and Urban Development:			
Community Development Block Grants/Entitlement Grants (Amount passed through to subrecipients \$1,187,447)			
FY 15/16 Community Development Block Grant	14.218	B-15-MC-12-0015	108,244
FY 16/17 Community Development Block Grant	14.218	B-16-MC-12-0015	311,867
FY 17/18 Community Development Block Grant	14.218	B-17-MC-12-0015	1,240,554
Neighborhood Stabilization Program - NSP 3	14.218	B-11-MN-12-0020	15,060
			<u>1,675,725</u>
Emergency Solutions Grant Program (Amount passed through to subrecipients \$148,867)			
FY 16/17 Emergency Solutions Grant	14.231	E-16-MC-12-0015	1,754
FY 17/18 Emergency Solutions Grant	14.231	E-17-MC-12-0015	159,282
			<u>161,036</u>
HOME Investment Partnerships Program			
FY 14/15 HOME Investment Partnerships Program	14.239	M-14-MC-12-0214	83,269
FY 16/17 HOME Investment Partnerships Program	14.239	M-16-MC-12-0214	15,083
FY 17/18 HOME Investment Partnerships Program	14.239	M-17-MC-12-0214	87,734
			<u>186,086</u>
Housing Opportunities for Persons with AIDS (Amount passed through to subrecipients \$4,663,356)			
FY 16/17 Housing Opportunities for Persons with AIDS	14.241	FLH16F002	2,130,261
FY 17/18 Housing Opportunities for Persons with AIDS	14.241	FLH17F002	2,657,919
			<u>4,788,180</u>
Fair Housing Assistance Program - State and Local			
FY 15/16 Fair Housing Assistance Program	14.401	FF204K164001	28,421
Total Department of Housing and Urban Development			6,839,448

(continued)

City of Orlando, Florida
Schedule of Expenditures of Federal Awards and State Financial Assistance
For the Year Ended September 30, 2018

FEDERAL AWARDS

Grantor/Pass-Through Grantor/Program or Cluster Title	CFDA Number	Identification Number	Federal Expenditures
U.S. Department of Justice:			
Anti-terrorism Emergency Reserve			
Anti-terrorism and Emergency Assistance Program Grant	16.321	2017-RF-GX-0003	335,839
Public Safety Partnership and Community Policing Grants			
FY 17 COPS Hiring Program (CHP)	16.710	2017ULWX0032	289,165
Edward Byrne Memorial Justice Assistance Grant Program (JAG)			
FY 18 Overtime for President-Elect Security	16.738	2018-PESA-ORAN-1-4E-004	7,317
Equitable Sharing Program	16.922	FL0480400	187,868
Total U.S. Department of Justice			<u>820,189</u>
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 (AQO60)	645,302
Church Street Improvements, West Phase	20.205	419774-1-58-02 (AQO61)	1,170,913
Citywide Sidewalks, Phase II	20.205	428046-1-58-90 (ARE16)	171,385
SR 50 Pedestrian Overpass (Construction)	20.205	434915-1-58/68-01 (G0490)	4,404,986
Orlando Main Street District Planning Study	20.205	439001-1-18-01 (G0M03)	133,535
Orlando Urban Trail Gap Connectivity Project	20.205	439066-1-38-01 (G0V83)	168,552
Passed through University of South Florida Board of Trustees			
High Visibility Enforcement for Pedestrian and Bicycle Safety	20.205	433144-1 (G0O23)	29,360
			<u>6,724,033</u>
Railroad Research and Development			
Highway-Rail Grade Crossing Photographic Education Program	20.313	FR-RRD-0071-16-01-00	11,617
National Priority Safety Programs			
Passed through Florida Department of Transportation			
DUI Enforcement Team	20.616	M5HVE-18-06-14 (G0P61)	90,591
Total U.S. Department of Transportation			<u>6,826,241</u>
U.S. Department of Treasury:			
Equitable Sharing Program			
Equitable Sharing Program	21.000	FL0480400	31,539
Total U.S. Department of Treasury			<u>31,539</u>

(continued)

City of Orlando, Florida
Schedule of Expenditures of Federal Awards and State Financial Assistance
For the Year Ended September 30, 2018

FEDERAL AWARDS

Grantor/Pass-Through Grantor/Program or Cluster Title	CFDA Number	Identification Number	Federal Expenditures
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	1,280,739
Total U.S. Environmental Protection Agency			<u>1,280,739</u>
U.S. Department of Education:			
Twenty-First Century Community Learning Centers			
Passed through Florida Department of Education			
FY 18 21st Century Community Learning Centers	84.287	799-2448B-8PCC1	430,732
FY 19 21st Century Community Learning Centers	84.287	799-2449B-9PCC1	25,086
Total Florida Department of Education			<u>455,818</u>
Corporation for National and Community Service:			
AmeriCorps State and National			
Passed through Florida Commission on Community Services			
FY 18 OPASS AmeriCorps Program	94.006	17AC190236	326,489
FY 18 Operation AmeriCorps	94.006	17AC190346	305,688
FY 19 OPASS AmeriCorps Program	94.006	18AC199674	52,861
FY 18 Operation AmeriCorps	94.006	18AC199673	49,629
Total Corporation for National and Community Service			<u>734,667</u>
Executive Office of the President:			
High Intensity Drug Trafficking Areas Program (HIDTA)			
FY 16/17 High Intensity Drug Trafficking Areas Program (HIDTA)	95.001	G17CF0012A	45,212
FY 17/18 High Intensity Drug Trafficking Areas Program (HIDTA)	95.001	G18CF0012A	34,799
Total Executive Office of the President			<u>80,011</u>
U.S. Department of Homeland Security:			
Disaster Grants - Public Assistance (Presidentially Declared Disasters)			
Passed through Florida Division of Emergency Management	97.036	17-PA-U5-06-58-01-235	610,352
Emergency Management Performance Grants			
Passed through Florida Commission on Community Service			
FY 17/18 EMPG CERT/Citizen Corps Program Grant	97.042	FY 17/18	6,749
			(continued)

City of Orlando, Florida
Schedule of Expenditures of Federal Awards and State Financial Assistance
For the Year Ended September 30, 2018

FEDERAL AWARDS

Grantor/Pass-Through Grantor/Program or Cluster Title	CFDA Number	Identification Number	Federal Expenditures
Assistance to Firefighters Grant (AFG)			
Passed through Florida Division of Emergency Management	97.044	EMW-2016-FP-00775	23,810
Homeland Security Grant Program			
Passed through Florida Division of Emergency Management			
FY 16 State Homeland Security Grant Program (OFD)	97.067	17-DS-V4-06-58-02-255	38,964
FY 17 State Homeland Security Grant Program (OFD)	97.067	18-DS-X1-06-58-02-185	100,244
FY 17 State Homeland Security Grant Program (OPD)	97.067	18-DS-X1-06-58-01-187	85,160
			<u>224,368</u>
Total U.S. Department of Homeland Security			<u>865,279</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 18,449,680</u>

City of Orlando, Florida
Schedule of Expenditures of Federal Awards and State Financial Assistance
For the Year Ended September 30, 2018

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 (Cultural and Museum Grants)			
FY 18 Harry P. Leu Gardens	45.061	18.CPS.170.023	\$ 47,003
FY 19 Harry P. Leu Gardens	45.061	19.CPS.170.036	450
Total Florida Department of State, Division of Cultural Affairs			47,453
Florida Housing Finance Corporation:			
State Housing Initiatives Partnership (SHIP) Program			
FY 15/16 State Housing Initiatives Partnership (SHIP) Program	52.901	FY 15/16	158,434
FY 16/17 State Housing Initiatives Partnership (SHIP) Program	52.901	FY 16/17	485,296
FY 17/18 State Housing Initiatives Partnership (SHIP) Program	52.901	FY 17/18	139,808
Total Florida Housing Finance Corporation			783,538
Florida Department of Transportation:			
Economic Development Transportation Fund			
	55.032	ARE17 (435555-1-58-01)	110,847
Total Florida Department of Transportation			110,847
Florida Department of Revenue:			
Facilities for New Professional Sports, Retained Professional Sports, or Retained Spring Training Franchise			
Passed through Florida Office of 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			\$ 2,941,842

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, 2018

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, 2018. 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 and 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**

The 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, 2018. 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, 2018.

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.

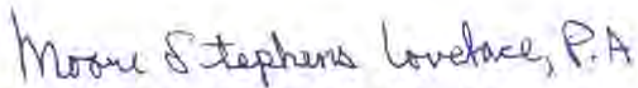
Report on Schedule of Expenditures of Federal Awards and State Financial Assistance Required by the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*

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, 2018, 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 22, 2019, 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.



MOORE STEPHENS LOVELACE, P.A.
Certified Public Accountants

Orlando, Florida
March 22, 2019

CITY OF ORLANDO, FLORIDA
Schedule of Findings and Questioned Costs *(Continued)*
For the Year Ended September 30, 2018

SECTION II - FINDINGS RELATED TO THE FINANCIAL STATEMENT AUDIT, AS REQUIRED TO BE REPORTED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*.

None Reported.

SECTION III - FEDERAL AWARD AND STATE FINANCIAL ASSISTANCE FINDINGS AND QUESTIONED COSTS SECTION REPORTED IN ACCORDANCE WITH THE UNIFORM GUIDANCE AND CHAPTER 10.550, *RULES OF THE AUDITOR GENERAL*.

None Reported.

SECTION IV - PRIOR YEAR AUDIT FINDINGS

None Reported.



Certified Public Accountants

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

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

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Orlando, Florida (the "City") as of and for the year ended September 30, 2018, 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 22, 2019. 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, 2018.

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

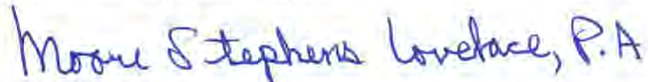
Compliance and Other Matters

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 22, 2019.

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." The signature is written in a cursive, flowing style.

MOORE STEPHENS LOVELACE, P.A.

Certified Public Accountants

Orlando, Florida
March 22, 2019

