



City of DeLand, Florida

COMPREHENSIVE ANNUAL FINANCIAL REPORT



Fiscal Year Ended September 30, 2019

**CITY OF DeLAND, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019**



CITY COMMISSION

Robert F. Apgar, Mayor

Christopher M. Cloudman

Jessica C. Davis

Charles D. Paiva

Kevin S. Reid

CITY MANAGER

Michael P. Pleus

CITY CLERK – AUDITOR

Julie A. Hennessy

FINANCE DIRECTOR

Daniel A. Stauffer, Jr., CPA

Prepared by:
City of DeLand Finance Department

**CITY OF DELAND, FLORIDA
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SEPTEMBER 30, 2019**

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**CITY OF DELAND, FLORIDA
LIST OF PRINCIPAL OFFICIALS
SEPTEMBER 30, 2019**

Elected Officials

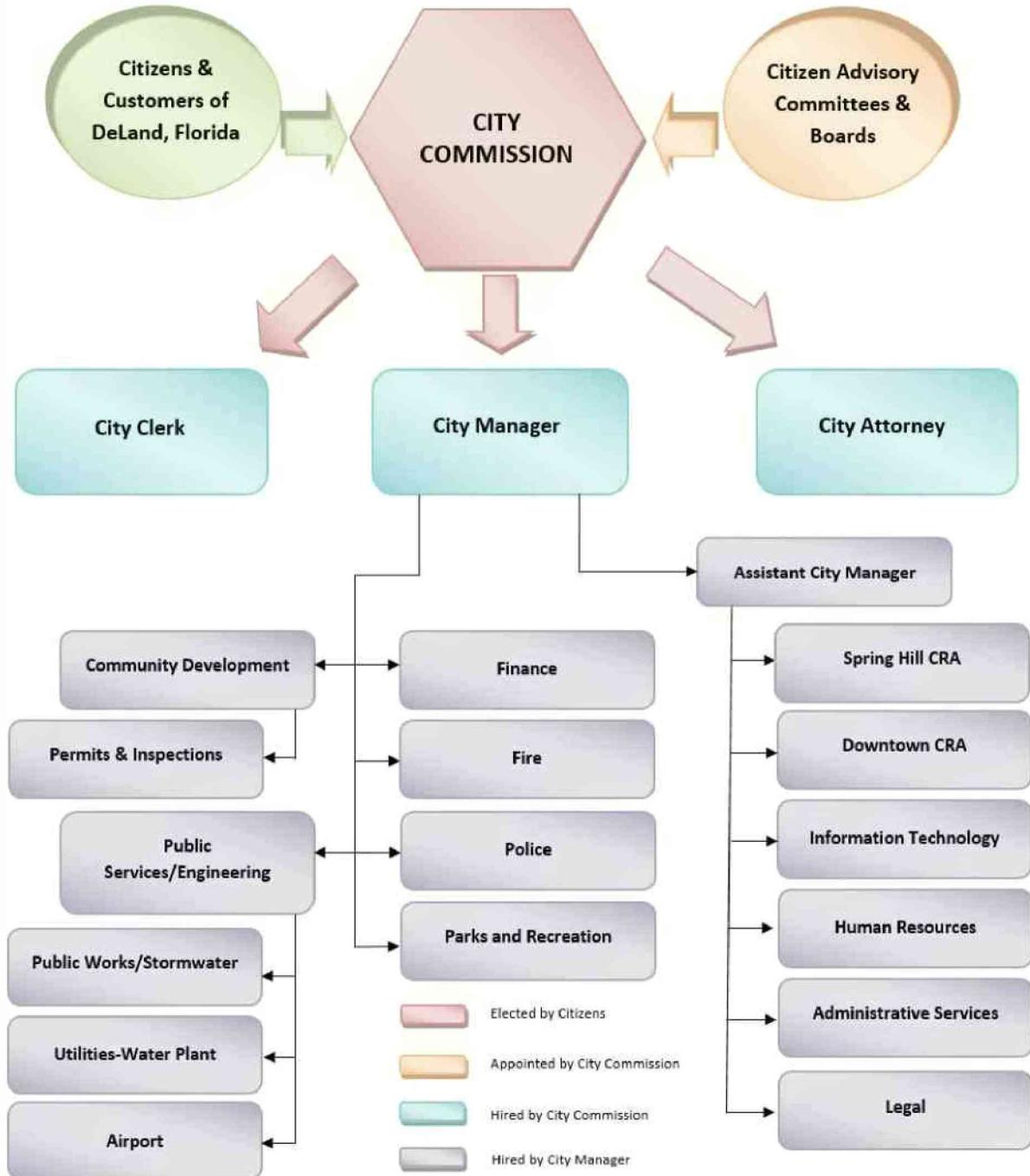
Mayor—Robert F. Apgar
Commissioner—Charles D. Paiva
Commissioner—Jessica C. Davis
Commissioner—Christopher M. Cloudman
Commissioner—Kevin S. Reid

Appointed Officials

City Manager – Michael P. Pleus
City Attorney – Darren J. Elkind
City Clerk-Auditor – Julie A. Hennessy

Community Development Director – Richard A. Werbiskis
Finance Director – Daniel A. Stauffer, Jr.
Fire Chief – Todd B. Allen
Information Technology Director – Greg D. Whidden
Human Resources Director – Mark C. Hayward
Parks & Recreation Director – Richard S. Hall
Police Chief – Jason D. Umberger
Public Services Director – Keith E. Riger
Public Works Director – Demetris C. Pressley
Utilities Director – James V. Ailes

ORGANIZATIONAL CHART



**CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE
IN FINANCIAL REPORTING**

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 DeLand, Florida for its comprehensive annual financial report for the fiscal year ended September 30, 2018.

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

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



Government Finance Officers Association

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

Presented to

**City of DeLand
Florida**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2018



City of DeLand

120 South Florida Avenue
DeLand, Florida 32720-5481
Telephone: (386) 626-7000
Fax: (386) 626-7138

March 3, 2020

To the Honorable Mayor, Members of the City Commission,
and Citizens of the City of DeLand:

It is our pleasure to submit this Comprehensive Annual Financial Report for the City of DeLand, Florida (the City), for the fiscal year ended September 30, 2019. This report fulfills the requirements set forth in the City Code of Ordinances, Charter Section 31: Florida Statutes, Chapter 166.241 and the Rules of the Florida Auditor General, Chapter 10.550. The organization, form and contents of this report plus the accompanying financial statements and statistical tables are formulated in accordance with the principles prescribed by the Governmental Accounting Standards Board, State of Florida, City Charter and the Government Finance Officers Association.

This report consists of management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of the information contained in this report. To provide a reasonable basis for making these representations, management of the City has established a comprehensive framework of internal controls 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's financial statements in conformity with generally accepted accounting principles (GAAP). Because the cost of internal controls should not exceed the anticipated benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free of any material misstatements. 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 and the City Code of Ordinances require that an annual financial audit in accordance with generally accepted auditing standards be performed by a firm of licensed certified public accountants. This year the audit was performed by an independent firm of certified public accountants, James Moore & Co., P.L. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended September 30, 2019, 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 auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City's financial statements for the fiscal year ended September 30, 2019, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the City was part of a broader, state 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 on those internal controls and legal requirements involving administration of federal and state awards. These reports are in the compliance 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 the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the independent auditors' report.

THE REPORTING ENTITY AND ITS ORGANIZATION

The City of DeLand is located in the central part of the state approximately twenty-five miles from the Atlantic Ocean and approximately 40 miles northeast of the City of Orlando. The City was founded in 1876 by Henry A. DeLand, incorporated in 1882, and is the county seat for Volusia County. Stetson University, located in the City, was chartered in 1887, and is one of the state's oldest accredited institutions of higher learning.

The City operates under a Commission-Manager form of government. The City Commission is comprised of five elected officials, the Mayor-Commissioner and four Commissioners who are responsible for enacting the ordinances and resolutions that govern the City. The Commission appoints the City Manager, City Attorney and City Clerk-Auditor. The City Manager is responsible for enforcement of all ordinances and resolutions passed by the Commission, for overseeing the day-to-day operations of the City and for appointing heads of various departments.

The City provides a full range of municipal services contemplated by statute or charter. This includes public safety (police and fire), public works (streets, urban beautification and trees), community development (economic development, planning-zoning, building inspections), parks, culture-recreation, public improvements and general administrative services. In addition, water and sewer, stormwater, refuse collection, airport facilities and permits and inspections are provided under an enterprise fund concept with user charges established by the City Commission to ensure adequate coverage of operating expenses and payments on outstanding debt.

The City is empowered to levy a property tax on both real and personal properties located within its boundaries which, in part, fund the services to the City's estimated 35,763 residents. It also is empowered by state statutes to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the City Commission.

The financial transactions of the Downtown Community Redevelopment Agency and the Spring Hill Community Redevelopment Agency are presented herein as blended component units under the definition of Statement 14 of the Governmental Accounting Standards Board.

There were no other entities that should have been considered for inclusion within these financial statements based on the criteria of Statement 14 of the Governmental Accounting Standards Board.

BUDGETARY INFORMATION

Annually, the City Manager presents a proposed budget to the City Commission for the fiscal year commencing October 1. Public hearings are conducted in the Commission Chambers at City Hall to receive taxpayer comments. Following the public hearings, a final budget is adopted in September of each year.

At the request of the City Manager, the Commission may at any time, by resolution, transfer any unused appropriation balance or portion thereof between general classifications or expenditures within an office, department or agency, or transfer any unused appropriation balance or portion thereof from one office, department or agency to another or appropriate additional funds based on revisions to revenue estimates. The City Charter prohibits over-expenditure of departmental budgeted amounts without prior approval of the City Commission.

Budgeted amounts shown on the financial statements are as originally adopted and as amended by the City Commission. Budget to actual comparisons demonstrate how the actual expenses/expenditures compare to both the original and final revised budgets. These can be found on various statements as listed in the table of contents. A discussion of the budget to actual presentation and basis of accounting used is available in the notes (See Note 1(c) on pages 45 and 46 and 1(f) on pages 49 and 50).

Budgetary controls are maintained through continuous review by the Finance Director. The City Charter requires that over expenditure of budgeted amounts be approved by the City Commission. All appropriations shall lapse at the end of the budget year to the extent that they have not been expended. Budgets for the General and Special Revenue Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP), except that carryover surplus and transfers from reserves are included in budgetary revenue as required by the City Charter. Budgets for the Enterprise Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP), except that debt service, capital acquisitions, capital leases and water and sewer impact fees are included in budgetary revenue and expenditures as required by the City Charter. Budgets for the Internal Service Funds are adopted on a basis consistent with generally accepted accounting principles.

ECONOMIC CONDITION AND OUTLOOK

Each year the University of Central Florida's Institute for Economic Forecasting reviews all of the State of Florida Metropolitan Statistical Areas (MSA) and compiles an annual forecast. This year's September 2019 forecast for the Deltona-Daytona-Ormond metropolitan statistical area (MSA) comprised of Volusia and Flagler Counties is expected to show mixed levels of growth in the economic indicators measured in this forecast relative to other MSAs studied. Personal income is expected to average 4.6 percent growth, while the real per capita income level will average \$40,600. The average annual wage will be the second lowest of the studied areas at \$47,000. Average annual wage growth is expected to be 4.0 percent, the highest of the studied MSAs. Population growth will average 1.3 percent. Gross Metro Product will be at an average level of \$19,003.65 million dollars. The employment growth rate is expected to average 1.1 percent each year. Unemployment will average 3.5 percent. The Deltona MSA will experience the most growth in the Construction and Mining sector, with an average growth rate of 2.9 percent annually. The Professional and Business Services sector will see the second highest average growth in the Deltona MSA at 1.8 percent annually. The Leisure sectors follows with an average annual growth rate of 1.3 percent.

Throughout FY 2018-2019 DeLand has continued to capture a very favorable share of the new housing starts occurring in Volusia County. This is attributed in part, to the availability of affordably priced land, proximity to Interstate 4 and being centrally located between Orlando and Daytona Beach. There were four hundred and fourteen (414) single family residential building permits issued with a construction value totaling \$119,690,476 and an average unit value of \$289,107. In addition, County records show during this past year that nine (9) new commercial and industrial permits were issued with a value of \$21,599,965.

Residential New Construction in Volusia County continues to be active with DeLand generally leading all of the other cities in the number of residential permits being issued. This is illustrated in the following chart from the County's Fourth Quarter 2019, Economic Development Quarterly Report.

Volusia County Residential "New Construction" Building Permit Data

	Oct 2018 – Dec 2018		Jan 2019 – Mar 2019		Apr 2019 – Jun 2019		Jul 2019 – Sep 2019	
	Permits	\$ Value						
Daytona Beach	154	\$ 47,976,335	188	\$ 63,766,029	68	\$ 22,281,595	108	\$ 34,680,733
Daytona Beach Shores	0	\$ 0	1	\$ 212,000	0	\$ 0	0	\$ 0
DeBary	35	\$ 13,102,152	25	\$ 11,689,869	69	\$ 23,696,848	38	\$ 10,795,791
DeLand	99	\$ 28,323,779	67	\$ 19,242,296	129	\$ 36,711,326	119	\$ 35,413,075
Deltona	87	\$ 22,921,862	85	\$ 22,495,683	100	\$ 26,357,084	150	\$ 39,186,678
Edgewater	7	\$ 913,600	18	\$ 2,914,000	7	\$ 1,402,000	4	\$ 765,000
Holly Hill	33	\$ 4,483,490	2	\$ 267,000	0	\$ 0	1	\$ 125,000
Lake Helen	7	\$ 2,629,875	8	\$ 2,641,509	1	\$ 327,970	6	\$ 1,731,068
New Smyrna Beach	118	\$ 39,470,387	134	\$ 44,835,819	97	\$ 37,401,928	187	\$ 59,238,996
Oak Hill	5	\$ 786,110	3	\$ 535,095	5	\$ 1,139,650	2	\$ 230,685
Orange City	23	\$ 4,674,817	9	\$ 2,536,824	27	\$ 4,498,102	45	\$ 13,210,250
Ormond Beach	9	\$ 3,333,605	15	\$ 4,634,144	9	\$ 2,401,429	6	\$ 3,963,344
Pierson	0	\$ 0	0	\$ 0	2	\$ 459,458	1	\$ 80,000
Ponce Inlet	1	\$ 283,979	2	\$ 703,133	2	\$ 1,556,371	4	\$ 1,258,699
Port Orange	59	\$ 18,514,999	24	\$ 8,805,845	51	\$ 16,699,433	25	\$ 9,895,919
South Daytona	0	\$ 0	1	\$ 370,782	1	\$ 175,741	0	\$ 0
Unincorporated	66	\$ 21,952,011	107	\$ 33,335,651	91	\$ 26,879,413	83	\$ 28,128,794
Totals	703	\$ 209,367,001	689	\$ 218,985,679	659	\$ 201,988,348	779	\$ 238,704,032

Source: City and County permit offices reporting new construction activity.

Commercial New Construction in Volusia County also continues to be active with DeLand generally being competitive with all of the other cities in the number of commercial permits being issued. This is illustrated in the following chart from the County's Fourth Quarter 2019, Economic Development Quarterly Report.

Volusia County Commercial "New Construction" Building Permit Data

	Oct 2018 – Dec 2018		Jan 2019 – Mar 2019		Apr 2019 – Jun 2019		Jul 2019 – Sep 2019	
	Permits	\$ Value	Permits	\$ Value	Permits	\$ Value	Permits	\$ Value
Daytona Beach	16	\$ 28,935,357	17	\$ 117,061,018	5	\$ 13,727,530	2	\$ 1,275,400
Daytona Beach Shores	0	\$ 0	0	\$ 0	1	\$ 1,494,876	0	\$ 0
DeBary	1	\$ 23,209,061	0	\$ 0	0	\$ 0	0	\$ 0
DeLand	2	\$ 387,616	2	\$ 17,200,713	2	\$ 1,543,120	3	\$ 2,468,516
Deltona	2	\$ 1,738,000	2	\$ 7,319,281	1	\$ 4,760,000	5	\$ 9,397,747
Edgewater	1	\$ 850,000	0	\$ 0	0	\$ 0	0	\$ 0
Holly Hill	0	\$ 0	0	\$ 0	0	\$ 0	1	\$ 850,000
Lake Helen	0	\$ 0	0	\$ 0	0	\$ 0	0	\$ 0
New Smyrna Beach	0	\$ 0	4	\$ 5,880,000	19	\$ 32,887,016	0	\$ 0
Oak Hill	0	\$ 0	1	\$ 1,900,000	0	\$ 0	0	\$ 0
Orange City	1	\$ 903,969	0	\$ 0	2	\$ 54,943,455	0	\$ 0
Ormond Beach	8	\$ 3,655,385	11	\$ 7,060,961	19	\$ 5,177,334	1	\$ 2,900,000
Pierson	0	\$ 0	2	\$ 300,800	0	\$ 0	0	\$ 0
Ponce Inlet	0	\$ 0	0	\$ 0	0	\$ 0	0	\$ 0
Port Orange	4	\$ 2,193,304	1	\$ 341,600	0	\$ 0	1	\$ 993,288
South Daytona	0	\$ 0	0	\$ 0	0	\$ 0	0	\$ 0
Unincorporated	1	\$ 2,900,000	4	\$ 1,305,097	10	\$ 24,101,666	8	\$ 18,360,718
Totals	35	\$ 41,563,631	44	\$ 158,369,470	59	\$ 138,634,997	21	\$ 36,245,669

Source: City and County permit offices reporting new construction activity.

Additional Economic Development Activities and Accomplishments Include:

- Construction has been completed on the Leigh Matusick Airport Management Center and the Sport Aviation Village. The City is now actively seeking occupants and evaluating future hangar sites.
- At the 2019 DeLand Showcase, aircraft and related products sold on-site exceeded \$2 million in sales. The economic impact for the 2019 DeLand Showcase is calculated at \$1,535,000+ to include hotels, food, equipment rentals, production costs, with total attendance at 7,000 for the event. Known in the aviation industry as a highly organized and well promoted event, the DeLand Showcase continues to attract the "who's who in sport aviation".
- Other improvements at the DeLand Airport include the rehabilitation and extension of the southwest runway apron to the Airport Management Center, as well as additional roads and parking for the Airport Restaurant and adjoining hangars. Additional security fencing was added to the westside of airport along with 16 streets lights.
- As part of Phase 1.0 development of the Sport Aviation Village, staff has continued to recruit potential sport aircraft manufacturers and related service providers, as well as host tours for brokers and potential investors.
- In the Northwest Industrial Park, the City is moving forward with plans to engineer and construct a new road that will extend to Eidson Drive from its current terminus in the City's North West Business Park, out to Highway 11. When completed this road will provide a north entrance to the City's business park and open additional public and private land up for commercial/industrial development.
- MainStreet DeLand is a nationally accredited main street for 2019. They continue to fulfill their obligations to Florida Main Street and to Main Street America. DeLand and MainStreet DeLand are well respected throughout the state and nation.
- MainStreet DeLand continues to promote DeLand in a variety of ways. The Definitely DeLand image campaign continues in print, television, and on-line. Merchants are reporting increased business from throughout central Florida. Special events continue to bring large numbers of people to the downtown area. Merchant targeted events such as Small Business Saturday and Wine, Women, and Chocolate continue to grow in popularity.

- MainStreet DeLand updated its website in 2019, (www.MainStreetDeLand.org) to improve performance and to better reflect their Mission. In addition to being much more user friendly, the site offers a variety of business resources, including a business toolkit that links to DeLand.org to provide historic district information and other business links. The website also provides a DeLand connection for motion picture and video production as well as a link to assist someone looking for downtown commercial space.
- MainStreet DeLand's Design committee worked with City staff to establish procedures for new murals in DeLand.
- MainStreet continues to provide education opportunities through their Build Your Business Group, merchant meetings, and workshops.
- A Memorandum of Understanding between the City and Deltran Operations USA for the redevelopment of the former County Jail site was approved. It is anticipated that construction of the new corporate office building will begin in 2021. Redevelopment of infill areas are key to the continued economic revitalization of the city's central district.
- The City continued its contract with the DeLand Area Chamber of Commerce for their Business Retention and Expansion Program. This program provides information to businesses about available services, funding and growth opportunities. Additionally, the viability of surveyed businesses, their needs, complaints, etc. are brought to city attention for appropriate action.
- The City remains an executive board member with Team Volusia Economic Development Corporation, the public/private membership organization responsible for recruitment of businesses and business prospects.
- The City's Economic Development Manager continues to work with a number of local manufacturers, including Duraline, Precision Fabricated Components, Mystic Power Boats, DaVita Labs, Deltran, East Coast Aircraft Painting, Putterman Athletics and several others to help identify resources to assist them in their expansion plans.
- As of September 2019, the City had 37 prospects with expressed interest in DeLand. There were 10 of these in active play and 18 in "holding". All a mixture of TVEDC prospects, prospects developed by staff and local broker client referrals. A number of these should convert to active projects this next year.

The City of DeLand continues to position itself as a sustainable community and prepare for future growth by encouraging both new development and redevelopment in the core city area, establishing mixed-use centers and supporting alternative modes of transportation. A strong and diverse economy will allow DeLand to continue as a livable community promoting a high quality of life for all residents.

FINANCIAL TRENDS – LOCAL ECONOMY

The major employers in the City of DeLand are Sykes, Florida Hospital, Stetson University, and governmental entities including the City of DeLand, Volusia County, Volusia County School Board and the State of Florida Department of Transportation.

The more recent estimates available for unemployment data in DeLand, Volusia County, and the State of Florida are compiled by the Florida Department of Economic Opportunity. Their estimated unemployment rates are as follows:

	<u>DeLand</u>	<u>Volusia County</u>	<u>State of Florida</u>
September 2019	3.7%	3.2%	3.0%
September 2018	3.3%	3.1%	3.1%
Increase (Decrease)	0.4%	0.1%	(0.1%)

According to the Florida Bureau of Economic and Business Research, the City's estimated population for 2019 was 35,763. For 2018 the estimated population was 34,106.

Additional statistical information pertaining to unemployment, median incomes and population can be found in the Statistical Section of this report.

FINANCIAL TRENDS – LONG TERM FINANCIAL PLANNING

As part of the annual budget process, the City prepares a comprehensive capital budget for the next fiscal year and Capital Improvement Program for the following five fiscal years. Included in that process is a determination of the impact on future operating costs and a determination as to the appropriate funding mechanism for needed capital.

Revenue and expense forecasts are prepared each year for use during the budget development process. During workshops with the City Commission, the forecasts and assumptions used in developing them are presented to ensure that expectations are kept consistent throughout the budget development process.

AWARDS

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 DeLand, Florida for its comprehensive annual financial report for the fiscal year ended September 30, 2018. This was the thirty-fifth consecutive year that the City of DeLand has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

In addition to the Certificate of Achievement, the City also received GFOA's Distinguished Budget Presentation Award for its fiscal year 2019 annual budget document. In order to qualify for the award, the City's budget document had to be judged to be proficient as a policy document, a financial plan, an operations guide and a communications device. The City has received the award for sixteen consecutive years.

Recognition by GFOA, as evidenced by these two awards, is verification of the Finance Department's dedication to producing documents that effectively communicate the City's financial condition.

ACKNOWLEDGMENTS

This report represents countless hours of preparation. Many individuals are responsible for its completion. The timely preparation of the comprehensive annual financial report was made possible by the dedicated service of the Finance Department. Special recognition is given to the Finance staff who worked diligently to ensure the timeliness and accuracy of the report. Each member of the Finance Department has our sincere appreciation.

We also extend our sincere appreciation to the City Commission of the City of DeLand for their dedication and support.



Michael P. Pleus
City Manager



Daniel A. Stauffer, Jr.
Finance Director

INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor, City Commission, and City Manager,
City of DeLand, Florida:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of DeLand, Florida, (the City), as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' 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 entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of September 30, 2019, and the respective changes in financial position and, where applicable, cash flows, thereof and the respective budgetary comparison for the General, Spring Hill CRA, and Downtown CRA funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information, 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 financial statements. The introductory section, combining and individual nonmajor fund financial statements and other schedules, fiduciary fund schedules, supporting schedules, the schedule for water and sewer bond covenants, statistical section, and schedule of expenditures of federal awards and state financial assistance as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and Section 215.97, Florida Statutes, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

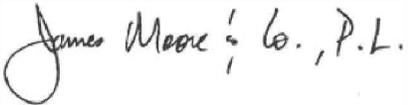
The combining and individual nonmajor fund financial statements and other schedules, fiduciary fund schedules, and schedule of expenditures of federal awards and state financial assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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 and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 3, 2020, 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Daytona Beach, Florida
March 3, 2020

A handwritten signature in black ink that reads "James Moore & Co., P.L." The signature is written in a cursive style with a large initial "J".

Management's Discussion and Analysis

As management of the City of DeLand, Florida, (the "City"), we offer the readers of these basic financial statements this narrative overview and analysis of the City's financial activities for the fiscal year that ended on September 30, 2019. This discussion and analysis is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the City's financial activity, (c) identify changes in the City's financial position, (d) identify any material deviations from the financial plan (the approved budget), and (e) to identify individual fund issues and/or concerns.

As with other sections of this financial report, the information contained within the Management's Discussion and Analysis (MD&A) should be considered only a part of a greater whole. The reader of this statement should take time to read and evaluate all sections of this report, including our letter of transmittal, which can be found on pages 5 to 11, the City's basic financial statements which begin on page 30, and the Required Supplementary Information (RSI), which can be found on pages 80 to 87.

Financial Highlights

- The assets plus deferred outflows of resources of the City exceed its liabilities plus deferred inflows of resources at the close of the fiscal year by \$255,370,600 (net position). Of this amount \$188,709,597 represents investment in capital assets (net of related debt) and restricted and unrestricted net position of \$17,155,647 and \$49,505,356, respectively.
- The City's total net position increased by \$16,052,385 (or 6.71%) based on current year activities. Of this amount, governmental activities produced an increase of \$3,439,693, while business-type activities produced an increase of \$12,612,692.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$31,414,971, an increase of \$11,545,306 (or 58.11%) in comparison with the prior year. Approximately 19.18% or \$6,025,159 of this total amount is unassigned fund balance and is available for spending at the City's discretion.
- The City's proprietary funds reported a combined ending net position of \$186,613,786, an increase of \$12,619,332 (or 7.25%) during the current fiscal year. Approximately 22.11% or \$41,252,843 of this total amount is comprised of unrestricted net position which is available for spending at the City's discretion.
- The City's total outstanding debt increased by \$8,469,776 (or 67.95%) during the current fiscal year. Governmental activities debt increased by \$8,469,776 while Business-type activities debt had no increase.

Overview of the Financial Statements

The City's basic financial statements are comprised of three parts: 1) the government-wide financial statements, 2) the fund financial statements and 3) the notes to the financial statements. The remainder of the financial statements is comprised of the following parts: 1) the required supplementary information consisting of Pension Trust Fund Schedules, 2) Combining and Individual Fund Statements and Schedules, 3) the Statistical Section consisting of selected financial and demographic information, generally presented on a multi-year basis and 4) the Single Audit and Other Reports Section consisting of supplemental reports pertaining to federal and state single audit requirements.

Management's Discussion and Analysis (MD&A) is intended to serve as an introduction to the basic financial statements and required supplementary information. The MD&A represents management's examination and analysis of the City's financial condition and financial performance as a whole. Summary financial statement data, key financial and operational indicators used in the strategic plan, budget and other management tools were used for this analysis.

The basic financial statements include two kinds of statements. The first type of statement consists of government-wide financial statements. The government-wide financial statements provide both short- and long-term financial information about the City's overall financial status. The government-wide financial statements are presented by its governmental activities and its business-type activities. The government-wide financial statements report information about the City using full accrual accounting methods and economic resources focus as utilized by similar business activities in the private sector. Information concerning all of the City's assets and liabilities, both financial and capital, and debt are presented whereas the reader can signify the short- and long-term portions. Likewise, all revenues and expenses received during the year, regardless of when cash is received or paid are reported.

The remaining statements are fund financial statements that focus on individual parts of the City government, reporting the City's operations in more detail than the government-wide financial statements. The governmental fund statements tell how the general government accounts for all current financial resources in servicing the community, what was financed in the short-term, as well as what remains for future spending. Proprietary fund statements offer short and long-term financial information about the activities the government operates like a business, such as the City's Water and Sewer, Stormwater, Permits & Inspections, Refuse, and the Municipal Airport. Fiduciary fund statements are used to account for assets held by the government in a trustee capacity. Currently there are three pension trust funds, which consist of the General Employees', Police Officers', and Firefighters' Retirement Trust Funds.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business. The government-wide financial statements consist of a Statement of Net Position and a Statement of Activities. Both statements represent an overview of the City as a whole, separating its operations between Governmental and Business-type activities. All information is presented utilizing the economic resources measurement focus and accrual basis of accounting. This method better matches revenues and expenses to the period in which the revenue is earned and the expense attributed. Fiduciary funds, such as pension trust funds, are excluded from these Government-wide Financial Statements because they represent money and funds legally set aside for use by the employee groups they benefit. Their assets and income do not flow through these statements, nor are the liabilities for which taxpayers may ultimately be responsible included.

The Statement of Net Position presents information on all of the City's assets and deferred outflows of resources and liabilities and deferred inflows of resources at the end of its fiscal year, with the difference between them reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the City's financial position is improving or deteriorating. Net position increases when revenues exceed expenses. Increases to assets and deferred outflows of resources without a corresponding increase to liabilities and deferred inflows of resources results in increased net position, which indicates an improved financial condition. The focus of the Statement of Net Position (the "Unrestricted Net Position") is designed to be similar to a bottom line for the City in its governmental and business-type activities. This statement combines and consolidates governmental funds' current financial resources (short-term spendable resources) with capital assets and long-term obligations.

The Government-wide Statement of Net Position can be found on page 30 of this report.

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

The Government-wide Statement of Activities can be found on page 31 of this report.

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, community development, public safety, public works, parks and recreation and community redevelopment. The business-type activities of the City include water and sewer, municipal airport, refuse collection, stormwater and permits and inspections.

Fund Financial Statements

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

Governmental Funds – Governmental Funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the governmental-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. These funds are reported using the current financial resource measurement focus and modified accrual basis of accounting, which measures cash and all other financial assets that can be readily converted into cash. Such information may be useful in evaluating the City's near-term financing requirements.

Management's Discussion and Analysis – (Continued)

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

The City maintains eight individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Spring Hill Community Redevelopment Fund, the Downtown Community Redevelopment Fund, and the Capital Fund which are considered to be major funds for the current year. Data from the other nonmajor governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in the combining and individual fund statements and schedules section of this report.

The City adopts an annual appropriation budget for its General Fund, Spring Hill Community Redevelopment Fund, and Downtown Community Redevelopment Fund. Budgetary comparison statements have been provided for these funds to demonstrate compliance with the adopted budgets.

The Governmental Fund Financial Statements can be found on pages 32 to 38 of this report.

Proprietary Funds – The City maintains two different types of proprietary funds, enterprise funds and internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises – where the intent is that the costs of providing goods or services to the general public on a continuing basis should be financed or recovered through user charges. Currently there are five enterprise funds which consist of the Water and Sewer Revenue Fund, Municipal Airport Fund, Refuse Collection Fund, Stormwater Revenue Fund and the Permits and Inspections Fund. The proprietary fund financial statements provide separate information for the Water and Sewer Fund, the Municipal Airport Fund and the Refuse Collection Fund which are considered to be major funds of the City. Data for the other two enterprise funds are combined into a single, aggregated presentation. Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the governmental unit, or to other governmental units, on a cost reimbursement basis. There are currently two internal service funds, the Workers' Compensation Self-Insurance Fund and the Health Insurance Cost Containment Fund. Individual fund data for the non-major enterprise funds as well as for the internal service funds is provided in the form of combining statements elsewhere in this report. The City adopts an annual appropriations budget for each of its Enterprise Funds and Internal Service Funds in accordance with State Statutes and City Charter.

While the Total column on the Business-type Financial Statements is the same as the Business-type column on the Government-Wide Financial Statements, after adjusting for internal service funds, the Governmental Funds Total column requires a reconciliation because of the different measurement focus (current financial resources versus total economic resources) which is reflected on pages 33 and 35. The flow of current financial resources will reflect proceeds of financing and interfund transfers as other financial sources as well as capital expenditures and principal payments as expenditures. The reconciliation will eliminate these transactions and incorporate the capital assets and long-term obligations into the Governmental Activities column (in the Government-wide statements).

The Enterprise Fund Financial Statements can be found on pages 39 to 41 of this report.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government (e.g., pension beneficiaries). The City maintains two different types of fiduciary funds, trust funds and agency funds. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City's own programs. Rather, the City is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

Trust Funds are used to account for assets held by the government in a trust capacity. The City is the trustee, or fiduciary, for its employees' pension plans. Currently there are three pension trust funds, which consist of the General Employees', Police Officers', and Firefighters' Retirement Trust.

The Fiduciary Fund Financial Statements can be found on pages 42 to 43 of this report.

Management's Discussion and Analysis – (Continued)

Notes to the Financial Statements

The notes to the 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 present information about the City's significant accounting policies, account balances and activities, material risks, obligations, commitments, contingencies and subsequent events, if any.

The Notes to the Financial Statements can be found on pages 44 to 79 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's budgetary compliance and the City's progress in funding its obligation to provide pension benefits to its employees.

Required Supplementary Information can be found on pages 80 to 87 of this report.

The combining statements referred to earlier in connection with non-major governmental and proprietary funds and internal service funds are presented immediately following the required supplementary information.

Combining and Individual Fund Statements can be found on pages 88 to 100 of this report.

Government-wide Financial Analysis of the City as a Whole

Statement of Net Position - As noted previously, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets plus deferred outflows of resources exceed liabilities plus deferred inflows of resources by \$255,370,600 at the close of the most recent fiscal year.

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

**Statement of Net Position
As of September 30,**

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2019	2018	2019	2018	2019	2018
Assets:						
Current Assets	\$ 35,330,888	\$ 23,100,737	\$ 47,924,702	\$ 43,836,899	\$ 83,255,590	\$ 66,937,636
Current Restricted Assets	809,973	783,845	12,161,270	11,926,844	12,971,243	12,710,689
Capital Assets, Net	69,441,615	68,924,756	133,199,673	125,348,283	202,641,288	194,273,039
Total Assets	<u>\$ 105,582,476</u>	<u>\$ 92,809,338</u>	<u>\$ 193,285,645</u>	<u>\$ 181,112,026</u>	<u>\$ 298,868,121</u>	<u>\$ 273,921,364</u>
Deferred Outflows of Resources	<u>\$ 3,561,935</u>	<u>\$ 3,719,325</u>	<u>\$ 69,762</u>	<u>\$ 79,200</u>	<u>\$ 3,631,697</u>	<u>\$ 3,798,525</u>
Liabilities:						
Current Liabilities	\$ 3,478,814	\$ 2,640,949	\$ 3,117,995	\$ 3,475,377	\$ 6,596,809	\$ 6,116,326
Non Current Liabilities	35,658,659	27,801,780	2,878,045	3,067,956	38,536,704	30,869,736
Total Liabilities	<u>\$ 39,137,473</u>	<u>\$ 30,442,729</u>	<u>\$ 5,996,040</u>	<u>\$ 6,543,333</u>	<u>\$ 45,133,513</u>	<u>\$ 36,986,062</u>
Deferred Inflows of Resources	<u>\$ 1,617,170</u>	<u>\$ 1,135,859</u>	<u>\$ 378,535</u>	<u>\$ 279,753</u>	<u>\$ 1,995,705</u>	<u>\$ 1,415,612</u>
Net Assets:						
Invested in Capital Assets	\$ 55,509,924	\$ 59,373,684	\$ 133,199,673	\$ 125,348,283	\$ 188,709,597	\$ 184,721,967
Restricted	4,994,377	6,201,219	12161,270	11,226,462	17,155,647	17,427,681
Unrestricted	7,885,467	(624,828)	41,619,889	37,793,395	49,505,356	37,168,567
Total Net Position	<u>\$ 68,389,768</u>	<u>\$ 64,950,075</u>	<u>\$ 186,980,832</u>	<u>\$ 174,368,140</u>	<u>\$ 255,370,600</u>	<u>\$ 239,318,215</u>

Management's Discussion and Analysis – (Continued)

By far the largest portion of the City's net position is \$188,709,597 (73.90%) which reflects its investment in capital assets (e.g., land, buildings, infrastructure, equipment), less any related debt used to acquire those assets that are still outstanding. The City uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position, \$17,155,647 (6.72%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position \$49,505,356 (19.38%) may be used to meet the government's ongoing obligations to citizens and creditors.

The City's overall net position increased \$16,052,385 from the prior fiscal year's balance. The reasons for this overall increase are discussed in the following sections for governmental activities and business-type activities.

Statement of Activities - While the Statement of Net Position shows a snapshot of the City's financial position at the end of the fiscal year, the Statement of Activities provides answers as to the nature and sources of those changes.

The following schedule compares the revenues and expenses for the current and previous fiscal year:

Change in Net Position As of September 30,						
	Governmental Activities		Business-Type Activities		Total Primary Government	
	2019	2018	2019	2018	2019	2018
REVENUES						
Program Revenues:						
Charges for Services	\$ 1,528,237	\$ 1,356,362	\$ 31,099,847	\$ 30,861,092	\$ 32,628,084	\$ 32,217,454
Operating Grants & Contributions	1,177,384	2,512,611	-	-	1,177,384	2,512,611
Capital Grants & Contributions	1,709,812	2,195,510	6,691,118	7,483,770	8,400,930	9,679,280
General Revenues:						
Property Taxes	12,154,023	11,535,511	-	-	12,154,023	11,535,511
Sales & Use Taxes	1,913,605	1,856,486	-	-	1,913,605	1,856,486
Franchise Taxes	3,365,033	3,149,547	-	-	3,365,033	3,149,547
Public Service Taxes	5,181,391	4,921,111	-	-	5,181,391	4,921,111
Intergovernmental Revenues	1,877,081	1,762,615	-	-	1,877,081	1,762,615
Investment Earnings	482,358	123,471	1,298,843	172,826	1,781,201	296,297
Miscellaneous Revenues	269,847	488,417	228,651	281,429	498,498	769,846
Total Revenues	29,658,771	29,901,641	39,318,459	38,799,117	68,977,230	68,700,758
EXPENSES						
General Government	4,643,641	5,111,275	-	-	4,643,641	5,111,275
Community Development	1,193,010	1,148,074	-	-	1,193,010	1,148,074
Public Safety	14,673,283	13,778,762	-	-	14,673,283	13,778,762
Public Works	4,205,124	4,199,861	-	-	4,205,124	4,199,861
Parks and Recreation	3,749,298	3,541,819	-	-	3,749,298	3,541,819
Community Redevelopment	498,518	485,934	-	-	498,518	485,934
Interest on Long-term Debt	370,179	336,113	-	-	370,179	336,113
Water and Sewer	-	-	15,061,368	14,326,231	15,061,368	14,326,231
Municipal Airport	-	-	1,884,546	1,868,607	1,884,546	1,868,607
Refuse Collection	-	-	3,756,562	3,701,927	3,756,562	3,701,927
Stormwater	-	-	1,314,260	1,277,090	1,314,260	1,277,090
Permits and Inspections	-	-	1,575,056	1,272,970	1,575,056	1,272,970
Total Expenses	29,333,053	28,601,838	23,617,393	22,446,825	52,924,845	51,048,663
Excess (Deficiency) Before Transfers	325,718	1,299,803	15,726,667	16,352,292	16,052,385	17,652,095
Transfers	3,113,975	2,296,994	(3,113,975)	(2,296,994)	-	-
Change in Net Position	3,439,693	3,596,797	12,612,692	14,055,298	16,052,385	17,652,095
NET POSITION						
Net Position – Beginning	64,950,075	62,136,430	174,368,140	160,865,321	239,318,215	223,001,751
Adjustment to Beginning Net Position	-	(783,152)	-	(552,479)	-	(1,335,631)
Net Position – Beginning, As Restated	64,950,075	61,353,278	174,368,140	160,312,842	239,318,215	221,666,120
Net Position – Ending	\$ 68,389,768	\$ 64,950,075	\$ 186,980,832	\$ 174,368,140	\$ 255,370,600	\$ 239,318,215

Management's Discussion and Analysis – (Continued)

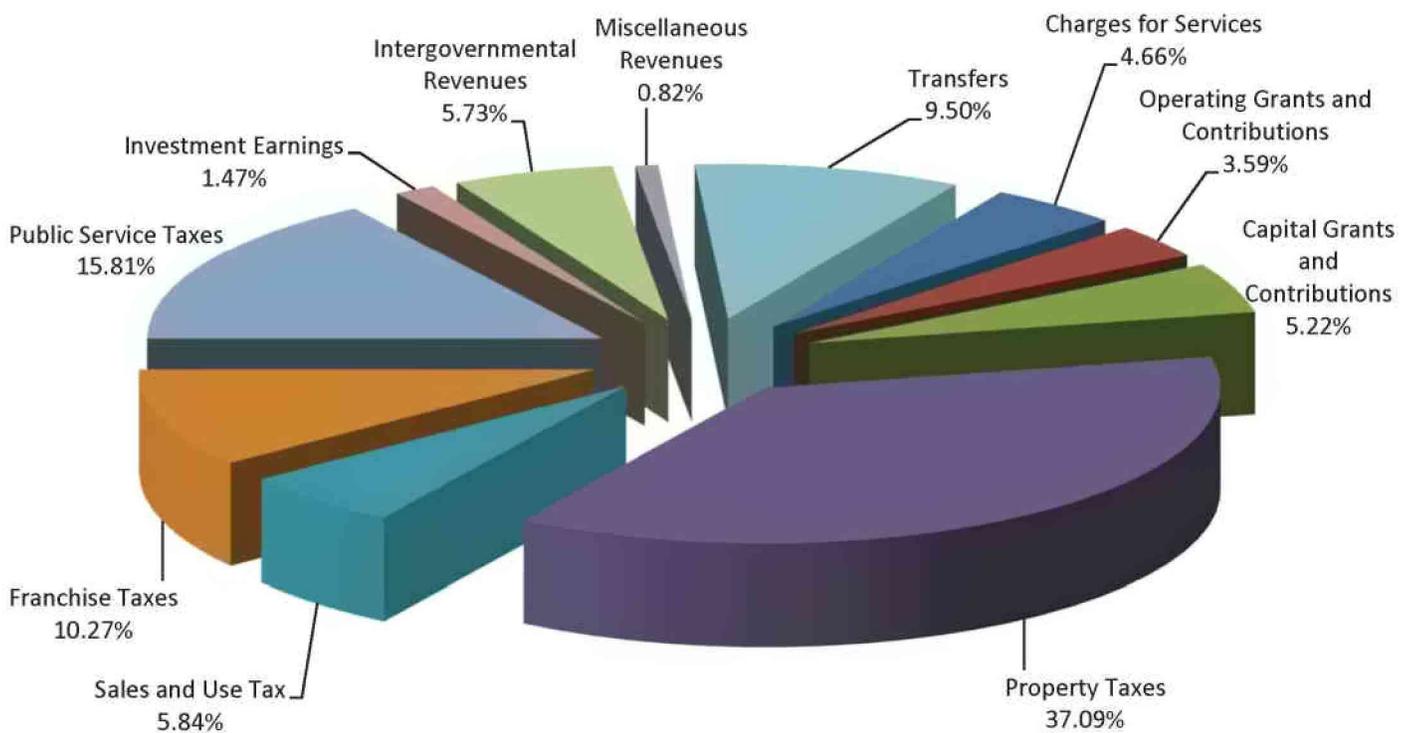
The City's combined overall net position increased \$16,052,385 in the current fiscal year. Revenues increased from the prior fiscal year by \$276,472 (0.40%) and expenses increased by \$1,876,182 (3.68%).

Governmental Activities - Governmental activities increased the City's net position by \$3,439,693, accounting for 21.43% of the total growth in the net position of the City.

Net position of the City's governmental activities totaled \$68,389,768 at the end of the fiscal year. Of this amount, approximately 88.47% is either restricted as to the purposes they can be used for or is invested in capital assets (land, buildings and equipment). Consequently, unrestricted net position, the part of net position that can be used to finance day-to-day operations without constraint established by debt covenants, enabling legislation, or other legal requirements, totaled \$7,885,467 at the end of the current fiscal year. Net pension liability of \$11,720,761 is the most significant liability (claim) against governmental unrestricted net position.

The following is a summary of the City's Revenues by Source – Governmental Activities:

Revenues by Source – Governmental Activities

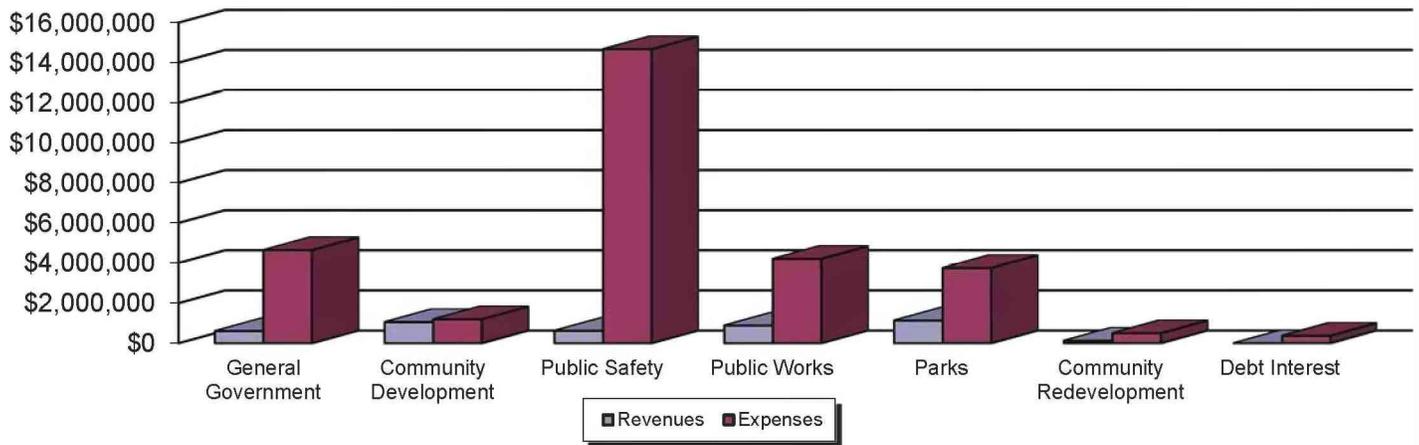


Governmental activities revenues decreased by \$242,870 (or -0.81%) compared to the prior fiscal year. Charges for services increased \$171,875 (or 12.67%) mainly due to increases in planning services and facility rentals. Operating grants and contributions decreased by \$1,335,227 (or -53.14%) mainly due to FEMA reimbursements for Hurricane Irma in the prior year. Capital grants and contributions decreased by \$485,698 (or -22.12%) mainly due to a gain recorded in the prior fiscal year on a swap of property with Volusia County. Property taxes increased \$618,512 (or 5.36%) as the property tax values increased \$132,105,662 or 8.27% in the current fiscal year and included \$72,081,765 in new construction. The combined millage rate of 7.1194 (6.8841 – Operating, 0.2353 – Debt) represented 0.0419 mills increase from the prior fiscal year.

Management's Discussion and Analysis – (Continued)

The following is a summary of the City's Program Expenses and Revenues – Governmental Activities:

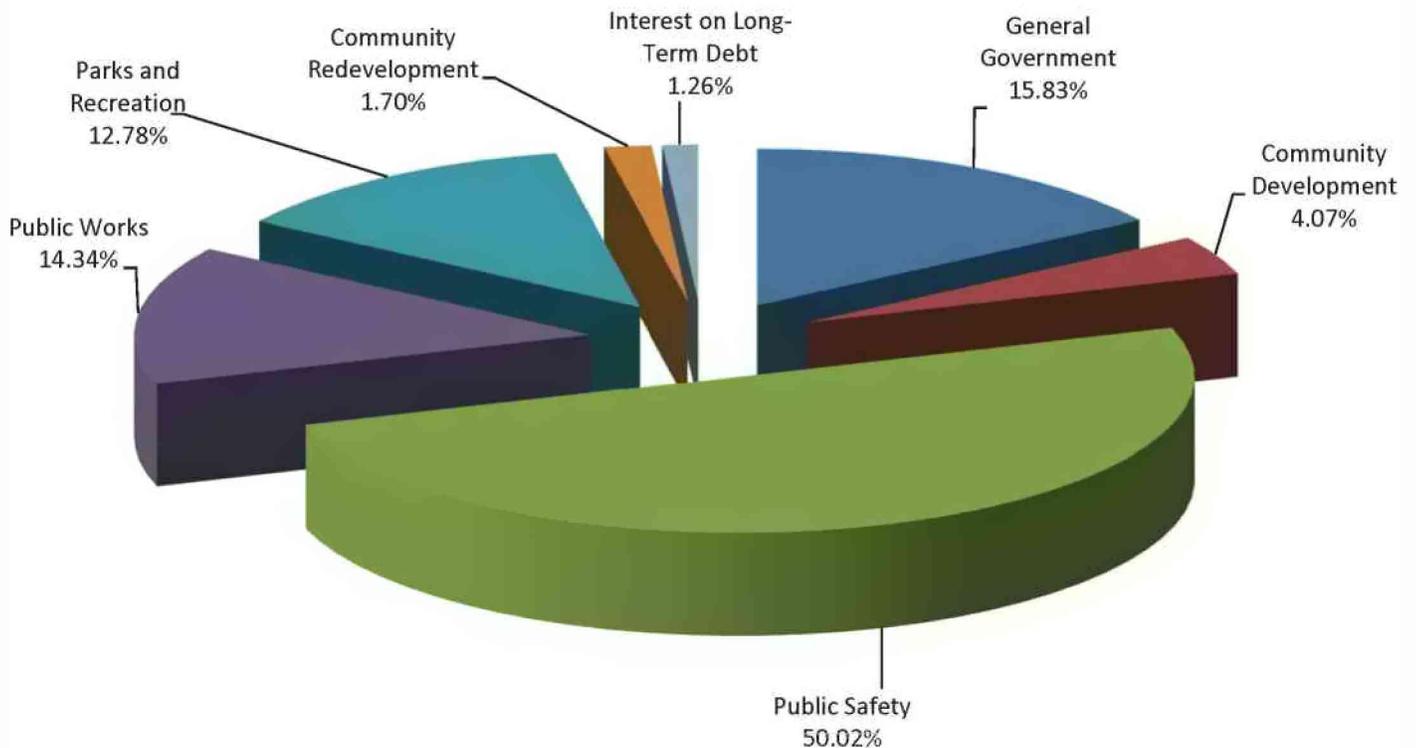
Expenses and Program Revenues – Governmental Activities



An individual comparison of the City's functional program revenues and costs of providing governmental-type program services to its citizens is useful in identifying the programs, and the extent of which each are dependent on taxes and other non-exchange revenues to subsidize their program operations.

The following is a summary of the City's Expenses by Function – Governmental Activities:

Expenses by Function – Governmental Activities



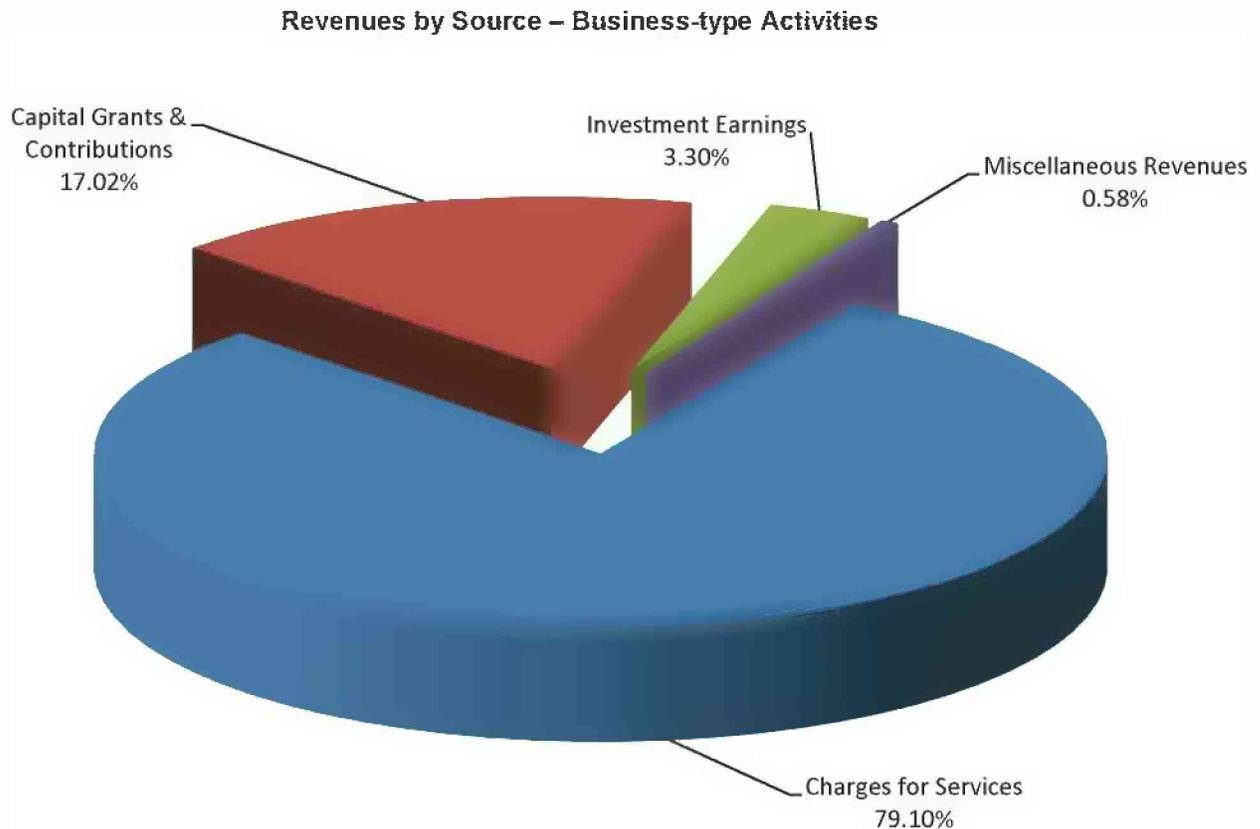
Management's Discussion and Analysis – (Continued)

Governmental activities expenses increased by \$731,215 (or 2.56%) compared to the prior fiscal year. General government decreased \$467,634 (or -9.15%) mainly due to expenses associated with Hurricane Irma in the prior fiscal year. Community development increased \$44,936 (or 3.91%) mainly due to increases in brownfield redevelopment. Public safety increased \$894,521 (or 6.49%) mainly due to increases in personnel costs, including a 3% merit increase and four new police officers, retirement contributions, workers compensation, and operating supplies. Parks and recreation increased \$207,479 (or 5.86%) due to a 3% merit increase and additional costs for health insurance and utilities. Interest on long-term debt increased \$34,066 (or 10.14%) due to the issuance of new debt during the current and prior fiscal year.

Business-type Activities – Business-type activities increased the City's net position by \$12,612,692, accounting for 78.57% of the total growth in the net position of the City.

Net position of the City's business-type activities totaled \$186,980,832 at the end of the fiscal year. Of this amount, approximately 77.74% is either restricted as to the purposes they can be used for or is invested in capital assets (land, buildings and equipment). Consequently, unrestricted net position, the part of net position that can be used to finance day-to-day operations without constraint established by debt covenants, enabling legislation, or other legal requirements, totaled \$41,619,889 or 22.26% at the end of the fiscal year.

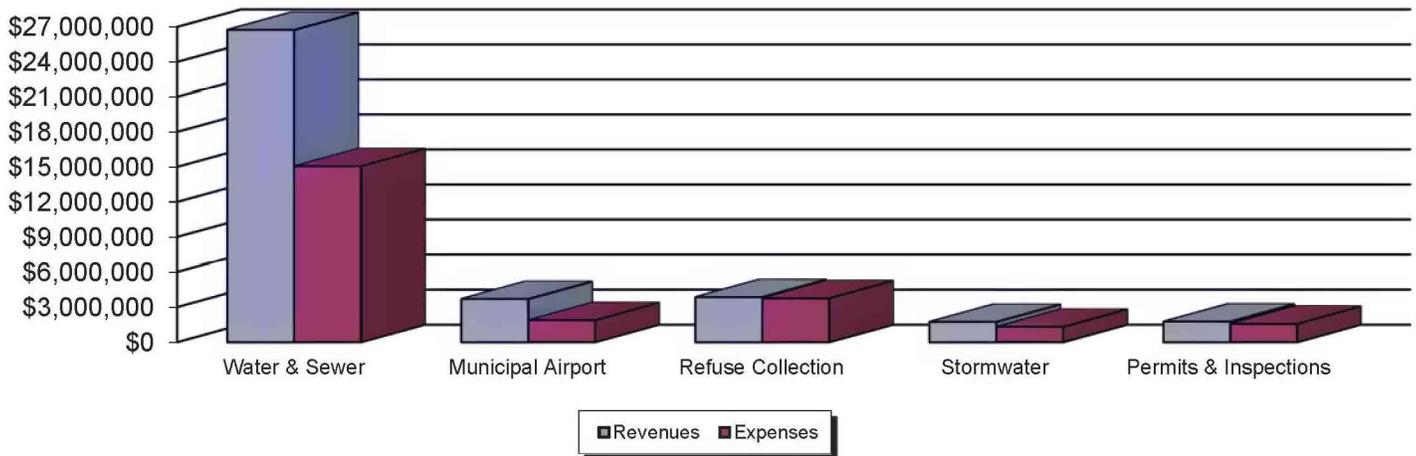
The following is a summary of the City's Revenues by Source – Business-type Activities:



Business-type activity revenues increased \$519,342 (or 1.34%) compared to the prior fiscal year. Charges for services increased \$238,755 (or 0.77%) primarily due to increases in water and sewer service revenues. Water and sewer service revenues increased \$386,117 (or 1.77%) over the prior year mainly due to a 4.50% increase to the water rates in the current year. Refuse collection fees increased \$52,967 (or 1.39%) and stormwater fees increased \$68,117 (or 4.08%) mainly due to continued growth in the City. Permits and inspections fees decreased \$306,998 (or -14.84%) due to planning fees were correctly recorded in the General Fund in the current year. Capital grants and contributions decreased \$792,652 (or -10.59%) due to decreases in water and sewer impact fees collected.

The following is a summary of the City's Expenses and Program Revenues – Business-type Activities:

Expenses and Program Revenues – Business-type Activities



A comparison of the City’s functional program revenues and costs of providing business-type services to its customers is useful in identifying the capabilities of producing revenues sufficient to operate their programs.

Operating expenses of the business-type activities increased to \$23,591,792 as compared to \$22,446,825 the prior fiscal year. This increase is mainly due to increases in Water and Sewer expenses and Permits and Inspections expenses.

Water and Sewer expenses increased \$735,137 (or 5.13%) partly due to an increase in personnel costs related to the 3% merit increase, promotions and additions to staffing, including one maintenance worker, one backflow technician, one utility locator, one utility maintenance repair worker and one part-time administrative assistant during the current year. Increases also occurred in contractual services, utilities, insurance, general government charges and depreciation.

Refuse Collections expenses increased by \$54,635 (or 1.48%) due to an increase in contractual services.

Stormwater expenses increased by \$37,170 (or 2.91%) due to increase in contractual services and depreciation.

Permits and Inspections expenses increased by \$302,086 (or 23.73%) partly due to an increase in personnel costs, related to the 3% merit increase, reorganization, promotions and additions to staffing, including one plans examiner and one building inspector. Increases also incurred in general government charges and depreciation.

Financial Analysis of the City’s Funds

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

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

As the City completed the current fiscal year, its eight (8) governmental funds reported a combined fund balance of \$31,414,971, which was \$11,545,306 more than the \$19,869,665 reported last fiscal year. The increase is primarily due to higher than budgeted revenues and lower than budgeted expenditures in the General Fund, which is explained in more detail later in the report. Approximately 19.18% of total fund balance, or \$6,025,159, constitutes unassigned fund balance, which is available for spending at the City’s discretion. The remainder of fund balance (\$25,389,812 or 80.82%) consists of:

- \$2,361,663 or 7.52% is nonspendable relating to inventories, prepaid items and advances to other funds.

Management's Discussion and Analysis – (Continued)

- \$11,997,577 or 38.19% is restricted by enabling legislation or other legal requirements imposed by outside sources.
- \$291,786 or 0.93% is committed by formal action of the City Commission for community development.
- \$10,738,786 or 34.18% is assigned for public works, capital improvements, hurricane reserves and appropriations.

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, the unassigned fund balance in the General Fund totaled \$6,025,159 while total fund balance reached \$20,289,538. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance of the General Fund represents approximately 21.30% of total General Fund expenditures (excluding transfers, capital and other financing uses) of \$28,290,995, while total fund balance of the General Fund represents 71.72% of that same amount.

Total fund balance in the General Fund increased by \$3,339,292 during the current fiscal year. Individually, nonspendable fund balance increased by \$296,729 primarily as a result of increases in advances to other funds. Restricted fund balance decreased by \$409,656 mainly due to funds restricted for debt service. Committed fund balance decreased by \$391,054 which are committed to community development. Assigned fund balance increased by \$3,599,717 and is mostly attributable to appropriations for capital improvements and for the City's subsequent year budget. Unassigned fund balance increased by \$243,556.

The millage rate assessed by the City of DeLand for the fiscal year ended September 30, 2019, was 7.1194 per \$1,000 (6.8841 Operating plus 0.2353 Debt Service), which means that the City has a tax margin of 2.8806 per \$1,000 and could raise up to \$4,983,048 in additional tax revenue per year from the present assessed valuation of \$1,729,864,715 before the limit is reached.

The City Commission has established an operating reserve requirement equal to two months' operating expenses in the General Fund. At September 30, 2019, the required operating reserve equals \$5,172,028 and the fund balance available equals \$5,339,046 resulting in a surplus over the reserve requirements of \$167,018.

The Spring Hill Community Redevelopment Trust Fund is a special revenue fund that reports the financial activities of the Spring Hill Community Redevelopment Area. At September 30, 2019, restricted fund balance of the Spring Hill Redevelopment Trust Fund was \$631,775. The net increase in the restricted fund balance during the current fiscal year was \$302,510 (or 91.87%) and represent funds collected in advance for planned capital improvements. The Fund received \$49,650 in tax increment revenues during the current fiscal year. These funds are legally restricted for use to complete projects identified in the Spring Hill Community Redevelopment Agency Master Plan.

The Downtown Community Redevelopment Trust Fund is a special revenue fund that reports the financial activities of the Downtown Community Redevelopment Area. At September 30, 2019, restricted fund balance of the Downtown Redevelopment Trust Fund was \$765,562. The net increase in the restricted fund balance during the current fiscal year was \$609,207 (or 389.63%) due to funds collected in advance for planned capital improvements. The Fund received \$391,788 in tax increment revenues during the current fiscal year. These funds are legally restricted for use to complete projects identified in the Downtown Community Redevelopment Agency Master Plan.

The Capital Projects Fund is a capital project fund that reports the financial activities for General Fund capital expenses not funded by grants or other types of special revenues. At September 30, 2019, restricted fund balance of the Capital Projects Fund was \$7,003,200. The net increase in the restricted fund balance during the current fiscal year was \$6,089,157 (or 666.18%) due to unspent issuance of long-term debt received for planned capital improvements.

Non-major governmental funds consisting of special revenue funds have a combined fund balance of \$2,724,896. The net increase in combined fund balance during the current fiscal year in non-major governmental funds was \$1,205,140 (or 79.30%).

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

Management's Discussion and Analysis – (Continued)

Total combined net position of all five) proprietary funds at the end of the current fiscal year was \$186,613,786, an increase of \$12,619,332 in comparison with the prior fiscal year. Most of that increase is attributable to the Water and Sewer Fund, with continued investment in capital assets and planned savings for future alternative water supply projects. Approximately 22.11% of this total amount, or \$41,252,843, constitutes unrestricted net position, which is available for spending at the City's discretion. The remainder of net position \$145,360,943 (or 77.89%) consists of:

- \$133,199,673 or 71.38% is non-spendable relating to net investment in capital assets.
- \$12,161,270 or 6.51% is restricted by enabling legislation or other legal requirement imposed by outside sources.

The Water and Sewer Fund reports the financial activities for the City's provided water and wastewater services. At the end of the current fiscal year, unrestricted net position of the Water and Sewer Fund was \$35,690,531, while total net position reached \$139,808,204. The total increase in net position was \$10,793,002 (or 8.37%).

The City Commission has established an operating reserve requirement equal to three months' operating expenses in the Water and Sewer Fund. At September 30, 2019, the required operating reserve equals \$4,108,723 and the net position available equals \$5,728,860 resulting in a surplus of \$1,620,137 above the reserve requirements.

The DeLand Municipal Airport Fund reports the financial activities of the City's airport. Unrestricted net position of the DeLand Municipal Airport at the end of the year amounted to (\$633,313), while total net position was \$34,056,554. The total increase in net position was \$1,815,192 (or 5.63%).

The Refuse Collection Fund reports the financial activities of City's refuse collection services. Unrestricted net position, as well as the total net position, of the Refuse Collection Fund at the end of the year amounted to \$22,328. The total increase in net position was \$645 (or 2.97%).

Non-Major proprietary funds consisting of Stormwater Fund and Permits and Inspections Fund have a combined unrestricted net position of \$6,173,297 and combined total net position of \$12,726,700. The net increase in the combined net position during the current fiscal year in non-major proprietary funds was \$10,493 (or 0.08%).

General Fund Budgetary Highlights

The City Commission periodically revises the budget throughout the year to recognize projects carried over from the previous year, grant awards received during the year and to adjust budgets to reflect actual circumstances. Normally budget amendments are presented quarterly to the City Commission and are typically minor in nature. Overall budgetary control is achieved through continuous review by the Finance Director.

The City Charter provides for transfers by the City Manager of up to 5% of a division's budget from one division to another during the year. While the Charter provision does not require approval of the City Commission, only notification at the end of the fiscal year, it is the City's practice that all budget amendments be approved by the City Commission with the exception of any additional budget transfers that may need to be made at the end of the fiscal year to reconcile with actual experience. Notification of that transfer is made to the City Commission at that time.

The difference between the original and final amended General Fund budget for revenues (including issuance of long-term debt and transfers in) was an increase of \$1,774,945 (or 5.91%), while the difference between the original and final General Fund amended budget for expenditures (including transfers out) was an increase of \$1,413,842 (or 4.55%). Significant variances between the original budget and final amended budget are summarized as follows:

Revenues:

- \$168,154 Taxes – Increase in anticipated delinquent ad valorem taxes (\$95,968) and Casualty Insurance Premium Taxes (\$72,186) collected.
- \$49,266 Intergovernmental – Increase in anticipated FEMA reimbursements associated with Hurricane Michael (\$49,266).
- (\$174,164) Charges for general government services – Decrease in charges to the Water and Sewer Fund (\$30,210), the Stormwater Fund (\$66,832) and the Permits and Inspections Fund (\$77,122).
- \$875,000 Issuance of long-term debt – Increase in debt proceeds received.

Management's Discussion and Analysis – (Continued)

- \$819,518 Transfers in – Increase in transfers in from the Water and Sewer Fund (\$10,000), the DeLand Municipal Airport Fund (\$225,850), the Stormwater Fund (\$9,205) and the Permits and Inspections Fund (\$573,491).
- Expenditures:
- \$108,219 City Attorney – Increase in additional professional services for legal services.
 - \$349,030 City Hall – Increase in costs associated with Hurricane Dorian (\$80,073), utilities (\$22,361), emergency operations center improvements (\$26,943) and debt service (\$230,294).
 - \$157,934 Information Technology – Increase in additional professional services for database conversion to SQL (\$44,175), equipment maintenance (\$67,714) and operating capital for additional computer rotation (\$32,112).
 - \$51,287 Human Resources – Increase in additional regular salaries for temporary over hire employee (\$24,580) and professional services for new Fire Chief search (\$17,360).
 - \$185,625 Fire – Increase in additional overtime (\$49,266), retirement contributions (\$60,054), workers' compensation (\$19,033), professional services for an EMS study (40,000) and operating capital for portable radios and bunker gear (\$44,329) and a decrease in debt service payments (\$60,054).
 - \$81,046 Police Administration – Increase in additional utilities (\$27,700), air conditioning maintenance (\$64,051) and a decrease in debt service payments (\$27,700).
 - \$162,310 Police Support – Increase in additional overtime (\$70,715) and retirement contributions (\$72,186).
 - \$75,734 Parks – Increase in additional utilities (\$18,405), building maintenance (\$12,114) and insurance deductibles (\$26,990).
 - \$51,423 Chisholm Center – Increase in additional other salaries (\$14,010) and utilities (\$30,640).
 - (\$686,617) Contingency – Decrease for departmental cost overruns.
 - \$719,368 Transfers out – Increase in additional transfers to the Capital Projects Fund for various ongoing projects.

The actual net change in fund balance in the General Fund was \$3,339,292 during the current fiscal year, while the City had budgeted use of fund balance of \$670,993. Actual General Fund revenues in the current year were \$959,845 greater than budgeted, while actual General Fund expenditures were \$3,050,440 less than budgeted. General Fund revenues realized represented 103.95% of revenues budgeted exclusive of those revenues considered non-revenues. General Fund expenditures represented 92.29% of appropriated funds. Expenditures by category as a percent of appropriated funds in that category were personnel 97%, operating 89%, debt service 74%, grants & aids 27%, and contingency 0%. Significant variances between the final budget and actual amounts are summarized as follows:

Revenues:

- \$257,799 Taxes – The variance reflects additional delinquent ad valorem taxes and electric service taxes received above budgeted amounts.
- \$79,683 Intergovernmental – The variance reflects additional FEMA reimbursements, High Intensity Drug Traffic Area grant reimbursements, state sales tax and state revenue sharing above budgeted amounts.
- \$272,372 Charges for Services – The variance reflects additional tree replacement, planning services, fire plans review, false alarms and facility rentals above budgeted amounts.
- \$356,005 Interest Revenues – The variance reflects additional investments returns above budgeted amounts.
- \$136,778 Miscellaneous – The variance reflects additional revenue from lien search and code enforcement lien charges, insurance reimbursements and sales of surplus equipment above budgeted amounts.
- (\$135,808) Transfers in – The variance mainly reflects transfers from the DeLand Municipal Airport Fund reclassified as advance repayments for financial statement purposes.

Expenditures:

- \$317,274 Information Technology – The variance reflects savings associated with professional services, contractual services, equipment maintenance and operating capital.
- \$32,088 Human Resources – The variance reflects savings associated with vacant positions, professional services and training.
- \$109,060 Planning and Zoning – The variance reflects savings associated with professional services.
- \$52,841 Licenses and Code Enforcement – The variance reflects savings associated with vacant positions and professional services.
- \$460,750 Fire – The variance reflects savings associated with vacant positions, special pay and professional services, as well as savings associated with debt service payments, as the new debt was not received until the end of the current fiscal year, thus delaying the required repayments.

Management's Discussion and Analysis – (Continued)

- \$97,373 Police Administration – The variance reflects savings associated with debt service payments, as the new debt was not received until the end of the current year, thus delaying the required repayments.
- \$52,253 Police Support – The variance reflects savings associated with retirement contributions.
- \$229,206 Police Operations – The variance reflects savings associated with vacant positions.
- \$126,811 Streets – The variance reflects savings associated with vacant positions, professional services and utilities.
- \$77,996 Trees – The variance reflects savings associated with vacant positions, contractual services and operating supplies.
- \$31,868 Urban Beautification – The variance reflects savings associated with vacant positions.
- \$37,874 Special Events – The variance reflects savings associated with vacant positions, as well as savings associated with professional and contractual services.
- \$435,715 Contingency – The variance reflects savings associated with unspent contingency funds.
- \$687,715 Transfers out – The variance reflects savings associated with transfers to the Capital Projects Fund.

Capital Assets and Debt Administration

Capital Assets - The City's investment in capital assets, net of related depreciation, for its governmental and business-type activities as of September 30, 2019, amounts to \$202,641,288. This investment in capital assets includes land, buildings, improvements (includes infrastructure), equipment and construction in progress.

The total change in the City's capital assets, net of depreciation, for the current fiscal year was an increase of \$516,859 (or 0.75%) for governmental activities and an increase of \$7,851,390 (or 6.26%) for business-type activities.

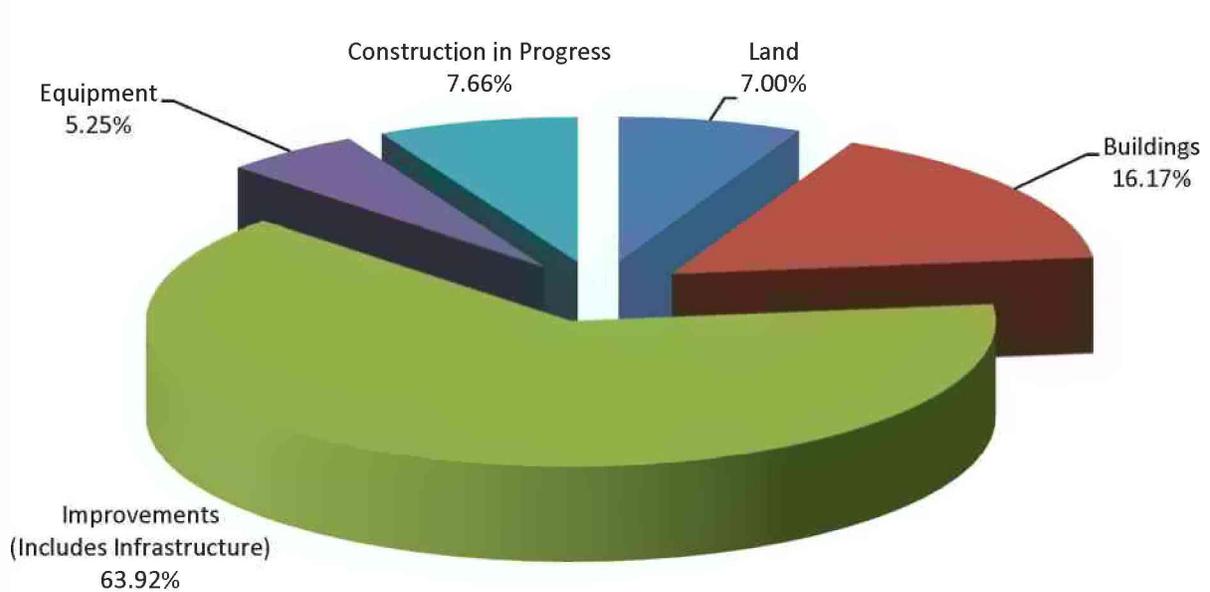
- Governmental type activities include the capital projects related to the following: Recreational Facilities (\$135,290), Technology (\$185,091), Streetscape (\$514,791), Vehicle and Equipment Renewal and Replacement (\$1,988,286) and Buildings (\$704,277).
- Business-type activities include the capital projects related to the following: Buildings (\$785,581), Water and Wastewater System Improvements (\$4,692,967), Vehicle and Equipment Renewal and Replacement (\$3,086,072), Airport Improvements (\$3,267,285), Stormwater Improvements (\$179,233) and Permits and Inspections Improvements (\$165,075).

This investment in capital assets, net of depreciation, for all activities is reflected at September 30, 2019 as follows:

Capital Assets (Net of Depreciation) As of September 30,

	Governmental Activities		Business-Type Activities		Total Primary Government	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Land	\$ 7,905,020	\$ 7,905,020	\$ 6,270,662	\$ 6,270,662	\$ 14,175,682	\$ 14,175,682
Buildings	25,520,279	26,168,925	7,245,443	3,902,359	32,765,722	30,071,284
Improvements (includes infrastructure)	30,135,528	31,195,150	99,406,787	99,645,935	129,542,315	130,841,085
Equipment	4,024,926	2,867,498	6,616,626	6,393,206	10,641,552	9,260,704
Construction in Progress	1,855,862	788,163	13,660,155	9,136,121	15,516,017	9,924,284
Total	<u>\$ 69,441,615</u>	<u>\$ 68,924,756</u>	<u>\$ 133,199,673</u>	<u>\$ 125,348,283</u>	<u>\$ 202,641,288</u>	<u>\$ 194,273,039</u>

Capital Assets



Additional information on the City's capital assets can be found in Note 6 to the financial statements. (See pages 61 to 62.)

Long-Term Debt - At fiscal year end, the City had \$20,934,891 in debt outstanding compared to \$12,465,115 the previous fiscal year as shown in the table below:

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2019	2018	2019	2018	2019	2018
General Obligation Bonds	\$ -	\$ 385,377	\$ -	\$ -	\$ -	\$ 385,377
Revenues Bonds / Notes	20,934,891	12,079,738	-	-	20,934,891	12,079,738
Total	\$ 20,934,891	\$ 12,465,115	\$ -	\$ -	\$ 20,934,891	\$ 12,465,115

Governmental activities debt increased \$8,469,776 due to the issuance of long-term debt in the amount of \$9,970,000 and scheduled principal retirements in the amount of \$1,500,224 during the current fiscal year. Of the outstanding debt, none is backed by the full faith and credit of the City while the entire balance is secured by various revenue sources or covenants.

More detailed information about the City's lease and long-term debt is presented in Note 8 to the financial statements. (See pages 63 to 64.)

ECONOMIC FACTORS AND NEXT YEAR’S BUDGETS AND RATES

Many factors are considered each year by the City Commission in its efforts to establish an operating budget, to evaluate its personnel needs, and to develop uniform user fees that are fair, reasonable, and adequately recover costs. Some of the major factors considered in this process are the local economy, labor force, unemployment rates, and inflation rates.

- Recent estimates available for unemployment data in DeLand, Volusia County, and the State of Florida are compiled by the Florida Department of Economic Opportunity. Their estimated unemployment rates are as follows:

	DeLand	Volusia County	State of Florida
September 2019	3.7%	3.2%	3.0%
September 2018	3.3%	3.1%	3.1%
Increase/(Decrease)	0.4%	0.1%	(0.1%)

Management's Discussion and Analysis – (Continued)

- Inflationary trends for Volusia County compare favorably with those trends experienced at the state and national levels.
- The economy is showing continued signs of improvement, as revenues appear to be stabilizing and increasing in some areas, and are expected to improve over the long run.
- The City's taxable value of commercial and residential property increased by 11.51% (or \$199,085,718) in the 2020 fiscal year compared to an increase of 8.27% for the 2019 fiscal year. The increased taxable value included \$98,826,373 in annexations and new construction.

All of these factors were considered in preparing the City's budget for the 2020 fiscal year.

Based on the taxable valuation noted above, the City Commission adopted a millage rate of 6.7841 for fiscal year 2020, which was 0.2642 mills (or 4.05%) more than the roll back rate of 6.5199. The City Commission did not adopt a debt service millage for fiscal year 2020 as the general obligation bonds were paid off during fiscal year 2019. The millage rate of 6.7841 represented a decrease of 0.3353 mills from the prior fiscal year combined millage of 7.1194 (6.8841 operating and 0.2353 debt service).

The water rates increased during the fiscal year 2020 by 4.50%. A rate study was performed during fiscal year 2017 to determine the necessary water and sewer rate adjustments, needed over the next four years, in order to fund future capital projects, including alternative water supply projects. Beginning in FY 2018, water rates will increase 4.50% annually through fiscal year 2021, while sewer rates will remain unchanged.

REQUEST FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, customers and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. Questions concerning any of the information provided in this report, or requests for additional information, should be addressed to the Finance Director, City of DeLand, Florida, 120 S. Florida Avenue, DeLand, FL 32720.

**CITY OF DELAND, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2019**

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
ASSETS			
Equity in pooled cash and cash equivalents	\$ 22,475,232	\$ 22,952,830	\$ 45,428,062
Investments	8,284,828	21,880,938	30,165,766
Receivables, net	1,162,876	2,550,311	3,713,187
Internal balances	1,925,930	(1,925,930)	-
Due from other governments	1,358,387	1,653,240	3,011,627
Inventories	33,634	1,146	34,780
Prepays	35,053	10,932	45,985
Liens receivable	54,948	801,235	856,183
Restricted assets:			
Equity in pooled cash	9,958	7,242,804	7,252,762
Investments	800,015	4,918,466	5,718,481
Capital assets:			
Land	7,905,020	6,270,662	14,175,682
Construction in progress	1,855,862	13,660,155	15,516,017
Buildings	38,254,519	16,377,783	54,632,302
Infrastructure (other than buildings)	55,408,849	137,895,824	193,304,673
Equipment	13,279,926	19,357,666	32,637,592
Accumulated depreciation	(47,262,561)	(60,362,417)	(107,624,978)
Total assets	<u>\$ 105,582,476</u>	<u>\$ 193,285,645</u>	<u>\$ 298,868,121</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pensions	\$ 3,423,370	\$ -	\$ 3,423,370
Deferred outflows related to OPEB	138,565	69,762	208,327
Total deferred outflows of resources	<u>\$ 3,561,935</u>	<u>\$ 69,762</u>	<u>\$ 3,631,697</u>
LIABILITIES			
Accounts payable and accrued liabilities	\$ 2,201,427	\$ 2,373,260	\$ 4,574,687
Customer deposits	121,150	738,416	859,566
Unearned revenue	297,260	6,319	303,579
Accrued interest payable	136,977	-	136,977
Estimated claims payable	722,000	-	722,000
Noncurrent liabilities:			
Due within one year:			
Notes payable	1,551,717	-	1,551,717
Compensated absences	255,339	254,722	510,061
Due in more than one year:			
Notes payable	19,383,174	-	19,383,174
Compensated absences	1,594,980	462,499	2,057,479
Net pension liability	11,720,761	1,580,502	13,301,263
Total OPEB liability	1,152,688	580,322	1,733,010
Total liabilities	<u>\$ 39,137,473</u>	<u>\$ 5,996,040</u>	<u>\$ 45,133,513</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pensions	\$ 1,514,521	\$ 326,855	\$ 1,841,376
Deferred inflows related to OPEB	102,649	51,680	154,329
Total deferred inflows of resources	<u>\$ 1,617,170</u>	<u>\$ 378,535</u>	<u>\$ 1,995,705</u>
NET POSITION			
Net investment in capital assets	\$ 55,509,924	\$ 133,199,673	\$ 188,709,597
Restricted for:			
Capital improvements	842,149	12,020,602	12,862,751
Other post-employment benefits	800,015	-	800,015
Public safety	60,285	-	60,285
Community redevelopment	1,397,337	-	1,397,337
Transportation	270,391	-	270,391
Parks and recreation	1,229,049	-	1,229,049
Homelessness	395,151	-	395,151
Other purposes	-	140,668	140,668
Unrestricted	7,885,467	41,619,889	49,505,356
Total net position	<u>\$ 68,389,768</u>	<u>\$ 186,980,832</u>	<u>\$ 255,370,600</u>

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

**CITY OF DELAND, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2019**

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities:							
General government	\$ 4,643,641	\$ 244,790	\$ 153,593	\$ 205,667	\$ (4,039,591)	\$ -	\$ (4,039,591)
Community development	1,193,010	332,493	4,670	716,974	(138,873)	-	(138,873)
Public safety	14,673,283	283,187	240,945	98,025	(14,051,126)	-	(14,051,126)
Public works	4,205,124	103,757	778,176	-	(3,323,191)	-	(3,323,191)
Parks and recreation	3,749,298	442,062	-	689,146	(2,618,090)	-	(2,618,090)
Community redevelopment	498,518	121,948	-	-	(376,570)	-	(376,570)
Interest on long-term debt	370,179	-	-	-	(370,179)	-	(370,179)
Total governmental activities	<u>29,333,053</u>	<u>1,528,237</u>	<u>1,177,384</u>	<u>1,709,812</u>	<u>(24,917,620)</u>	<u>-</u>	<u>(24,917,620)</u>
Business-type activities:							
Water and sewer	15,061,368	22,153,910	-	4,587,982	-	11,680,524	11,680,524
DeLand Municipal Airport	1,884,546	1,590,383	-	2,103,136	-	1,808,973	1,808,973
Refuse collection	3,756,562	3,857,280	-	-	-	100,718	100,718
Stormwater	1,314,260	1,737,025	-	-	-	422,765	422,765
Permits and inspections	1,575,056	1,761,249	-	-	-	186,193	186,193
Total business-type activities	<u>23,591,792</u>	<u>31,099,847</u>	<u>-</u>	<u>6,691,118</u>	<u>-</u>	<u>14,199,173</u>	<u>14,199,173</u>
Total primary government	<u>\$ 52,924,845</u>	<u>\$ 32,628,084</u>	<u>\$ 1,177,384</u>	<u>\$ 8,400,930</u>	<u>(24,917,620)</u>	<u>14,199,173</u>	<u>(10,718,447)</u>
General revenues:							
Property taxes					12,154,023	-	12,154,023
Sales and use taxes					1,913,605	-	1,913,605
Franchise taxes					3,365,033	-	3,365,033
Public service taxes					5,181,391	-	5,181,391
Casualty and fire insurance premium taxes					462,045	-	462,045
State revenue sharing					1,207,781	-	1,207,781
Other intergovernmental revenues					207,255	-	207,255
Investment earnings					482,358	1,298,843	1,781,201
Miscellaneous revenues					269,847	228,651	498,498
Transfers					3,113,975	(3,113,975)	-
Total general revenues and transfers					<u>28,357,313</u>	<u>(1,586,481)</u>	<u>26,770,832</u>
Change in net position					3,439,693	12,612,692	16,052,385
Net position - beginning					64,950,075	174,368,140	239,318,215
Net position - ending					<u>\$ 68,389,768</u>	<u>\$ 186,980,832</u>	<u>\$ 255,370,600</u>

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

**CITY OF DELAND, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2019**

	General	Spring Hill CRA	Downtown CRA	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS						
Cash and cash equivalents	\$ 9,476,797	\$ 594,132	\$ 770,616	\$ 7,442,779	\$ 2,755,033	\$ 21,039,357
Investments	7,960,295	-	-	-	-	7,960,295
Receivables, net	1,151,234	-	6,342	-	-	1,157,576
Liens receivable	54,948	-	-	-	-	54,948
Due from other governments	1,027,521	140,314	-	-	190,552	1,358,387
Advances to other funds	2,292,976	-	-	-	-	2,292,976
Inventories	33,634	-	-	-	-	33,634
Prepaid items	35,053	-	-	-	-	35,053
Total assets	\$ 22,032,458	\$ 734,446	\$ 776,958	\$ 7,442,779	\$ 2,945,585	\$ 33,932,226
LIABILITIES						
Accounts payable	\$ 568,070	\$ 102,215	\$ 5,353	\$ 439,579	\$ 119,857	\$ 1,235,074
Accrued expenditures	666,164	456	-	-	-	666,620
Customer deposits	121,150	-	-	-	-	121,150
Unearned revenue	290,192	-	6,043	-	100,832	397,067
Total liabilities	1,645,576	102,671	11,396	439,579	220,689	2,419,911
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenues	97,344	-	-	-	-	97,344
FUND BALANCES						
Nonspendable:						
Inventories	33,634	-	-	-	-	33,634
Prepaid items	35,053	-	-	-	-	35,053
Advances to other funds	2,292,976	-	-	-	-	2,292,976
Restricted for:						
Community Redevelopment	-	631,775	765,562	-	-	1,397,337
Public Safety	1,150	-	-	-	59,135	60,285
Construction	10,490	-	-	7,003,200	831,659	7,845,349
Other post-employment benefits	800,015	-	-	-	-	800,015
Transportation	10,000	-	-	-	260,391	270,391
Parks and Recreation	50,489	-	-	-	1,178,560	1,229,049
Homelessness	-	-	-	-	395,151	395,151
Committed to:						
Community Development	291,786	-	-	-	-	291,786
Assigned to:						
City Hall art maintenance	1,084	-	-	-	-	1,084
Public Works	224,574	-	-	-	-	224,574
Public Safety	220,000	-	-	-	-	220,000
Capital Improvements	6,766,173	-	-	-	-	6,766,173
Hurricane Reserve	2,200,000	-	-	-	-	2,200,000
Subsequent year's budget	1,326,955	-	-	-	-	1,326,955
Unassigned	6,025,159	-	-	-	-	6,025,159
Total fund balances	20,289,538	631,775	765,562	7,003,200	2,724,896	31,414,971
Total liabilities, deferred inflows of resources, and fund balances	\$ 22,032,458	\$ 734,446	\$ 776,958	\$ 7,442,779	\$ 2,945,585	\$ 33,932,226

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

CITY OF DELAND, FLORIDA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2019

Fund balances - total governmental funds \$ 31,414,971

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

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

Total governmental capital assets	116,678,538	
Less: accumulated depreciation	<u>(47,236,923)</u>	69,441,615

On the governmental fund statements, a net pension liability is not recorded until an amount is due and payable and the pension plan's fiduciary net position is not sufficient for payment of those benefits (no such liability exists at the end of the current fiscal year). On the Statement of Net Position, the City's net pension liability of the defined benefit pension plans is reported as a noncurrent liability. Additionally, deferred outflows and deferred inflows related to pensions are also reported.

Net pension liability	(11,720,761)	
Deferred outflows related to pensions	3,423,370	
Deferred inflows related to pensions	<u>(1,514,521)</u>	(9,811,912)

On the governmental fund statements, an OPEB liability is not recorded unless an amount is due and payable (no such liability exists at the end of the current fiscal year). On the Statement of Net Position, the City's OPEB liability is reported as a noncurrent liability. Additionally, deferred outflows and deferred inflows related to OPEB are also reported.

Total OPEB liability	(1,152,688)	
Deferred outflows related to OPEB	138,565	
Deferred inflows related to OPEB	<u>(102,649)</u>	(1,116,772)

Internal service funds are used by management to charge the costs of data processing, insurance, fleet lease and maintenance, building maintenance, and internal loans to individual funds. These assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.

Total net position	1,653,755	
Less: amounts attributable to business-type activities	<u>(367,046)</u>	1,286,709

Because some property taxes and other revenues will not be collected for several months after the close of the City's fiscal year end, they are not considered as "available" revenues in the governmental funds, and therefore, reported as deferred inflows of unavailable revenues. In the statement of net position, which is presented on an accrual basis, no deferral is reported since the revenue is fully recognized in the statement of activities.

97,344

Long-term liabilities, including bonds payable and notes payable, are not due and payable in the current period and, therefore, are not reported in the funds. These liabilities and other debt-related deferred charges consist of the following:

Bonds and notes payable	(20,934,891)	
Accrued interest payable	(136,977)	
Compensated absences	<u>(1,850,319)</u>	(22,922,187)

Net position of governmental activities \$ 68,389,768

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

CITY OF DELAND, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	General	Spring Hill CRA	Downtown CRA	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
Revenues						
Taxes	\$ 21,098,162	\$ 49,650	\$ 391,788	\$ -	\$ 266,940	\$ 21,806,540
Licenses and permits	283,152	-	-	-	-	283,152
Intergovernmental	3,807,001	140,314	-	-	700,923	4,648,238
Charges for services	941,091	-	56,958	-	-	998,049
Charges for general government services	1,756,431	-	-	-	-	1,756,431
Fines and forfeitures	92,398	-	-	-	5,245	97,643
Impact fees	-	-	-	-	806,696	806,696
Interest revenues	386,005	3,863	4,944	-	22,869	417,681
Miscellaneous	464,139	7,485	19,413	-	97,000	588,037
Total revenues	<u>28,828,379</u>	<u>201,312</u>	<u>473,103</u>	<u>-</u>	<u>1,899,673</u>	<u>31,402,467</u>
Expenditures						
Current:						
General Government	5,465,033	-	-	-	110,381	5,575,414
Community Development	1,042,844	-	-	-	34,272	1,077,116
Public Safety	14,110,501	-	-	-	-	14,110,501
Public Works	3,208,150	-	-	-	231,941	3,440,091
Parks and Recreation	2,944,785	-	-	-	-	2,944,785
Community Redevelopment	-	77,351	345,192	-	-	422,543
Contingency	-	-	-	-	-	-
Capital Outlay	-	181,451	-	2,568,614	740,509	3,490,574
Debt Service:						
Principal	1,233,506	-	-	-	266,718	1,500,224
Interest and fiscal charges	286,176	-	-	-	93,712	379,888
Total expenditures	<u>28,290,995</u>	<u>258,802</u>	<u>345,192</u>	<u>2,568,614</u>	<u>1,477,533</u>	<u>32,941,136</u>
Excess (deficiency) of revenues over (under) expenditures	<u>537,384</u>	<u>(57,490)</u>	<u>127,911</u>	<u>(2,568,614)</u>	<u>422,140</u>	<u>(1,538,669)</u>
Other financing sources (uses):						
Issuance of long-term debt	875,000	610,000	500,000	7,552,000	433,000	9,970,000
Transfers in	3,082,884	-	-	1,355,771	550,000	4,988,655
Transfers out	(1,155,976)	(250,000)	(18,704)	(250,000)	(200,000)	(1,874,680)
Total other financing sources (uses)	<u>2,801,908</u>	<u>360,000</u>	<u>481,296</u>	<u>8,657,771</u>	<u>783,000</u>	<u>13,083,975</u>
Net change in fund balances	<u>3,339,292</u>	<u>302,510</u>	<u>609,207</u>	<u>6,089,157</u>	<u>1,205,140</u>	<u>11,545,306</u>
Fund balances, beginning of year	16,950,246	329,265	156,355	914,043	1,519,756	19,869,665
Fund balances, end of year	<u>\$ 20,289,538</u>	<u>\$ 631,775</u>	<u>\$ 765,562</u>	<u>\$ 7,003,200</u>	<u>\$ 2,724,896</u>	<u>\$ 31,414,971</u>

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

**CITY OF DELAND, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2019**

Net change in fund balances - total governmental funds	\$ 11,545,306
Differences in amounts reported for governmental activities in the statement of activities are:	
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.	
Capital outlay expenditures	3,490,574
Depreciation expense	(3,010,556)
Contributed capital assets	36,841
Bond and loan proceeds are reported as financing sources in the governmental funds. However, the issuance of debt is reported as long-term debt payable in the statement of net position. Repayment of bond and note principal is an expenditure in the governmental funds, but the repayment of debt principal reduces long-term liabilities in the statement of net position. These amounts are as follows:	
Issuance of long-term debt	(9,970,000)
Principal repayment of general long-term debt	1,500,224
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in governmental funds (reduction in delinquent taxes).	
Change in delinquent taxes and liens receivable	(201,707)
Governmental funds report contributions to defined benefit pension plans as expenditures. However, in the Statement of Activities, the amount contributed to defined benefit pension plans reduces future net pension liability. Also included in pension expense in the Statement of Activities are amounts required to be amortized.	
Change in net pension liability and deferred inflows/outflows related to pensions	107,426
Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the statement of activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues. These adjustments are as follows:	
Change in accrued interest on long-term debt	9,709
Change in total OPEB liability	(130)
Change in compensated absences liability	(133,100)
Internal service funds are used by management to charge the costs of certain activities to individual funds. The portion of net revenue/expense of internal service funds reported in governmental activities for the year.	
	65,106
Change in net position of governmental activities	\$ 3,439,693

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

CITY OF DELAND, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 20,672,209	\$ 20,840,363	\$ 21,098,162	\$ 257,799
Licenses and permits	291,534	291,534	283,152	(8,382)
Intergovernmental	3,678,052	3,727,318	3,807,001	79,683
Charges for services	668,719	668,719	941,091	272,372
Charges for general government services	1,930,595	1,756,431	1,756,431	-
Fines and forfeitures	91,000	91,000	92,398	1,398
Interest revenues	30,000	30,000	386,005	356,005
Miscellaneous	290,190	327,361	464,139	136,778
Total revenues	27,652,299	27,732,726	28,828,379	1,095,653
Expenditures				
Current:				
General Government:				
Mayor and Commission	113,749	114,439	103,464	10,975
City Manager	320,380	320,817	311,611	9,206
City Clerk	294,864	314,543	286,886	27,657
Finance	874,221	885,720	872,201	13,519
City Attorney	270,768	378,987	349,263	29,724
City Hall	1,971,402	2,320,432	2,297,188	23,244
Information Technology	1,690,517	1,848,451	1,531,177	317,274
Human Resources	497,181	548,468	516,380	32,088
Total General Government	6,033,082	6,731,857	6,268,170	463,687
Community Development:				
Economic Development	337,960	340,137	321,878	18,259
Planning and Zoning	642,961	676,467	567,407	109,060
Licenses and Code Enforcement	186,929	206,400	153,559	52,841
Total Community Development	1,167,850	1,223,004	1,042,844	180,160
Public Safety:				
Fire	5,500,389	5,686,014	5,225,264	460,750
Police:				
Administration	1,412,184	1,493,230	1,395,857	97,373
Support	2,822,132	2,984,442	2,932,189	52,253
Operations	5,429,008	5,436,172	5,206,966	229,206
Parking	47,577	48,744	47,398	1,346
Total Police	9,710,901	9,962,588	9,582,410	380,178
Total Public Safety	15,211,290	15,648,602	14,807,674	840,928
Public Works:				
Administration	379,216	384,421	357,781	26,640
Streets	1,461,162	1,475,207	1,348,396	126,811
Trees	508,555	514,306	436,310	77,996
Urban Beautification	645,873	650,681	618,813	31,868
Fleet Maintenance	462,721	491,736	466,222	25,514
Total Public Works	3,457,527	3,516,351	3,227,522	288,829
Parks and Recreation:				
Administration	280,612	291,283	287,804	3,479
Recreation	302,210	294,886	270,008	24,878
Parks	1,423,670	1,499,404	1,489,018	10,386
Trailer Park	10,960	12,510	12,256	254
Museums	16,824	24,159	21,406	2,753
Activities Center	366,273	335,654	310,819	24,835
Stadium	94,773	117,029	115,701	1,328
Special Events	58,765	58,765	20,891	37,874
Intermodal Transportation Facility	20,207	20,207	15,991	4,216
Chisholm Center	374,871	426,294	400,891	25,403
Total Parks and Recreation	2,949,165	3,080,191	2,944,785	135,406
Contingency	1,140,332	453,715	-	453,715
Total expenditures	29,959,246	30,653,720	28,290,995	2,362,725
Excess (deficiency) of revenues over (under) expenditures	(2,306,947)	(2,920,994)	537,384	3,458,378
Other financing sources (uses):				
Issuance of long-term debt	-	875,000	875,000	-
Transfers in	2,399,174	3,218,692	3,082,884	(135,808)
Transfers out	(1,124,323)	(1,843,691)	(1,155,976)	687,715
Total other financing sources (uses)	1,274,851	2,250,001	2,801,908	551,907
Net change in fund balances	(1,032,096)	(670,993)	3,339,292	4,010,285
Fund balances, beginning of year	16,950,246	16,950,246	16,950,246	-
Fund balances, end of year	\$ 15,918,150	\$ 16,279,253	\$ 20,289,538	\$ 4,010,285

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

CITY OF DELAND, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - SPRING HILL CRA
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 147,418	\$ 49,652	\$ 49,650	\$ (2)
Intergovernmental	187,658	687,658	140,314	(547,344)
Interest revenues	-	3,436	3,863	427
Miscellaneous	-	10,000	7,485	(2,515)
Total revenues	335,076	750,746	201,312	(549,434)
Expenditures				
Current:				
Community Redevelopment	147,418	86,870	77,351	9,519
Capital Outlay	187,658	1,166,817	181,451	985,366
Total expenditures	335,076	1,253,687	258,802	994,885
Excess (deficiency) of revenues over (under) expenditures	-	(502,941)	(57,490)	445,451
Other financing sources (uses):				
Issuance of long-term debt	-	610,000	610,000	-
Transfers out	-	(250,000)	(250,000)	-
Total other financing sources (uses)	-	360,000	360,000	-
Net change in fund balances	-	(142,941)	302,510	445,451
Fund balances, beginning of year	329,265	329,265	329,265	-
Fund balances, end of year	\$ 329,265	\$ 186,324	\$ 631,775	\$ 445,451

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

CITY OF DELAND, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - DOWNTOWN CRA
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 391,436	\$ 391,436	\$ 391,788	\$ 352
Charges for services	54,658	54,658	56,958	2,300
Interest revenues	-	-	4,944	4,944
Miscellaneous	-	-	19,413	19,413
Total revenues	<u>446,094</u>	<u>446,094</u>	<u>473,103</u>	<u>27,009</u>
Expenditures				
Current:				
Community Redevelopment	446,094	943,390	345,192	598,198
Total expenditures	<u>446,094</u>	<u>943,390</u>	<u>345,192</u>	<u>598,198</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(497,296)</u>	<u>127,911</u>	<u>625,207</u>
Other financing sources (uses):				
Issuance of long-term debt	-	500,000	500,000	-
Transfers out	-	(18,704)	(18,704)	-
Total other financing sources (uses)	<u>-</u>	<u>481,296</u>	<u>481,296</u>	<u>-</u>
Net change in fund balances	<u>-</u>	<u>(16,000)</u>	<u>609,207</u>	<u>625,207</u>
Fund balances, beginning of year	156,355	156,355	156,355	-
Fund balances, end of year	<u>\$ 156,355</u>	<u>\$ 140,355</u>	<u>\$ 765,562</u>	<u>\$ 625,207</u>

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

CITY OF DELAND, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2019

	Business-type Activities - Enterprise Funds				Total	Governmental Activities - Internal Service Funds
	Water and Sewer	DeLand Municipal Airport	Refuse Collection	Nonmajor Proprietary Funds		
ASSETS						
Current assets:						
Equity in pooled cash	\$ 18,445,424	\$ 1,061,471	\$ 185,976	\$ 3,259,959	\$ 22,952,830	\$ 1,445,833
Investments	18,857,383	-	-	3,023,555	21,880,938	1,124,548
Accounts receivable, net	2,009,147	3,614	351,390	186,160	2,550,311	5,300
Due from other governments	558,808	1,094,432	-	-	1,653,240	-
Inventory	-	1,146	-	-	1,146	-
Prepaid items	4,054	66	-	6,812	10,932	-
Total current assets	39,874,816	2,160,729	537,366	6,476,486	49,049,397	2,575,681
Noncurrent assets:						
Restricted cash	7,191,012	18,555	-	33,237	7,242,804	-
Restricted investments	4,918,466	-	-	-	4,918,466	-
Liens receivable	581,922	-	62,323	156,990	801,235	-
Capital assets:						
Land	1,259,058	3,935,211	-	1,076,393	6,270,662	-
Buildings	9,881,318	6,372,051	-	124,414	16,377,783	-
Infrastructure (other than buildings)	99,954,812	33,989,497	-	3,951,515	137,895,824	-
Equipment	15,701,652	623,094	-	3,032,920	19,357,666	25,638
Construction in progress	10,546,781	2,239,097	-	874,277	13,660,155	-
Accumulated depreciation	(45,335,426)	(12,487,638)	-	(2,539,353)	(60,362,417)	(25,638)
Total noncurrent assets	104,699,595	34,689,867	62,323	6,710,393	146,162,178	-
Total assets	\$ 144,574,411	\$ 36,850,596	\$ 599,689	\$ 13,186,879	\$ 195,211,575	\$ 2,575,681
DEFERRED OUTFLOWS OF RESOURCES						
Deferred outflows related to OPEB	\$ 58,486	\$ -	\$ -	\$ 11,276	\$ 69,762	\$ -
LIABILITIES						
Current liabilities:						
Accounts payable	\$ 1,047,485	\$ 356,696	\$ 501,966	\$ 159,538	\$ 2,065,685	\$ 199,926
Accrued liabilities	231,317	16,628	-	59,630	307,575	-
Deposits	566,705	71,311	75,395	25,005	738,416	-
Unearned revenue	-	6,319	-	-	6,319	-
Advances from other funds	-	2,292,976	-	-	2,292,976	-
Estimated claims payable	-	-	-	-	-	722,000
Compensated absences	229,734	10,022	-	14,966	254,722	-
Total current liabilities	2,075,241	2,753,952	577,361	259,139	5,665,693	921,926
Noncurrent liabilities:						
Compensated absences	362,542	40,090	-	59,867	462,499	-
Net pension liability	1,538,820	-	-	41,682	1,580,502	-
Total OPEB liability	486,528	-	-	93,794	580,322	-
Total noncurrent liabilities	2,387,890	40,090	-	195,343	2,623,323	-
Total liabilities	\$ 4,463,131	\$ 2,794,042	\$ 577,361	\$ 454,482	\$ 8,289,016	\$ 921,926
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows related to pensions	\$ 318,235	\$ -	\$ -	\$ 8,620	\$ 326,855	\$ -
Deferred inflows related to OPEB	43,327	-	-	8,353	51,680	-
Total deferred inflows of resources	\$ 361,562	\$ -	\$ -	\$ 16,973	\$ 378,535	\$ -
NET POSITION						
Net investment in capital assets	\$ 92,008,195	\$ 34,671,312	\$ -	\$ 6,520,166	\$ 133,199,673	\$ -
Restricted for:						
Capital improvements	12,002,047	18,555	-	-	12,020,602	-
Fair share agreements	107,431	-	-	-	107,431	-
Building code enforcement	-	-	-	33,237	33,237	-
Unrestricted	35,690,531	(633,313)	22,328	6,173,297	41,252,843	1,653,755
Total net position	\$ 139,808,204	\$ 34,056,554	\$ 22,328	\$ 12,726,700	186,613,786	\$ 1,653,755
Cumulative adjustment to reflect consolidation of internal service fund activities related to enterprise funds					367,046	
Net position, business-type activities					<u>\$ 186,980,832</u>	

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

CITY OF DELAND, FLORIDA
STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Business-type Activities - Enterprise Funds				Total	Governmental Activities - Internal Service Funds
	Water and Sewer	DeLand Municipal Airport	Refuse Collection	Nonmajor Proprietary Funds		
Operating revenues						
Charges for services	\$ 22,153,910	\$ 90,441	\$ 3,857,280	\$ 3,498,274	\$ 29,599,905	\$ 1,510,327
Rental income	-	1,499,942	-	-	1,499,942	-
Total operating revenues	<u>22,153,910</u>	<u>1,590,383</u>	<u>3,857,280</u>	<u>3,498,274</u>	<u>31,099,847</u>	<u>1,510,327</u>
Operating expenses						
Personal services	6,666,341	483,340	-	1,445,826	8,595,507	927,254
Contractual services	676,036	81,664	3,753,717	250,832	4,762,249	467,055
Repairs and maintenance	355,919	41,486	-	30,749	428,154	-
Supplies	1,628,964	16,990	-	50,011	1,695,965	-
Utilities	970,246	56,425	-	13,391	1,040,062	-
Other expenses	799,139	273,969	2,845	80,560	1,156,513	138,948
Services provided by general government	790,027	198,150	-	629,649	1,617,826	96,205
Depreciation	3,174,696	732,522	-	388,298	4,295,516	-
Total operating expenses	<u>15,061,368</u>	<u>1,884,546</u>	<u>3,756,562</u>	<u>2,889,316</u>	<u>23,591,792</u>	<u>1,629,462</u>
Operating income (loss)	<u>7,092,542</u>	<u>(294,163)</u>	<u>100,718</u>	<u>608,958</u>	<u>7,508,055</u>	<u>(119,135)</u>
Nonoperating revenues (expenses)						
Interest earnings	1,124,577	19,913	1,823	152,530	1,298,843	64,677
Other income (expense)	200,119	8,932	(73)	26,313	235,291	112,924
Total nonoperating revenues (expenses)	<u>1,324,696</u>	<u>28,845</u>	<u>1,750</u>	<u>178,843</u>	<u>1,534,134</u>	<u>177,601</u>
Income (loss) before contributions and transfers	<u>8,417,238</u>	<u>(265,318)</u>	<u>102,468</u>	<u>787,801</u>	<u>9,042,189</u>	<u>58,466</u>
Capital grants	1,167,976	2,103,136	-	-	3,271,112	-
Capital contributions and impact fees	3,420,006	-	-	-	3,420,006	-
Transfers in	176,708	85,000	-	-	261,708	-
Transfers out	(2,388,926)	(107,626)	(101,823)	(777,308)	(3,375,683)	-
Change in net position	<u>10,793,002</u>	<u>1,815,192</u>	<u>645</u>	<u>10,493</u>	<u>12,619,332</u>	<u>58,466</u>
Net position, beginning of year	<u>129,015,202</u>	<u>32,241,362</u>	<u>21,683</u>	<u>12,716,207</u>	<u>173,994,454</u>	<u>1,595,289</u>
Net position, end of year	<u>\$ 139,808,204</u>	<u>\$ 34,056,554</u>	<u>\$ 22,328</u>	<u>\$ 12,726,700</u>	<u>\$ 186,613,786</u>	<u>\$ 1,653,755</u>
Change in proprietary funds net position					\$ 12,619,332	
Adjustment to reflect consolidation of internal service fund activities related to enterprise funds					(6,640)	
Change in net position of business-type activities					<u>\$ 12,612,692</u>	

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

CITY OF DELAND, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Business-type Activities - Enterprise Funds				Total	Governmental Activities - Internal Service Funds
	Water and Sewer	DeLand Municipal Airport	Refuse Collection	Nonmajor Proprietary Funds		
Cash flows from operating activities						
Cash received from customers	\$ 22,360,458	\$ 1,600,002	\$ 3,859,661	\$ 3,490,302	\$ 31,310,423	\$ 1,515,195
Cash paid to employees	(6,773,651)	(480,817)	-	(1,422,730)	(8,677,198)	(927,254)
Cash paid to suppliers	(4,976,047)	(666,640)	(3,727,505)	(960,187)	(10,330,379)	(580,626)
Other receipts	200,119	8,932	(73)	26,313	235,291	112,924
Net cash provided by (used in) operating activities	<u>10,810,879</u>	<u>461,477</u>	<u>132,083</u>	<u>1,133,698</u>	<u>12,538,137</u>	<u>120,239</u>
Cash flows from noncapital financing activities						
Interfund transfers in	176,708	85,000	-	-	261,708	-
Interfund transfers out	(2,388,926)	(107,626)	(101,823)	(777,308)	(3,375,683)	-
Interfund loans	-	292,976	-	-	292,976	-
Net cash provided by (used in) noncapital financing activities	<u>(2,212,218)</u>	<u>270,350</u>	<u>(101,823)</u>	<u>(777,308)</u>	<u>(2,820,999)</u>	<u>-</u>
Cash flows from capital and related financing activities						
Impact fees and capital contributions	3,420,006	-	-	-	3,420,006	-
Acquisition and construction of capital assets	(7,618,048)	(4,254,841)	-	(984,428)	(12,857,317)	-
Capital grants	620,733	2,001,641	-	13,698	2,636,072	-
Net cash provided by (used in) capital and related financing activities	<u>(3,577,309)</u>	<u>(2,253,200)</u>	<u>-</u>	<u>(970,730)</u>	<u>(6,801,239)</u>	<u>-</u>
Cash flows from investing activities						
Interest received	1,124,577	19,913	1,823	152,530	1,298,843	64,677
Sales of investments	1,785,834	707,056	63,104	291,699	2,847,693	108,491
Net cash provided by (used in) investing activities	<u>2,910,411</u>	<u>726,969</u>	<u>64,927</u>	<u>444,229</u>	<u>4,146,536</u>	<u>173,168</u>
Net increase (decrease) in cash and cash equivalents	<u>7,931,763</u>	<u>(794,404)</u>	<u>95,187</u>	<u>(170,111)</u>	<u>7,062,435</u>	<u>293,407</u>
Cash and cash equivalents, beginning of year	17,704,673	1,874,430	90,789	3,463,307	23,133,199	1,152,426
Cash and cash equivalents, end of year	<u>\$ 25,636,436</u>	<u>\$ 1,080,026</u>	<u>\$ 185,976</u>	<u>\$ 3,293,196</u>	<u>\$ 30,195,634</u>	<u>\$ 1,445,833</u>
Reconciliation of operating income to net cash provided by operating activities:						
Operating income (loss)	\$ 7,092,542	\$ (294,163)	\$ 100,718	608,958	\$ 7,508,055	\$ (119,135)
Adjustments to reconcile net operating income (loss) to net cash provided by operating activities:						
Depreciation	3,174,696	732,522	-	388,298	4,295,516	-
Other income (expense)	200,119	8,932	(73)	26,313	235,291	112,924
Changes in assets and liabilities:						
Accounts and liens receivable	229,701	6,786	2,381	(7,972)	230,896	4,868
Inventories and prepaids	1,601	(584)	-	(3,976)	(2,959)	-
Accounts payable and accrued liabilities	242,683	2,628	29,057	98,981	373,349	48,582
Deposits	(23,153)	3,374	-	-	(19,779)	-
Unearned revenue	-	(541)	-	-	(541)	-
Compensated absences	(27,176)	2,523	-	(1,806)	(26,459)	-
Net pension liability	(84,081)	-	-	9,241	(74,840)	-
Total OPEB liability	3,947	-	-	15,661	19,608	-
Estimated claims payable	-	-	-	-	-	73,000
Net cash provided by (used in) operating activities	<u>\$ 10,810,879</u>	<u>\$ 461,477</u>	<u>\$ 132,083</u>	<u>\$ 1,133,698</u>	<u>\$ 12,538,137</u>	<u>\$ 120,239</u>
Cash and cash equivalents classified as:						
Unrestricted	\$ 18,445,424	\$ 1,061,471	\$ 185,976	\$ 3,259,959	\$ 22,952,830	\$ 1,445,833
Restricted	7,191,012	18,555	-	33,237	7,242,804	-
Total cash and cash equivalents	<u>\$ 25,636,436</u>	<u>\$ 1,080,026</u>	<u>\$ 185,976</u>	<u>\$ 3,293,196</u>	<u>\$ 30,195,634</u>	<u>\$ 1,445,833</u>

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

**CITY OF DELAND, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2019**

	Pension Trust Funds
ASSETS	
Cash and cash equivalents with trustee	\$ 962,111
Receivables	
Employer contributions receivable	1,601,562
Employee contributions receivable	22,300
Interest and dividends receivable	165,966
Total receivables	1,789,828
Prepaid benefit payments	68,009
Investments, at fair value	
Money market funds	570,933
U.S. government obligations	5,130,712
Corporate bonds	11,712,749
Preferred/convertible securities	720,933
Common stocks	35,889,399
Mutual funds	9,518,790
Other assets	8,326,541
Total investments	71,870,057
Total assets	\$ 74,690,005
NET POSITION	
Restricted for pensions	\$ 74,690,005

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

**CITY OF DELAND, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019**

	Pension Trust Funds
Additions	
Contributions:	
Employer	\$ 2,735,881
Plan members	601,331
State - insurance premium taxes	462,045
Total contributions	3,799,257
Investment earnings:	
Interest and dividends	1,464,122
Other income	284,515
Net appreciation (depreciation) in fair value of investments	1,102,041
Total investment earnings	2,850,678
Less: investment expense	(411,182)
Net investment income (loss)	2,439,496
Total additions	6,238,753
Deductions	
Benefit payments	4,544,525
Refunds	709,817
Administrative expenses	159,772
Total deductions	5,414,114
Change in net position	824,639
Net position held in trust for pension benefits, beginning of year	73,865,366
Net position held in trust for pension benefits, end of year	\$ 74,690,005

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

CITY OF DELAND, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

(1) **Summary of Significant Accounting Policies:**

The financial statements of the City of DeLand, Florida (the City), have been prepared in accordance with accounting principles generally accepted in the United States of America as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted body for promulgating governmental accounting and financial reporting principles. The following is a summary of the City's significant accounting policies:

(a) **Reporting entity**—The City of DeLand, Florida is a municipal corporation created by the laws of Florida, Chapters 70-648, 71-601, 71-603, and 73-442 (as amended), located in Volusia County, approximately 25 miles from the Atlantic Ocean and 40 miles northeast of the City of Orlando, Florida. The City was founded in 1876 by Henry A. DeLand and incorporated in 1882.

The legislative branch of the City is comprised of a five-member elected Commission. The City Commission is governed by the City Charter and by state and local laws and regulations. The City Commission is responsible for the establishment and adoption of policy. The execution of such policy is the responsibility of the Commission-appointed City Manager. The City provides the following services as authorized by its charter: public safety (police and fire), public works (streets, urban beautification, and trees), community development (economic development, planning-zoning, building inspections), sanitation, parks, culture-recreation, public improvements, general administrative services, stormwater, water-sewer, and airport facilities.

In evaluating the City as a reporting entity, management has addressed all potential component units (traditionally separate reporting entities) for which the City may be financially accountable and, as such, should be included 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 burden on the City. Additionally, the primary government is required to consider other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The financial statements are formatted to allow the user to clearly distinguish between the primary government and its component units. Because of the closeness of their relationship with the primary government (the City), the current component units are blended as though they are part of the primary government.

(b) **Blended component units**—The City has two blended component units:

The City of DeLand, Florida, Downtown Community Redevelopment Agency (the Downtown CRA) is an organization created by the City for the express purpose of providing for community redevelopment in the downtown business area in conjunction with the establishment of a tax increment district. The CRA is composed of the five City Commissioners and two additional persons appointed by the City Commission who are either City residents or engaged in business within the Downtown Redevelopment District. The City has no direct authority to modify or approve the CRA's budget, or to veto, overrule or modify decisions made by the CRA, except in regard to the Downtown Redevelopment Plan. This Plan must first be adopted by the CRA and must then be submitted to the City Commission for approval. Since the City Commission holds five of the seven voting seats on the CRA and appoints the remaining two seats, the City has ability to impose its will on the CRA. Further, the CRA is completely financially dependent on the City of DeLand and other governmental entities as the vast majority of revenues available to the CRA come from tax increment district funding and charges for services. Based on the above analysis, the Downtown CRA is considered a component unit of the City. Since no separate financial statements are issued, the Downtown CRA is reported as a major fund to meet the audit requirement of the State of Florida Auditor General.

CITY OF DELAND, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

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

The City of DeLand, Florida, Spring Hill Community Redevelopment Agency (the Spring Hill CRA) is an organization created by the County of Volusia for the express purpose of providing for community redevelopment in the Spring Hill area in conjunction with the establishment of a tax increment district. The Spring Hill CRA is composed of two members of the Volusia County Council, three City Commissioners, one citizen from the unincorporated area of Spring Hill appointed by the Volusia County Council and one citizen from the incorporated area of Spring Hill appointed by the DeLand City Commission. Since the City Commission holds three of the seven voting seats on the CRA and appoints one of the remaining seats, the City has the ability to impose its will on the CRA and has operational responsibility for the CRA. The CRA is financially dependent on the City and other governmental entities as the vast majority of revenues available to the CRA come from tax increment district funding and various grant revenues, as applicable. Because the City has the ability to control the Spring Hill CRA's action, the Spring Hill CRA is considered a component unit of the City. Since no separate financial statements are issued, the Downtown CRA is reported as a major fund to meet the audit requirement of the State of Florida Auditor General.

Based upon the application of the criteria set forth in the GASB Codification, there are no discretely presented potential component units or related organizations of the City.

(c) **Government-wide and fund financial statements**—The basic financial statements include both 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 are presented on a consolidated basis and are reflected, on a full accrual, economic resource basis, which incorporates long term assets and receivables as well as long term debt and obligations. Interfund services provided and used are not eliminated in the process of consolidation.

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 taxes, certain intergovernmental revenues, etc.). The statement of activities reduces gross expenses (including depreciation) by the related program revenues, operating and capital grants. The program revenues must be directly associated with the function 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 net cost (by function or business-type activity) is normally covered by general revenue (property, sales or gas taxes, intergovernmental revenues, interest income, etc.).

This government-wide focus is more on the sustainability of the City as an entity and the change in aggregate financial position resulting from the activities of the fiscal period.

The fund financial statements emphasize the major funds in either the governmental or business-type categories. Non-major funds (by category) are summarized into a single column.

CITY OF DELAND, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

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

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 demonstrate legal compliance and 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 column, a reconciliation is presented on the page following the Governmental Funds – Balance Sheet and the Governmental Funds - Statement of Revenues, Expenditures, and Changes in Fund Balances, which briefly explains the adjustment necessary to transform the fund based financial statements into the governmental 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 both the City's business-type and governmental activities of the City are principal users of the internal services, net position of the internal service funds has been allocated to both the business-type and governmental activities and expenses in each of the appropriate functional activities (Police, Fire, Public Works, etc.) reduced accordingly when presented at the government-wide level.

When appropriate, surplus or deficits in the Internal Service Funds may be allocated back to customers at the entity-wide Statement of Activities. This creates a reconciling item between the business-type activities column 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 (pension and agency) and the combining pension fund statements are included in the notes. Since, by definition, these assets are being held for the benefit of a third party (other local governments, private parties, pension participants, etc.) and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements.

As a general rule, the effect of interfund City activities has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes. Elimination of these charges would distort the direct costs and program revenue reported for the various functions concerned.

(d) **Financial statement presentation**—The financial transactions of the City are recorded in individual funds. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

The GASB Codification 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 non-major funds are combined in a column in the fund financial statements and detailed in the combining section.

CITY OF DELAND, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

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

The City reports the following funds:

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 governmental funds of the City:

- (i) The *General Fund* accounts for several of the City's primary services (police, fire, public works, community development, parks and recreation, etc.) and is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.
- (ii) Special Revenue Funds are used to account for the proceeds of specific revenue sources (excluding special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for specified purposes. The City operates the following Special Revenue Funds:
 - a) The *Downtown Community Redevelopment Fund* accounts for the revenues and expenditures of the Downtown Tax Increment District.
 - b) The *Spring Hill Community Redevelopment Fund* accounts for the revenues and expenditures of the Spring Hill Tax Increment District.
 - c) The *Confiscated Fund* accounts for receipts and disbursements of Federal and State forfeiture funds for law enforcement purposes.
 - d) The *Governmental Impact Fees Trust Fund* accounts for projects using revenue collected from police, fire, parks and recreation and general government building impact fees paid by new construction.
 - e) The *Homelessness Fund* accounts for funding related to the City's participation in a solution on homelessness.
 - f) The *Grants and Special Revenue Fund* accounts for all general fund grant revenues which fund non-payroll operating expenses.
- (iii) The *Capital Projects Fund* is used to account for financial resources that are restricted, committed, or assigned to expenditure for capital outlay, including the acquisition or construction of capital facilities or other capital assets. The City operates one capital projects fund that accounts for all general fund capital outlay expenses.

The General, Downtown Community Redevelopment, Spring Hill Community Redevelopment, and Capital Projects funds are reported as major funds.

Proprietary Fund – Enterprise Types—Enterprise funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

CITY OF DELAND, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

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

The City operates the following enterprise funds:

- a) The *Water and Sewer Revenue Fund*, which accounts for the City's provided water and wastewater services.
- b) The *DeLand Municipal Airport Fund*, which accounts for the activities of the City's airport.
- c) The *Refuse Collection Fund*, which accounts for activities of the City's refuse collection services.
- d) The *Stormwater Revenue Fund*, which accounts for all activities related to the City's stormwater control.
- e) The *Permits & Inspections Fund*, which accounts for all revenues from permits and inspections and related expenses.

The water and sewer revenue, DeLand Municipal Airport, and refuse collection funds are reported as major funds.

Other Fund Types—The City additionally reports the following Fund types:

- (i) Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the governmental unit, or to other governmental units, on a cost recovery basis. The City operates two (2) Internal Service Funds, the *Workers' Compensation Self-Insurance Fund* which accounts for the revenues and expenditures of risk management program for workers' compensation, and the *Health Insurance Cost Containment Fund* which accounts for the operation of a "health center", in an attempt to defray the rising costs of health insurance.
- (ii) Trust and Agency Funds are used to account for assets held by the City in a trustee capacity for individuals, private organizations, other governments, and/or other funds. Trust funds reported by the City are the *General Employees' Retirement Trust Fund*, *Police Officers' Retirement Trust Fund*, and *Firefighters' Retirement Trust Fund*. Retirement trust funds are accounted for in essentially the same manner as proprietary funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period.

CITY OF DELAND, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

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

The City's policies related to the accrual and modified accrual bases of accounting are as follows:

- (i) **Accrual:** Revenues are recognized when earned and expenses are recognized when incurred.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds are charges for services to customers.

- (ii) **Modified Accrual:** Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available as net current assets.

For this purpose, the City considers property tax revenues to be available if they are collected within 60 days of the end of the current fiscal period for property taxes. Other revenues, such as grant revenues, are considered earned when the related expenditure is made. Gross receipts and sales taxes are considered "measurable" when in the hands of intermediary collecting governments and are recognized as revenue at that time. Anticipated refunds of such taxes are recorded as liabilities and reductions of revenue when they are measurable and their validity seems certain.

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

In applying the "susceptible to accrual" concept to intergovernmental revenues, 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 terminated before the eligibility requirements are met should under most circumstances, be reported as advances by the provider and deferred revenue by the recipient.

(f) **Budgets and budgetary accounting**—Annual budgets for all governmental and proprietary funds were adopted in compliance with Florida law. The basis on which the budgets are prepared is consistent with the basis of accounting utilized by the various fund types. The governmental funds' budgets are prepared on the modified accrual basis of accounting. The proprietary funds' budgets are prepared on a full accrual basis of accounting. The City uses the following procedures in establishing the budgetary data reflected in the accompanying financial statements:

- i. Sixty days prior to October 1, the City Manager submits to the City Commission a proposed operating budget for the fiscal year commencing on October 1. The operating budget includes proposed expenditures and means of financing them.
- ii. The budget and budget message and all supporting schedules are a matter of public record in the office of the City Clerk and are open to public inspection by anyone at any reasonable hour.
- iii. Public hearings are conducted in the Commission Chambers at City Hall to receive taxpayer comments.

CITY OF DELAND, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

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

- iv. The budget is finally adopted not later than thirty days after certification to the City by the County Tax Assessor of the total assessed valuation on all taxable properties located within the City.
- v. At the request of the City Manager, the Commission may at any time, by resolution, transfer any unused appropriation balance or portion thereof between general classifications or expenditures within an office, department or agency, or transfer any unused appropriation balance or portion thereof from one office, department or agency to another.
- vi. All appropriations lapse at the end of the budget year to the extent that they shall not have been expended.
- vii. Formal budgetary integration is employed as a management control device during the year for the General Fund and Special Revenue Funds.
- viii. Budgets for the General Fund and Special Revenue Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP), except that carryover surplus and transfers from reserves are included in budgetary revenue as required by the City Charter.
- ix. Budgets for the Enterprise Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP), except that debt service, capital acquisitions, capital leases, and water and sewer impact fees are included in budgetary revenue and expenditures as required by the City Charter. Budgets for the Internal Service Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP).
- x. The City Charter prohibits over expenditures of departmental budgeted amounts without prior approval of the City Commission.
- xi. Budgets are legally controlled at the fund level with management control of the operating budget maintained at the department level.

(g) **Over-expenditure of budgeted amounts**—The City Charter requires that the over-expenditure of budgeted amounts for any department or fund be reviewed and approval for the over expenditure be given by the Commission. During the year ended September 30, 2019, actual expenditures did not exceed the budgeted amounts.

(h) **Encumbrances**—The City does not use the encumbrance accounting system.

(i) **Deposits and investments**—Cash consists of amounts held in demand deposits. Cash equivalents consist of short term investments having a maturity date of less than three months from the date acquired.

For accounting and investment purposes, a pooled cash and investments account is maintained for all funds. This gives the City the ability to invest large amounts of idle cash for short periods of time and to maximize earnings potential. The “equity in pooled cash and investments” represents the amount owned by each fund, and each fund’s equity in the City’s investment pool is considered to be a cash equivalent since the funds can deposit or effectively withdraw cash at any time without prior notice or penalty.

Investments are reported at fair value.

**CITY OF DELAND, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

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

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

All trade and property tax receivables are reported net of an allowance for uncollectible accounts, which is based upon management's analysis of historical trends. Utility operating sales are generally recognized on the basis of cycle billings rendered monthly. Unbilled accounts receivable are accrued by the City at September 30th, to recognize the sales revenues earned between the last meter reading and bill dates in mid-September through the end of the fiscal year.

Liens receivable represents amounts on which the City has placed a valid hen on the property for amounts outstanding. These amounts have been recorded as long-term assets in proprietary funds, and the respective amounts in governmental funds have additionally been recorded as unavailable revenues under deferred inflows since no amounts were collected within 60 days of year-end.

(k) **Inventories**—Inventories are valued at cost on the basis of the “first-in, first-out” FIFO method of accounting. The effect of this method is to flow costs through operations in the order in which they are used and to assign a balance sheet cost closer to current replacement values. Inventories in the general fund and the enterprise funds consist of expendable supplies held for consumption and are recorded as expenditures when consumed rather than when purchased.

(l) **Prepaid items**—Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. Prepaid items are recognized as expenses when the related expenses are incurred.

(m) **Capital assets**—Capital assets include property, plant, equipment and infrastructure assets. The terms general capital assets and general infrastructure assets relate only to the assets associated with governmental activities, whereas the terms capital assets and infrastructure assets relate to all such assets belonging to the City.

Capital assets are defined by the City as assets with an initial individual cost of \$5,000 or more and an estimated useful life of more than one-year. Such assets are recorded at historical cost, if purchased or constructed. Donated capital assets are recorded at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are only capitalized if they meet the dollar threshold above for capitalization. Maintenance and repairs of capital assets are charged to operating expenses.

Depreciation is reported for the primary government using the straight-line method calculated on a service-life basis to amortize the cost of the asset over their estimated economic useful lives, which are as follows:

<u>Assets</u>	<u>Years</u>
Buildings	40 years
Infrastructure (improvements other than buildings)	40 – 75 years
Equipment	2 – 20 years

CITY OF DELAND, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

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

(n) **Compensated absences**—City policy permits employees to accumulate a limited amount of earned, but unused personal, vacation, and sick leave. These benefits are payable to employees upon separation from service. All leave pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in accordance with the GASB Codification.

(o) **Long-term obligations**—In the government-wide financial statements and proprietary fund financial statements, long-term debt obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed when paid.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

The compensated absences and net pension liabilities have been liquidated in the past by the reporting units of the underlying employees, including the general fund, governmental funds, and all proprietary funds where the respective liability is reported.

(p) **Deferred outflows/inflows of resources**—In addition to assets, the statement of financial position will, if required, report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Currently, the only items in this category consisted of deferred amounts related to pensions, as discussed further in Note (11); and deferred inflows of resources related to OPEB, as discussed further in Note (12).

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of financial position or fund balance that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Currently, the items in this category are unavailable revenues, which will be recognized as inflows of resources in the period that the amounts become available; deferred inflows of resources related to pensions, as discussed further in Note (11); and deferred inflows of resources related to OPEB, as discussed further in Note (12).

(q) **Fund equity**—In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Those classifications are as follows:

CITY OF DELAND, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

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

Nonspendable - The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash such as inventories and prepaid amounts. It also includes the long-term amount of loans and notes receivable, as well as property acquired for resale unless the use of the proceeds from the collection of those receivables or from the sale of those properties is restricted, committed, or assigned.

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 imposed by law through constitutional provisions or enabling legislation (i.e. when the government assesses, levies, charges, or otherwise mandates 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.

Committed - Fund balance amounts that can only be used for specific purposes pursuant to constraints imposed by ordinance of the City Commission are reported as committed fund balance. Those committed amounts cannot be used for any other purpose unless the City removes or changes the specified use by taking the same type of action it employed to previously commit those amounts.

Assigned - Fund balance amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed, are reported as assigned fund balance, except for stabilization arrangements. The City Commission expressly delegates to the City Manager authority under this policy to assign funds for particular purposes based on intent which can be expressed by (a) the City Commission itself or (b) a body (a budget or finance committee, for example) or official (City Manager) to which the City Commission has delegated the authority to assign amounts to be used for specific purposes.

Unassigned - Unassigned fund balance is the residual classification. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund; the general fund is the only fund that reports a positive fund balance. In other governmental funds, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned for those purposes, it may be necessary to report negative unassigned fund balance in that fund.

For spendable resources, it is the City’s policy to use its resources in the following order as needed to fund expenses: restricted, committed, assigned, unassigned.

(r) **Net position flow assumption**—Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to determine amounts reported as restricted and unrestricted net position, it is the City’s policy to consider restricted net position to have been used before unrestricted net position is applied.

(s) **Use of estimates**—Management uses estimates and assumptions in preparing financial statements in accordance with generally accepted accounting principles in the United States of America. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenue and expenses. Actual results could vary from the estimates assumed in preparing the financial statements.

**CITY OF DELAND, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

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

(a) **Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position**—Following the governmental fund balance sheet is a reconciliation between fund balance – total governmental funds and net position – governmental activities as reported in the government-wide statement of net position. A detailed explanation of these differences is provided in this reconciliation.

(b) **Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities**—Following the governmental fund statement of revenues, expenditures, and changes in fund balances, there is a reconciliation between net changes in fund balances - total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. A detailed explanation of these differences is provided in this reconciliation.

(3) Property Tax Calendar:

Under Florida law, the assessment of all properties and collection of all county, municipal and school board property taxes are consolidated in the offices of the County Property Appraiser and County Tax Collector. State laws regulating tax assessment are designed to ensure a consistent property valuation method statewide and permit municipalities to levy property taxes at a rate of up to 10 mills. The millage rate assessed by the City for the fiscal year ended September 30, 2019, was 7.1194 per \$1,000 (6.8841 operating plus 0.2353 debt), which means that the City has a tax margin of 2.8806 per \$1,000 and could raise up to \$4,983,048 in additional tax revenue per year from the present assessed valuation of \$1,729,864,715 before the limit is reached.

All property is assessed according to its fair market value on January 1 of each year. Each assessment roll is submitted to the Executive Director of the State Department of Revenue for review to determine if the rolls meet all of the appropriate requirements of State statutes.

The current year taxes for the fiscal year, beginning October 1, are billed in the month of November and are due no later than March 31. On April 1, all unpaid amounts become delinquent and are subject to interest and penalties.

Discounts are allowed for early payment at the rate of 4% in the month of November, 3% in the month of December, 2% in the month of January, 1% in the month of February, and without discount in March.

The City recognizes property tax revenues as received. Delinquent tax receivables are recorded on the books with an offset to deferred revenues. Delinquent taxes on real property bear interest of 18% per year. On or prior to June 1 following the tax year, certificates are sold for all delinquent taxes on real property. After sale, tax certificates bear interest of 18% per year or any lower rate bid by the buyer. Application for a tax deed on any unredeemed tax certificates may be made by the certificate holder after a period of two years. The City tax calendar is as follows:

Valuation Date:	January 1, 2018
Levy Date:	November 1, 2018
Due Date:	March 31, 2019
Lien Date:	June 1, 2019

At September 30, 2019, the City has recorded property taxes receivable of \$56,692.

CITY OF DELAND, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

(4) Deposits and Investments:

The City, for accounting and investment purposes, maintains a pooled interest bearing banking account and a pooled investment account for substantially all City funds. This gives the City the ability to invest large amounts of idle cash for short periods of time and to maximize earning potential. The cash and investments shown on the balance sheets and statements of net position represent the amount owned by each fund.

State statutes authorize the City to invest excess funds in time deposits, obligations of, or obligations the principal and interest of which are unconditionally guaranteed by, the United States Government, commercial paper, corporate bonds, repurchase agreements and/or the State Board of Administration (SBA) Local-Government Surplus Trust Fund Investment Pool or other investment vehicles authorized by local ordinance.

The City has adopted an investment policy which authorizes the City to invest in US Government and Agency securities, interest bearing savings accounts, money market accounts, certificates of deposit, money market certificates or time deposits, prime bankers' acceptances, prime commercial paper, mutual funds comprised of securities otherwise authorized, and the State Board of Administration (SBA) Local Government Surplus Trust Fund Investment Pool. However, derivative products, other than single index variable rate products, callable notes and bonds, step up notes and bonds and mortgage backed securities are specifically not authorized.

As of September 30, 2019, all City deposits were covered by private bank acquired insurance, Securities Investor Protection Corporation (SIPC) insurance, private broker/dealer acquired insurance, Federal Depository Insurance Corporation (FDIC) insurance, or the State of Florida collateral pool established under the Florida Security for Public Deposits Act (the Act). The Act established guidelines for qualification and participation by banks and savings associations, procedures for administration of the collateral requirements and characteristics of eligible collateral. Under the Act, the qualified depository must pledge at least 50% of the average daily balance for each month of all public deposits in excess of any applicable deposit insurance. Additional collateral, up to 125% may be required, if deemed necessary under the conditions set forth in the Act. Obligations pledged to secure deposits must be delivered to the State Treasurer, or with the approval of the State Treasurer to a bank, savings association, or trust company provided a power of attorney is delivered to the Treasurer. Under the Act, the City of DeLand is authorized to deposit funds only in Qualified Public Depositories.

The City measures and records its investments, assets whose use is limited, and restricted assets using fair value measurement guidelines established by GASB Statement No. 72. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- *Level 1:* Quoted prices for identical investments in active markets;
- *Level 2:* Observable inputs other than quoted market prices; and,
- *Level 3:* Unobservable inputs.

At September 30, 2019, the City's only investments consisted of mutual funds, commercial paper, and Step up/callable bonds and were measured using Level 2 inputs. Step up/callable bonds were valued at fair value by discounting the related cash flows based on current yields of similar instruments with comparable durations considering the credit-worthiness of the issuer. Commercial paper were valued using broker quotes that utilize observable market inputs. Mutual funds were valued at fair value based on a valuation of the pooled assets invested in by the mutual fund.

CITY OF DELAND, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

(4) **Deposits and Investments:** (Continued)

As of September 30, 2019, the City's governmental and business-type investment portfolio is composed of the following investments:

Investment Type	Credit Rating (S&P)	Fair Value	Maturities (in Years)		
			Less Than 1	1-5	Over 5
Cash deposits	NR	\$ 38,061,676	\$ 38,061,676	\$ -	\$ -
Money market	NR	14,619,148	14,619,148	-	-
Step up/callable bonds	AAA	33,089,812	-	25,984,724	7,105,088
Mutual Funds	NR	800,015	800,015	-	-
Commercial Paper	NR	1,994,420	-	1,994,420	-
Total Portfolio		<u>\$ 88,565,071</u>	<u>\$ 53,480,839</u>	<u>\$ 27,979,144</u>	<u>\$ 7,105,088</u>

Interest Rate Risk: The City's investment policy limits interest rate risk by attempting to match investment maturities with known cash needs and anticipated cash flow requirements. The investment of current operating funds will have maturities of no longer than 3 years. Investments of bond reserves, construction funds, and other non-operating funds ("core funds") shall have a term appropriate to the need for funds and in accordance with debt covenants, but should not exceed ten years. From time to time the above parameters may require modification in order to meet specific construction draw schedules or other predetermined operating or capital needs, or to satisfy debt obligations, but in no event shall exceed ten years.

Credit Risk: Credit risk is the risk that a debt issuer or other counter-party to an investment will not fulfill its obligations. The City's investment policy utilizes portfolio diversification in order to limit investments to the highest rated securities as rated by nationally recognized rating agencies. The ratings of the investments held at year end are shown on the previous page. All are rated within the investment policy guidelines at September 30, 2019.

Concentration of Credit Risk: The City's investment policy has established asset allocation and issuer limits on its investments which are designed to reduce concentration of credit risk of the City's investment portfolio. A maximum of 80% of available funds may be invested in United States Treasuries, 30% of available funds may be invested in single index variable rate products, 25% of available funds may be invested in banker's acceptances, 25% of available funds may be invested in commercial paper, 70% of available funds may be invested in CDs, CDARS and other time deposits, 30% of available funds may be invested in mutual funds, and 75% of available funds may be invested in local government surplus trust fund.

Custodial Credit Risk—Deposits: In the case of deposits, this is the risk that in the event of a bank failure, the City's deposits may not be returned to it. Pursuant to the applicable provisions of Chapter 280, Florida Statutes, *The Florida Security for Public Deposits Act* ("the Act"), the State of Florida, Department of Financial Services, Division of Treasury, Bureau of Collateral Management have established specific requirements relative to the security and collateralization for public deposits. Accordingly, banks qualifying as a public depository in the State of Florida must adopt the necessary procedures outlined in these statutes and meet all of the requirements of this chapter to be designated by the State Chief Financial Officer as eligible to receive deposits from municipal depositors. Collateral having a market value equal to 50% of the average daily balance for each month of all public deposits in excess of any applicable depository insurance is required to be pledged or deposited with the State Chief Financial Officer to secure such deposits. Additional collateral, up to a maximum of 125% may be required if deemed necessary under the conditions set forth in the Act. Securities eligible to be pledged as collateral are generally limited to obligations of the United States government and any state thereof and are held in the name of the State Chief Financial Officer's office. Compliance with the provisions of Chapter 280, Florida Statutes, is monitored by a Qualified Public Depository Oversight Board with members appointed by the State Chief Financial Officer.

CITY OF DELAND, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

(4) **Deposits and Investments:** (Continued)

Custodial Credit Risk—Investments: In the case of investments, this is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As of September 30, 2019, the City's investments in U.S. Treasury obligations and U.S. Government agency obligations are backed by the full faith and credit of the United States, or explicitly guaranteed by the United States.

Foreign Currency Risk: Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment. The investment policy does not permit general obligations issued by a foreign government, therefore, the City is not exposed to foreign currency risk.

The City's Pension Plans are authorized to invest in the following investments:

The General Employees' Retirement Trust Fund has adopted an investment policy which authorizes the pension manager to invest in equities, fixed income investments, real estate investments, and hedge funds.

The Police Officers' Retirement Trust Fund has adopted an investment policy which authorizes the pension manager to invest in equities, convertible securities, real estate investments, and fixed income securities.

The Firefighters' Retirement Trust Fund has adopted an investment policy which authorizes the pension manager to invest in equities, fixed income investments, real estate investments, and hedge funds.

The following is a description of the valuation techniques used for assets measured at fair value:

U.S. General & Agency Obligations—Valued based on face value of the instruments adjusted for inflation and interest maturities.

Corporate Bonds— Valued based on face value of the instruments adjusted for inflation and interest maturities.

Common Stock and Mutual Funds—Valued at fair value based on quoted market prices at year end.

Money Market Funds—Valued at the underlying fund balance,

Real Estate Based Investments, Other Trust/Partnership Investments, and Other Assets —Valued based upon the underlying investments' most recent audited financial statements.

CITY OF DELAND, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

(4) Deposits and Investments: (Continued)

The following chart shows the General Employees' Pension fund cash and investment accounts by investment portfolios and their respective maturities (in years):

	Carrying Value	Weighted Average Maturity (years)	Credit Rating (S&P)	Measured at Fair Value:		
				Level 1	Level 2	Level 3
Cash	\$ 249,761	N/A	NR	\$ N/A	\$ N/A	\$ N/A
U.S. General & Agency Obligations	1,117,986	17.37	AAA	-	1,117,986	-
Other Trust / Partnership Investments	4,014,551	N/A	NR	-	-	4,014,551
Corporate Bonds	4,964,839	5.79	BBB, AAA	-	4,964,839	-
Municipal Bonds	31,371	21.27	A+	-	31,371	-
Common Stock	16,100,985	N/A	NR	16,100,985	-	-
Mutual Funds	1,587,032	N/A	NR	1,587,032	-	-
Total Portfolio	\$ 28,066,525			\$ 17,688,017	\$ 6,114,196	\$ 4,014,551

The following chart shows the Police Pension fund cash and investment accounts by investment portfolios and their respective maturities (in years):

	Carrying Value	Weighted Average Maturity (years)	Credit Rating (S&P)	Measured at Fair Value:		
				Level 1	Level 2	Level 3
Cash	\$ 566,507	N/A	NR	\$ N/A	\$ N/A	\$ N/A
U.S. General & Agency Obligations	2,126,096	9.17	AA+	-	2,126,096	-
Corporate Bonds	5,456,999	0.22	A-, AA+	-	5,456,999	-
Common Stock	9,652,751	N/A	NR	9,652,751	-	-
Preferred / Convertible Securities	720,933	N/A	NR	-	720,933	-
Mutual Funds	6,399,900	N/A	NR	6,399,900	-	-
Real Estate / Other Assets	2,978,448	N/A	NR	-	-	2,978,448
Total Portfolio	\$ 27,901,634			\$ 16,052,651	\$ 8,304,028	\$ 2,978,448

The following chart shows the Fire Pension fund cash and investment accounts by investment portfolios and their respective maturities (in years):

	Carrying Value	Weighted Average Maturity (years)	Credit Rating (S&P)	Measured at Fair Value:		
				Level 1	Level 2	Level 3
Cash	\$ 145,843	N/A	NR	\$ N/A	\$ N/A	\$ N/A
U.S. General & Agency Obligations	1,886,630	3.50	AAA	-	1,886,630	-
Other Trust / Partnership Investments	1,305,869	N/A	NR	-	-	1,305,869
Corporate Bonds	1,290,911	2.32	Baa3, Aaa	-	1,290,911	-
Common Stock	10,131,955	N/A	NR	10,131,955	-	-
Mutual funds	1,531,858	N/A	NR	1,531,858	-	-
Money Market	570,933	N/A	NR	-	570,933	-
Total Portfolio	\$ 16,864,009			\$ 11,663,813	\$ 3,748,474	\$ 1,305,869

CITY OF DELAND, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

(4) Deposits and Investments: (Continued)

Interest Rate Risk: Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of investments. Generally, the longer the time to maturity, the greater the exposure to interest rate risk. The established performance objectives of the Pension Plans require investment maturities to provide sufficient liquidity to pay obligations as they become due. At September 30, 2019, the weighted average maturity in years for each investment type is included in the preceding table.

Credit Risk: Credit risk is the risk that a debt issuer or other counter-party to an investment will not fulfill its obligations. The Pension Plans utilize portfolio diversification in order to limit investments to the highest rated securities as rated by nationally recognized rating agencies. The ratings of the investments held at year end are shown above. All are rated within the investment policy guidelines at September 30, 2019.

Concentration of Credit Risk: Concentration of credit risk is the risk of loss attributed to the magnitude of an investment in a single issuer. The Fire Pension trust funds policy does not allow more than five (5) percent of its assets in the common stock, capital stock, or convertible securities of any one issuing company, nor shall the aggregate investment in any one issuing company, exceed five (5) percent of the outstanding stock of that company, nor shall the aggregate of its investments at market in common stock, capital stock and convertible securities exceed seventy (70) percent of the fund's total assets. The Police Pension trust funds policy does not allow more than five (5) percent of its assets in the common stock, capital stock, or convertible securities of any one issuing company, nor shall the aggregate investment in any one issuing company, exceed twelve and one half (12.5) percent of the outstanding stock of that company. The General Employee Pension trust funds policy does not allow more than five (5) percent of its assets in the common stock, capital stock, or convertible securities of any one issuing company, nor shall the aggregate investment in any one issuing company, exceed fifteen (15) percent of the outstanding stock of that company, nor shall the aggregate of its investments at market in common stock, capital stock and convertible securities exceed seventy-five (75) percent of the fund's total assets. At September 30, 2019, the investment portfolios met the single issuer limitations.

Custodial Credit Risk: Custodial credit risk is the risk that the City may not recover cash and investments held by another party in the event of financial failure. Custodial credit risk is limited since investments are held in independent custodial safekeeping accounts or mutual funds.

Foreign Currency Risk: Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment. The Pension trust funds policies allow for up to twenty-five (25) percent of its investments in common stock, capital stock and convertible securities at market value in foreign securities. At September 30, 2019, the investment portfolios met the foreign securities limitations.

A reconciliation of cash and investments as shown in the accompanying financial statements follows:

Fair Value/Carrying Value	
Governmental and Business-type Investment Portfolio	\$ 88,565,071
Pension Investment Portfolio	72,832,168
Total	<u>\$161,397,239</u>
Government-Wide Statement of Net Position:	
Equity in pooled cash and cash equivalents	\$ 52,680,824
Investments	30,165,766
Restricted investments	5,718,481
Statement of Plan Net Position:	
Cash and cash equivalents with trustee	962,111
Investments	71,870,057
Total	<u>\$161,397,239</u>

CITY OF DELAND, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

(5) **Accounts Receivable:**

The City's receivables consist of the following at September 30, 2019:

	<u>Gross Receivable</u>	<u>Allowance for Doubtful Accounts</u>	<u>Net Receivable</u>
Governmental Activities:			
General Fund			
Delinquent taxes receivable	\$ 56,692	\$ -	\$ 56,692
Accounts receivable	1,153,068	(58,526)	1,094,542
Downtown CRA Fund			
Accounts and interest receivable	6,342	-	6,342
Spring Hill CRA Fund			
Accounts and interest receivable	-	-	-
Workers' Compensation Self-Insurance Fund			
Interest receivable	5,300	-	5,300
Totals – Governmental Activities	<u>1,221,402</u>	<u>(58,526)</u>	<u>1,162,876</u>
Business-Type Activities			
Water and Sewer Fund			
Accounts receivable	2,581,273	(572,126)	2,009,147
Municipal Airport Fund			
Accounts receivable	13,410	(9,796)	3,614
Refuse Fund			
Accounts receivable	433,795	(82,405)	351,390
Nonmajor Proprietary Funds			
Accounts receivable	203,995	(17,835)	186,160
Totals – Business-Type Activities	<u>3,232,473</u>	<u>(682,162)</u>	<u>2,550,311</u>
Totals	<u>\$ 4,453,875</u>	<u>\$ (740,688)</u>	<u>\$ 3,713,187</u>

In addition to accounts receivable, the City also recorded \$3,011,627 in due from other governments at September 30, 2019. Approximately \$458,000 of these amounts relates to Federal and State reimbursements related to Hurricane Irma, which impacted the City in fiscal year 2018. These amounts reflect management's best estimate of recoveries based on costs incurred and approved project worksheets, and are subject to change pending adjustments made by the respective Federal and/or State agencies.

CITY OF DELAND, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

(6) Capital Assets:

Capital asset activity for the fiscal year ended September 30, 2019, is as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets, not being depreciated –				
Land	\$ 7,905,020	\$ -	\$ -	\$ 7,905,020
Construction in progress	788,163	2,024,081	(956,382)	1,855,862
Total capital assets, not being depreciated	<u>8,693,183</u>	<u>2,024,081</u>	<u>(956,382)</u>	<u>9,760,882</u>
Capital assets, being depreciated –				
Buildings and improvements	37,940,945	313,574	-	38,254,519
Equipment	11,627,137	1,955,402	(302,613)	13,279,926
Infrastructure	55,218,109	190,740	-	55,408,849
Total capital assets, being depreciated	<u>104,786,191</u>	<u>2,459,716</u>	<u>(302,613)</u>	<u>106,943,294</u>
Less accumulated depreciation for–				
Buildings and improvements	(11,772,020)	(962,220)	-	(12,734,240)
Equipment	(8,759,639)	(797,974)	302,613	(9,255,000)
Infrastructure	(24,022,959)	(1,250,362)	-	(25,273,321)
Total accumulated depreciation	<u>(44,554,618)</u>	<u>(3,010,556)</u>	<u>302,613</u>	<u>(47,262,561)</u>
Total capital assets, being depreciated, net	<u>60,231,573</u>	<u>(550,840)</u>	<u>-</u>	<u>59,680,733</u>
Governmental activities capital assets, net	<u>\$ 68,924,756</u>	<u>\$ 1,473,241</u>	<u>\$ (956,382)</u>	<u>\$ 69,441,615</u>
Business-type activities:				
Capital assets, not being depreciated –				
Land	\$ 6,270,662	\$ -	\$ -	\$ 6,270,662
Construction in progress	9,136,121	10,180,231	(5,656,197)	13,660,155
Total capital assets, not being depreciated	<u>15,406,783</u>	<u>10,180,231</u>	<u>(5,656,197)</u>	<u>19,930,817</u>
Capital assets, being depreciated –				
Buildings and improvements	12,691,938	3,685,845	-	16,377,783
Equipment	18,169,648	1,546,419	(358,401)	19,357,666
Infrastructure	135,493,229	2,402,595	-	137,895,824
Total capital assets, being depreciated	<u>166,354,815</u>	<u>7,634,859</u>	<u>(358,401)</u>	<u>173,631,273</u>
Less accumulated depreciation for –				
Buildings and improvements	(8,789,579)	(342,761)	-	(9,132,340)
Equipment	(11,776,442)	(1,311,012)	346,414	(12,741,040)
Infrastructure	(35,847,294)	(2,641,743)	-	(38,489,037)
Total accumulated depreciation	<u>(56,413,315)</u>	<u>(4,295,516)</u>	<u>346,414</u>	<u>(60,362,417)</u>
Total capital assets, being depreciated, net	<u>109,941,500</u>	<u>3,339,343</u>	<u>(11,987)</u>	<u>113,268,856</u>
Business-type activities capital assets, net	<u>\$ 125,348,283</u>	<u>\$ 13,519,574</u>	<u>\$ (5,668,184)</u>	<u>\$ 133,199,673</u>

**CITY OF DELAND, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

(6) **Capital Assets:** (Continued)

Depreciation expense was charged to functions/programs as follows:

Governmental activities:	
General governmental	\$ 535,568
Community development	115,197
Public safety	670,208
Public works	765,033
Culture and recreation	804,513
Community redevelopment	120,037
Total depreciation expense - governmental activities	<u>\$ 3,010,556</u>
Business-type activities:	
Water and sewer	\$ 3,174,696
Municipal airport	732,522
Stormwater	347,881
Permits and inspections	40,417
Total depreciation expense - business-type activities	<u>\$ 4,295,516</u>

(7) **Commitments:**

The City has active construction projects as of September 30, 2019. The projects include construction of utility improvements, road and right-of-way improvements, recreational facilities, and drainage improvements. At September 30, 2019, the City's commitments with contractors are as follows:

Projects	Total Project Amount	Amounts Expended	Remaining Commitment
Infrastructure Improvements	\$ 4,505,310	\$ 1,855,862	\$ 2,649,448
Water & Sewer Utility Improvements	12,866,684	10,546,781	2,319,903
Airport Improvements	2,425,106	2,239,097	186,009
Stormwater Improvements	260,853	236,553	24,300
Permits & Inspections Improvements	702,727	637,724	65,003
	<u>\$ 20,760,680</u>	<u>\$ 15,516,017</u>	<u>\$ 5,244,663</u>

Construction of transportation infrastructure improvements is being funded from gas tax revenues, grant proceeds, and fair share funds. The commitment for water and sewer utility improvements is being funded from water and sewer equity and water and sewer revenues and impact fees. Airport improvements are being funded from airport fund equity and grant proceeds. The commitment for stormwater improvements is being funded from grant proceeds, drainage revenues, and deferred construction funds. Permits and inspections improvements are funded from permit and inspection fund equity.

CITY OF DELAND, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

(8) Long-Term Debt:

A summary of the debt transactions for the City for the fiscal year ended September 30, 2019, is as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities:					
Notes payable:					
General obligation notes	\$ 385,377	\$ -	\$ (385,377)	\$ -	\$ -
Revenue notes	12,079,738	9,970,000	(1,114,847)	20,934,891	1,551,717
Total notes payable	12,465,115	9,970,000	(1,500,224)	20,934,891	1,551,717
Compensated absences	1,717,219	771,498	(638,398)	1,850,319	255,339
Governmental activities – Total long-term liabilities	<u>\$ 14,182,334</u>	<u>\$ 10,741,498</u>	<u>\$ (2,138,622)</u>	<u>\$ 22,785,210</u>	<u>\$ 1,807,056</u>
Business-type activities:					
Compensated absences	\$ 743,680	\$ 381,787	\$ (408,246)	\$ 717,221	\$ 254,722
Business-type activities – Total long-term liabilities	<u>\$ 743,680</u>	<u>\$ 381,787</u>	<u>\$ (408,246)</u>	<u>\$ 717,221</u>	<u>\$ 254,722</u>

Annual debt service requirements to maturity for the City's notes payable are as follows:

<u>Year Ending September 30,</u>	<u>Governmental Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 1,551,717	\$ 451,319	\$ 2,003,036
2021	1,765,891	456,332	2,222,223
2022	1,811,133	410,851	2,221,984
2023	1,857,622	364,116	2,221,738
2024	1,767,105	317,183	2,084,288
2025-2029	6,086,644	1,035,218	7,121,862
2030-2034	3,903,282	408,859	4,312,141
2035-2039	2,191,497	100,504	2,292,001
Total	<u>\$ 20,934,891</u>	<u>\$ 3,544,382</u>	<u>\$ 24,479,273</u>

CITY OF DELAND, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

(8) **Long-Term Debt:** (Continued)

Notes payable in the City's governmental activities at September 30, 2019, are comprised of the following obligations:

General Fund multipurpose loan in the original amount of \$8,500,000 dated April 1, 2004, and refinanced in October of 2012 with \$5,928,550 outstanding, due in varying semi-annual principal installments of \$201,331 to \$276,782 plus interest at 2.71% with a final maturity date of April 1, 2025. Repayment of year-end loan balance is collateralized by pledge of non-ad valorem revenues.	\$ 3,090,987
General Fund multipurpose loan in the original amount of \$1,500,000 dated July 19, 2004, and refinanced in October of 2012 with \$1,189,372 outstanding, due in varying semi-annual principal installments of \$40,390 to \$55,527 plus interest at 2.71% with a final maturity date of April 1, 2025. Repayment of year-end loan balance is collateralized by pledge of non-ad valorem revenues.	620,107
General Fund multipurpose loan in the original amount of \$2,623,000 dated May 7, 2013, due in escalating semi-annual principal installments of \$46,955 to \$88,436 plus interest at 3.36% with a final maturity date of December 1, 2032. Repayment of year-end loan balance is collateralized by pledge of non-ad valorem revenues.	1,939,013
General Fund multipurpose loan in the original amount of \$1,000,000 dated May 7, 2013, due in escalating semi-annual principal installments of \$17,777 to \$33,482 plus interest at 3.36% with a final maturity date of December 1, 2032. Repayment of year-end loan balance is collateralized by pledge of non-ad valorem revenues.	734,114
General Fund multipurpose loan in the original amount of \$3,878,200 dated February 21, 2018, due in escalating semi-annual principal installments of \$60,962 to \$194,398 plus interest at 3.16% with a final maturity date of June 1, 2033. Repayment of year-end loan balance is collateralized by pledge of non-ad valorem revenues.	3,535,233
General Fund multipurpose loan in the original amount of \$1,100,000 dated February 21, 2018, due in escalating semi-annual principal installments of \$27,281 to \$47,828 plus interest at 4.05% with a final maturity date of June 1, 2033. Repayment of year-end loan balance is collateralized by pledge of non-ad valorem revenues.	1,045,437
General Fund multipurpose loan in the original amount of \$9,970,000 dated September 18, 2019, due in escalating semi-annual principal installments of \$212,015 to \$403,348 plus interest at 1.648% with a final maturity date of June 1, 2039. Repayment of year-end loan balance is collateralized by pledge of non-ad valorem revenues.	9,970,000
	\$ 20,934,891

CITY OF DELAND, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

(9) Interfund Loans, Advances, Fees and Transfers:

The City makes routine transfers between its funds in the course of the fiscal year. The principal purposes of these transfers are to allocate resources for debt service, construction or other capital projects, and to provide operating subsidies. These transfers are consistent with the activities of the funds involved. Transfers of resources from a fund receiving revenue to the fund through which the resources are to be expended are recorded as transfers and are reported as other financing sources (uses) in the Governmental Funds and as transfers in (out) in the Proprietary Funds.

For the year ended September 30, 2019, interfund transfers consisted of the following:

Description	Total Transfers Out	Total Transfers In				
		Governmental Funds			Proprietary Funds	
		General Fund	Capital Projects	Nonmajor Governmental	Water and Sewer	Airport
Governmental Funds						
General Fund	\$ 1,155,976	\$ -	\$ 1,100,976	\$ 50,000	\$ 5,000	\$ -
Spring Hill CRA	250,000	-	-	250,000	-	-
Downtown CRA	18,704	-	18,704	-	-	-
Capital Projects	250,000	-	-	250,000	-	-
Nonmajor Governmental	200,000	200,000	-	-	-	-
Total – Governmental Funds	<u>1,874,680</u>	<u>200,000</u>	<u>1,119,680</u>	<u>550,000</u>	<u>5,000</u>	<u>-</u>
Proprietary Funds						
Water and Sewer	2,388,926	2,082,539	156,663	-	-	10,000
DeLand Municipal Airport	107,626	225,849	21,501	-	-	-
Refuse Collection	101,823	-	-	-	101,823	-
Stormwater	125,848	5,105	19,743	-	26,000	75,000
Permits and Inspections	651,460	569,391	38,184	-	43,885	-
Total – Proprietary Funds	<u>3,375,683</u>	<u>2,882,884</u>	<u>236,091</u>	<u>-</u>	<u>171,708</u>	<u>85,000</u>
Total	<u>\$ 5,250,363</u>	<u>\$ 3,082,884</u>	<u>\$ 1,355,771</u>	<u>\$ 550,000</u>	<u>\$ 176,708</u>	<u>\$ 85,000</u>

The transfers from the General Fund to the Spring Hill CRA Fund and the Nonmajor Governmental Funds represent capital expenditures paid for by the General Fund. The transfers from the General Fund to the Homeless Fund represent funding for operations of the shelter. The transfer from the Water and Sewer fund to the general fund represents payments in lieu of taxes. The transfer from the Airport Fund to the General Fund represent payments on the advance of funding.

At September 30, 2019, individual fund advances to and from other funds for the primary government were comprised of the following:

	Advance To	Advance From
Governmental Activities		
General Fund:		
Airport Fund	\$ 2,292,976	\$ -
	<u>2,292,976</u>	<u>-</u>
Business-type Activities		
Airport Fund:		
General Fund	-	2,292,976
	<u>-</u>	<u>2,292,976</u>
Totals – All Funds	<u>\$ 2,292,976</u>	<u>\$ 2,292,976</u>

**CITY OF DELAND, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

(9) **Interfund Loans, Advances, Fees and Transfers:** (Continued)

The advance from the General Fund to the Airport Fund is interest-bearing and was made to accelerate the capital improvement program for the DeLand Municipal Airport. The advance will be repaid by future revenues of the Airport Fund.

(10) **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 for which the City carries commercial insurance. The City has established a limited risk management program for workers' compensation and as part of this program the Workers' Compensation Self-Insurance Fund. All funds of the City participate in this program and make premium payments to the Self-Insurance Fund based on actuarial estimates of reserve requirements and analysis of reported claim requirements and administrative costs. The City's current commercial workers' compensation insurance coverage provides for a deductible of \$100,000 per accident (formerly \$150,000 for all claims prior to October 1, 2014) and provides a maximum coverage of \$1,000,000 per accident and a maximum aggregate coverage of \$1,000,000 per year. There have been no claims or settlements for workers' compensation or other types of exposure in excess of the City's commercial insurance coverage over the past three years.

The estimates are based on an actuarial analysis as of September 30, 2019 of the City's self-insurance program. The claims liability was approximately \$722,000 at September 30, 2019, and is reported in accordance with the GASB Codification. The claims liability estimates were discounted to present value using an assumed discount rate of 3.0% per annum.

Because of uncertainties in the estimation process, it is at least reasonably possible that management's estimate of the claims liability will change in the near term and could be material to the financial statements.

A summary of the changes in the liabilities for reported losses and incurred but not reported losses for the past five years follows.

<u>Fiscal Year</u>	<u>Liability at Beginning of Fiscal Year</u>	<u>Current Year Claims and Changes in Estimate</u>	<u>Claim Payments</u>	<u>Liability at End of Fiscal Year</u>
2019	\$ 649,000	\$ 741,201	\$ (668,201)	\$ 722,000
2018	590,000	287,420	(228,420)	649,000
2017	598,000	77,832	(85,832)	590,000
2016	738,000	8,273	(148,273)	598,000
2015	977,000	(84,058)	(154,942)	738,000

Various suits and claims arising in the ordinary course of the City's operations are pending against the City. Management has estimated these suits and claims to have an immaterial effect on the City's financial statements at September 30, 2019. Certain other suits are indeterminable as to the probability or estimability of the potential liability to the City at September 30, 2019.

CITY OF DELAND, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

(11) Employees' Retirement Plans:

A. Defined Contribution Plan

The City maintains one defined contribution retirement plan for its General employees created in accordance with Internal Revenue Code Section 401(a). The deferred compensation in the 401(a) plan is not available until termination, retirement, death, or unforeseeable emergency.

The City of DeLand Governmental Money Purchase Plan is administered by Nationwide Retirement Solutions (formerly PEBSCO). Based on City ordinance, all full-time employees, except the City Manager, City Attorney and/or assistants, department directors, certain staff positions subject to review by the City Commission and employees covered by the Police Officers' or Firefighters' Retirement Plans hired on or after August 5, 2006, are required to be participants of the City of DeLand Governmental Money Purchase Plan. Employees hired prior to August 5, 2006 were offered a one-time, irrevocable option to move from the Defined Benefit Retirement Plan to the Defined Contribution Retirement Plan. The City contributes on behalf of eligible full-time general employees 7.5% of earnings for the Plan Year (subject to the limitations of Article V of the Plan.) Each of these participants are required to make a 5% contribution of earnings to the plan.

Based on City Ordinance, the City Manager and eligible department heads are required to participate in the 401(a) plan for City contributions, unless they elect out within a 30-day timeframe. The City contributes on behalf of the City Manager 12% of earnings for the plan year as required by the employment contract between the City and the City Manager (subject to the limitations of Article V of the Plan). The City Manager may not make contributions to the plan. The City contributes on behalf of eligible department heads 10% of earnings for the plan year (subject to the limitations of Article V of the Plan). Each of these participants may not make contributions to the plan.

The funds are invested in the manner directed by the employee. The plan has a five (5) year graduated vesting schedule for eligible general employees, 20% a year, with partial vesting after one (1) year of service. The City Manager and Departments Heads are immediately 100% vested. All amounts deferred under this plan are held in trust for the exclusive benefit of the participants and beneficiaries. These assets are held in trust, not subject to the claims of the City's general creditors, and therefore are not included in the financial records of the City. For the year ended September 30, 2019, total City and employee contributions to the 401(a) plan were \$693,396 and \$461,948, respectively.

B. Defined Benefit Plans

Plan Description and Administration

The City maintains three (3) single-employer defined benefit pension plans for its employees: the General Employees' Retirement Trust Fund, the Police Officers' Retirement Trust Fund and the Firefighters' Retirement Trust Fund.

The General Employees' Retirement Trust Fund is administered by the General Employees' Retirement Committee. Based on City Ordinance, all full-time employees, except the City Manager and certain department heads designated by the City Commission and employees covered by the Police Officers' or Firefighters' Retirement Trust Funds, are participants of the General Employees' Retirement Trust Fund. This plan applies only to employees hired before August 5, 2006 (see Defined Contribution Retirement Plan).

The Police Officers' Retirement Trust Fund is administered by the Police Officers' Retirement Committee. Based on City ordinance, all full-time sworn police officers are participants of the Police Officers' Retirement Trust Fund.

**CITY OF DELAND, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

(11) Employees' Retirement Plans: (Continued)

The Firefighters' Retirement Trust Fund is administered by the Firefighters' Retirement Committee. Based on City Ordinance, all full-time firefighters are participants of the Firefighters' Retirement Trust Fund.

The City also has a Deferred Retirement Option Program for eligible General Employees', Police Officers' and Firefighters' Retirement Plan participants. The DROP Plan allows members who have met the eligibility requirement for normal retirement to have their retirement benefits deposited monthly into a DROP account, earning interest, while simultaneously continuing to work (but not earning additional credit for retirement) for up to sixty months (5 years). Employees who enter the DROP Program have an option of either receiving their earned compensated absences when they enter the program in one lump sum, or to receive the lump sum at the end of their employment with the City. The purpose of this program is to provide a way for retirees to accumulate additional savings while continuing employment.

Benefits Provided and Employees Covered

Each Plan provides retirement, disability and death benefits to plan participants and beneficiaries. Cost of living adjustments are provided to retirees and beneficiaries at the discretion of the City Commission. Benefits vest after ten years of full-time employment. Each of the Retirement Committees has contracted with an actuary to provide an actuarial valuation of each plan as of October 1 (changed from January 1 to October 1 effective October 1, 2002) of each year. Current membership in the employee retirement plans was composed of the following at October 1, 2018:

	General Employees' Retirement Trust Fund	Police Officers' Retirement Trust fund	Firefighters' Retirement Trust Fund
Retirees and beneficiaries currently receiving benefits, including DROP participants	129	48	26
Vested terminated employees	1	3	2
Active participants	28	59	44
Total current membership	158	110	72

Police Officers' Retirement Trust Fund

For the Police Officers' Retirement Trust Fund, all certified full-time law enforcement officers are eligible to participate. Credited service is computed in completed months from date of employment to actual retirement or termination date. Final Monthly Compensation (FMC) is calculated based on the average rate of basic compensation during the best 5 years out of the last 10 years preceding the date of separation, and includes overtime pay and excludes commissions, bonuses, and expense allowances. Accrued leave was frozen as of September 30, 2013. Normal retirement is achieved at the earlier of 55 years of age and 10 years of credited service or 20 years of credited service, and normal annual benefits are calculated at 3.0% times FMC times years of credited service. Additional benefit election options are available for early retirement, and disability and death benefits are also provided.

CITY OF DELAND, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

(11) Employees' Retirement Plans: (Continued)

All current retirees, disabled participants, beneficiaries, DROP participants and terminated vested members, who retired before January 1, 2008, and who have been receiving benefits for a minimum of twelve (12) months, are eligible for an automatic annual cost of living adjustment (COLA) in the amount of 0.5%, per annum commencing January 1, 2006. All participants, or the beneficiaries of said participants, who retire on or after January 1, 2008, shall be required to have attained Normal Retirement Date to be eligible to receive the above stated annual COLA. Effective October 1, 2012, all participants who were employed on or after March 21, 2011, and who retire pursuant to normal retirement eligibility conditions, including entry into the DROP, and active DROP participants employed as of March 21, 2011, with the City shall receive an automatic annual cost of living adjustment (COLA) of 1.5% in addition to the above stated annual COLA of 0.5% in the January following the earlier of (1) attainment of age 55 but not before a period of one (1) year has elapsed from date of retirement or DROP entry or (2) three (3) years following the date of retirement or DROP entry.

Firefighters' Retirement Trust Fund,

For the Firefighters' Retirement Trust Fund, all certified full-time firefighters are eligible to participate. Credited service is computed in completed months from date of employment to actual retirement or termination date. Final Monthly Compensation (FMC) is calculated based on the average rate of basic compensation during the best 5 years out of the last 10 years preceding the date of separation, and includes overtime pay and excludes commissions, bonuses, expense allowances, and all other extraordinary compensation. Normal retirement is achieved at the earlier of 55 years of age and 10 years of credited service or 20 years of credited service, and normal annual benefits are calculated at 3.0% times FMC times years of credited service. Additional benefit election options are available for early retirement, and disability and death benefits are also provided.

The monthly retirement benefit payable to all participants who retired prior to June 1, 2005, with 20 years of credited service is adjusted annually effective October 1, 2004, and October 1 of each year thereafter. Such annual COLA adjustments are in an initial amount equal to 1.0% of the participant's monthly retirement benefit and an amount equal to 0.5% of the participant's monthly retirement benefit each year thereafter. Participants who retire after October 1, 2012, that have received a benefit for 3 years or attained age 55 are entitled to the annual COLA plus an additional annual 1.5% COLA effective on the participant's date of retirement or entry into DROP and each year thereafter.

General Employees' Retirement Trust Fund

For the General Employees' Retirement Trust Fund, all regular full-time employees hired prior to August 5, 2006, who elected not to opt out of the plan are eligible to participate. Credited service is computed in completed months from date of employment to actual retirement or termination date. Final Monthly Compensation (FMC) is calculated based on the average rate of basic compensation during the best 60 successive months out of the last 120 months preceding the date of separation, and includes overtime pay up to 300 hours. Accrued leave was frozen as of July 1, 2011. Normal retirement is achieved at the earlier of 65 years of age and 10 years of credited service, 60 years of age and 20 years of credited service, or 25 years of credited service, and normal annual benefits are calculated at 2.4% times FMC times years of credited service. Additional benefit election options are available for early retirement, and disability and death benefits are also provided.

**CITY OF DELAND, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

(11) Employees' Retirement Plans: (Continued)

All current and future retirees who retire on or after the Normal Retirement Date, and their beneficiaries, who have been receiving benefits for a minimum of twelve (12) months will be eligible for an automatic annual COLA in the amount of 0.5% per annum commencing January 1, 2008.

Financial Statements

The financial statements of the Employees' Retirement plans are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. The government's contributions are recognized when due and a formal commitment to provide the contributions has been made. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. All plan investments are reported at fair value. The City utilizes the General Fund to liquidate the liability for the pension liabilities from previous years. These plans do not issue stand-alone financial reports.

Contributions

The participant contribution rates are established by and may be amended by the City Commission. Participant contribution rates for the Police Officers' Retirement Trust Fund, Firefighters' Retirement Trust Fund, and General Employees' Retirement Trust Fund are 7.75%, 5.00%, and 7.00%, respectively, of covered payroll. The City's annual required contribution for the current year was determined as part of the October 1, 2017 actuarial valuations. The City is required under the Florida Protection of Public Employee Retirement Benefits Act to meet required contribution amounts. The City's contributions (and if applicable, any liquidations of a net pension obligation) to the Police Officers' Retirement Trust Fund and Firefighters' Retirement Trust Fund are funded by the General Funds, while the General Employees' Retirement Trust Fund contributions are funded by the General Fund and various enterprise funds.

The State of Florida also makes contributions to the Firefighters' and Police Officers' Retirement Plans in accordance with Chapter 175 and Chapter 185 of the Florida Statutes as amended by the State Legislature. This contribution by the State of Florida is first recognized as revenue in the General Fund before being transferred to the Pension Fund. The City's actual annual contribution for each plan is determined by subtracting estimated employee contributions and actual State of Florida contributions from the total annual required contribution as determined by the actuary.

Contributions to the City's pension plans for the year ended September 30, 2019, were as follows:

	General Employees' Retirement Trust Fund	Police Officers' Retirement Trust Fund	Firefighters' Retirement Trust Fund	Total Contributions
Employee contributions	\$ 108,158	\$ 319,772	\$ 173,401	\$ 601,331
City contributions	619,990	1,134,320	981,571	2,735,881
State contributions	-	278,528	183,517	462,045
Total contributions	<u>\$ 728,148</u>	<u>\$ 1,732,620</u>	<u>\$ 1,338,489</u>	<u>\$ 3,799,257</u>

Costs incurred by each of the plans for administration of the plans, which includes legal and actuarial fees, trustee fees and investment advisory fees, are borne by the respective retirement plans and are included in the actuarial analysis of the required funding amounts.

**CITY OF DELAND, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

(11) **Employees' Retirement Plans:** (Continued)

Investment Policy

See Note (4) for additional discussion of the investment policies for each of the Plans. The following was the asset allocation policy for each of the plans as of the September 30, 2018 measurement date:

	Target Asset Allocation		
Asset Class	General Employees' Retirement Trust Fund	Police Officers' Retirement Trust Fund	Firefighters' Retirement Trust Fund
Domestic equity	50%	40%	50%
International equity	10%	15%	10%
Convertible securities	0%	10%	0%
Fixed income	21.5%	25%	20%
Real estate	8.5%	5%	10%
Hedge funds	10%	0%	10%
Master limited partnerships	0%	5%	0%

Net Pension Liability

The components of the net pension liability of the pension plans at September 30, 2019, based upon a measurement date of September 30, 2018, were as follows:

	General Employees' Retirement Trust Fund	Police Officers' Retirement Trust Fund	Firefighters' Retirement Trust Fund	Total
Total pension liability	\$ 33,338,066	\$ 33,872,488	\$ 19,975,093	\$ 87,185,647
Plan fiduciary net position	(30,098,047)	(26,780,239)	(17,006,098)	(73,884,384)
Net pension liability	\$ 3,240,019	\$ 7,092,249	\$ 2,968,995	\$ 13,301,263
Plan fiduciary net position as percentage of total pension liability	90.28%	79.06%	85.14%	84.74%

The total pension liability was determined by an actuarial valuation as of October 1, 2017, updated to the measurement date of September 30, 2018, using the following actuarial assumptions to all measurement periods.

	General Employees' Retirement Trust Fund	Police Officers' Retirement Trust Fund	Firefighters' Retirement Trust Fund
Inflation	2.50%	2.50%	2.30%
Salary increases	3.25-4.25%	4.75-6.25%	5.00-5.50%
Investment rate of return	7.35%	7.50%	7.50%

Mortality rates for the Firefighters' Retirement Trust Fund were based on the Florida Retirement System (FRS) assumptions used for special risk employees. Mortality rates for the Police Officers' Retirement Trust Fund were based on the RP-2000 Combined Healthy (sex distinct) Table with Blue Collar Adjustment, projected to valuation date using scale AA. Mortality rates for the General Employees' Retirement Trust Fund were based on the 1994 UP Mortality (sex distinct) Table, projected to valuation date using scale AA. Disabled participant mortality rates for both the General Employees and Police plans were based on the RP-2000 Disabled Mortality (sex distinct) Table, projected to valuation date using scale AA. The actuarial assumptions used in the October 1, 2013 valuation were based on results of an actuarial experience study for the period 1987-2013.

CITY OF DELAND, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

(11) Employees' Retirement Plans: (Continued)

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

Best estimates of arithmetic real rates of return for each major class included in the pension plan's target asset allocation as of September 30, 2018, are summarized in the following table:

Asset Class	Long Term Expected Real Rate of Return		
	General Employees' Retirement Trust Fund	Police Officers' Retirement Trust Fund	Firefighters' Retirement Trust Fund
Domestic equity	6.93%	9.70%	6.89%
International equity	6.70%	5.10%	6.40%
Convertible securities	0.00%	8.70%	0.00%
Fixed income	2.00%	6.00%	2.47%
Real estate	6.40%	7.30%	3.36%
Hedge funds	3.84%	0.00%	3.05%
Master limited partnerships	0.00%	10.50%	0.00%

Discount rate:

The discount rate used to measure the total pension liability for each pension plan was 7.50% for the September 30, 2018, measurement date for the Police and Fire plans and 7.40% for the General Employees plan. The projection of cash flows used to determine the discount rate assumed the plan member contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in net pension liability:

Changes in each plan's net pension liability were as follows:

	General Employees' Retirement Trust Fund		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a - b)
Beginning Balance	\$ 32,959,366	\$ 29,301,888	\$ 3,657,478
Changes for year:			
Service cost	235,928	-	235,928
Interest	2,360,947	-	2,360,947
Differences between expected/actual experience	(93,942)	-	(93,942)
Changes in assumptions	148,413	-	148,413
Contributions – employer	-	626,403	(626,403)
Contributions – employee	-	123,455	(123,455)
Net investment income	-	2,355,834	(2,355,834)
Benefit payments, including refunds	(2,272,646)	(2,272,646)	-
Administrative expenses	-	(36,887)	36,887
New changes	378,700	796,159	(417,459)
Ending Balance	\$ 33,338,066	\$ 30,098,047	\$ 3,240,019

**CITY OF DELAND, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

(11) **Employees' Retirement Plans:** (Continued)

Changes in net pension liability:

Changes in each plan's net pension liability were as follows:

	Police Officers' Retirement Trust Fund		
	Total Pension Liability	Plan Fiduciary Net Position (b)	Net Pension Liability
	(a)		(a - b)
Beginning Balance	\$ 33,229,223	\$ 25,450,627	\$ 7,778,596
Changes for year:			
Service cost	781,239	-	781,239
Interest	2,458,448	-	2,458,448
Differences between expected/actual experience	142,773	-	142,773
Change in assumptions	-	-	-
Contributions – employer	-	1,064,184	(1,064,184)
Contributions – state	-	252,492	(252,492)
Contributions – employee	-	278,334	(278,334)
Net investment income	-	2,560,887	(2,560,887)
Benefit payments, including refunds	(2,739,195)	(2,739,195)	-
Administrative expenses	-	(87,090)	87,090
New changes	<u>643,265</u>	<u>1,329,612</u>	<u>(686,347)</u>
Ending Balance	<u>\$ 33,872,488</u>	<u>\$ 26,780,239</u>	<u>\$ 7,092,249</u>

	Firefighters' Retirement Trust Fund		
	Total Pension Liability	Plan Fiduciary Net Position (b)	Net Pension Liability
	(a)		(a - b)
Beginning Balance	\$ 18,340,630	\$ 15,533,945	\$ 2,806,685
Changes for year:			
Service cost	595,986	-	595,986
Interest	1,389,294	-	1,389,294
Change in excess state money	-	-	-
Share plan allocation	16,377	-	16,377
Differences between expected/actual experience	458,190	-	458,190
Contributions – employer	-	838,197	(838,197)
Contributions – state	-	182,754	(182,754)
Contributions – employee	-	130,263	(182,754)
Net investment income	-	1,178,194	(1,178,194)
Benefit payments, including refunds	(825,384)	(825,384)	-
Administrative expenses	-	(31,871)	31,871
New changes	<u>1,634,463</u>	<u>1,472,153</u>	<u>162,310</u>
Ending Balance	<u>\$ 19,975,093</u>	<u>\$ 17,006,098</u>	<u>\$ 2,968,995</u>

CITY OF DELAND, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

(11) **Employees' Retirement Plans:** (Continued)

Sensitivity of the net pension liability to changes in the discount rate:

The following presents the net pension liability of the City calculated using the actual discount rates, as well as what the City's net pension liability would be if it were calculated using discount rates that are 1% lower or 1% higher than the current rates:

<u>City's Net Pension Liability</u>	<u>Current Rate</u>	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
General Employees' Retirement Trust Fund	7.35%	\$ 6,438,992	\$ 3,240,019	\$ 518,440
Police Officers' Retirement Trust Fund	7.50%	11,379,617	7,092,249	3,583,371
Firefighters' Retirement Trust Fund	7.50%	5,851,269	2,968,995	625,141
Total		<u>\$ 23,669,878</u>	<u>\$ 13,301,263</u>	<u>\$ 4,726,952</u>

For the year ended September 30, 2018, the annual-money weighted rate of return on each pension plan investments, net of pension plan investment expense was as follows:

	<u>General Employees' Retirement Trust Fund</u>	<u>Police Officers' Retirement Trust Fund</u>	<u>Firefighters' Retirement Trust Fund</u>
Annual money-weighted rate of return	8.26%	10.30%	7.89%

The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

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

For the year ended September 30, 2019, the City recognized pension expense of \$438,991, \$1,207,479, and \$748,332 in the General Employees, Police Officers, and Firefighters pension plans, respectively, for a grand total of \$2,394,802.

At September 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>General Employees' Retirement Trust Fund</u>		<u>Police Officers' Retirement Trust Fund</u>		<u>Firefighters' Retirement Trust Fund</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ -	\$ 668,352	\$ (21,654)	\$1,106,824	\$ -
Net difference between projected and actual investment earnings	-	(670,051)	-	(1,082,681)	-	(66,990)
Changes of assumptions	-	-	125,128	-	371,268	-
Contributions made subsequent to measurement date	-	-	1,151,798	-	-	-
	<u>\$ -</u>	<u>\$(670,051)</u>	<u>\$1,945,278</u>	<u>\$(1,104,335)</u>	<u>\$1,478,092</u>	<u>\$(66,990)</u>

While all plans report based on a measurement date of September 30, 2019, only the Police Officers plan reports a deferred inflow for contributions made subsequent to the measurement date. This is due to the fact that, in the General Employees and Firefighters plans, contributions are typically made in the fiscal year following the year which the contributions relate to (e.g., contributions for the plan year ended September 30, 2019, were not made until fiscal year 2020).

CITY OF DELAND, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

(11) Employees' Retirement Plans: (Continued)

Amounts reported as deferred outflows (except for contributions made subsequent to the measurement date, which will be recognized in the succeeding fiscal year) and deferred inflows of resources related to pensions being amortized for a period of greater than one year will be recognized in pension expense in succeeding years as follows:

	General Employees' Retirement Trust Fund	Police Officers' Retirement Trust Fund	Firefighters' Retirement Trust Fund	Total
2020	\$ (13,326)	\$ 233,557	\$ 404,749	\$ 624,980
2021	(333,645)	(224,745)	408,678	(149,712)
2022	(271,189)	(206,241)	217,337	(260,093)
2023	(51,891)	(113,426)	192,525	27,208
2024	-	-	212,437	212,437
Thereafter	-	-	-	-

C. Pension Fund Financial Statements:

No standalone financial reports exist for these pension plans. All financial activity is reported within the accompanying statement of fiduciary net position.

A combining balance sheet for the fiduciary funds as of September 30, 2019, follows:

	General	Police	Fire	Total
ASSETS				
Cash and cash equivalents with trustee	\$ 249,761	\$ 566,507	\$ 145,843	\$ 962,111
Receivables				
Employer contributions receivable	619,990	-	981,572	1,601,562
Employee contributions receivable	4,196	11,997	6,107	22,300
Interest and dividends receivable	83,967	48,083	33,916	165,966
Total receivables	708,153	60,080	1,021,595	1,789,828
Prepaid benefit payments	-	-	68,009	68,009
Investments, at fair value				
Money market funds	-	-	570,933	570,933
U.S. government obligations	1,117,986	2,126,096	1,886,630	5,130,712
Corporate bonds	4,964,839	5,456,999	1,290,911	11,712,749
Preferred/convertible securities	-	720,933	-	720,933
Common stocks	16,100,985	9,652,751	10,135,663	35,889,399
Mutual funds	1,587,032	6,399,900	1,531,858	9,518,790
Other assets	4,045,922	2,978,448	1,302,171	8,326,541
Total investments	27,816,764	27,335,127	16,718,166	71,870,057
Total assets	\$ 28,774,678	\$ 27,961,714	\$ 17,953,613	\$ 74,690,005
NET POSITION				
Restricted for pensions	\$ 28,774,678	\$ 27,961,714	\$ 17,953,613	\$ 74,690,005

CITY OF DELAND, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

(11) Employees' Retirement Plans: (Continued)

A combining schedule of changes in fiduciary net position for the fiduciary funds as of September 30, 2019, follows:

	General	Police	Fire	Total
Additions				
Contributions:				
Employer	\$ 619,990	\$ 1,134,320	\$ 981,571	\$ 2,735,881
Plan members	108,158	319,772	173,401	601,331
State - insurance premium taxes	-	278,528	183,517	462,045
Total contributions	728,148	1,732,620	1,338,489	3,799,257
Investment earnings:				
Interest and dividends	588,906	572,407	302,809	1,464,122
Other income	98,102	48,706	137,707	284,515
Net appreciation (depreciation) in fair value of investments	162,641	812,604	126,796	1,102,041
Total investment earnings	849,649	1,433,717	567,312	2,850,678
Less: investment expense	(171,097)	(114,115)	(125,970)	(411,182)
Net investment income (loss)	678,552	1,319,602	441,342	2,439,496
Total additions	1,406,700	3,052,222	1,779,831	6,238,753
Deductions				
Benefit payments	2,035,492	1,704,861	804,172	4,544,525
Refunds	644,276	65,541	-	709,817
Administrative expenses	50,301	100,345	9,126	159,772
Total deductions	2,730,069	1,870,747	813,298	5,414,114
Change in net position	(1,323,369)	1,181,475	966,533	824,639
Net position, beginning	30,098,047	26,780,239	16,987,080	73,865,366
Net position, ending	\$ 28,774,678	\$ 27,961,714	\$ 17,953,613	\$ 74,690,005

(12) Other Post-Employment Benefits (OPEB):

Plan Description—Effective October 1, 2017, the City implemented GASB Statement No. 75, *Accounting and Reporting for Post-Employment Benefits Other Than Pensions*, for certain post-employment healthcare benefits provided by the City. The City elected to implement the requirements of this statement prospectively. No assets are held in trust for payment of the OPEB liability as the City had no OPEB liability other than as arising from the implicit rate subsidy, as discussed in the following paragraph.

Retirees and their dependents are permitted to remain covered under the City's respective health care plans as long as they pay a full premium applicable to the coverage elected. This conforms to the minimum required of Florida governmental employers per Chapter 112.08, Florida Statutes. The Other Post-Employment Benefit Plan does not issue a stand-alone report.

Benefits Provided—The Other Post Employment Benefit Plan is a single-employer benefit plan administered by the City. Retirees are charged whatever the insurance company charges for the type of coverage elected, however, the premiums charged by the insurance company are based on a blending of the experience among younger active employees and older retired employees. The older retirees actually have a higher cost which means the City is actually subsidizing the cost of the retiree coverage because it pays all or a significant portion of the premium on behalf of the active employee. GASB No. 75 calls this the "implicit rate subsidy."

CITY OF DELAND, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

(12) **Other Post-Employment Benefits (OPEB):** (Continued)

Plan Membership—At October 1, 2017, the date of the latest actuarial valuation, plan participation consisted of the following:

Active Employees	369
Inactive Employees	21
	390

Total OPEB Liability—The City’s total OPEB liability of \$1,733,010 was measured as of September 30, 2019, and was determined by an actuarial valuation at October 1, 2017.

Actuarial Assumptions and Other Inputs—The total OPEB liability at the September 30, 2019 measurement date was determined using the following actuarial assumptions and other inputs, applied to all periods in the measurement, unless otherwise specified:

Inflation	3.00%
Salary increases	4.00%
Discount rate	3.64%
Healthcare cost trend rate	4.50%
Retirees’ share of benefit-related costs	100.00%

The City does not have a dedicated Trust to pay retiree healthcare benefits. The discount rate was based on the S&P Municipal Bond 20 Year High Grade Rate Index as of September 30, 2019.

Mortality rates were based on the RP-2000 Combined Mortality Table for males and females with mortality improvement projected to 2016 using Scale AA to the RP-2014 Combined Annuitant Mortality Table for males and females.

Changes in the OPEB liability for the fiscal year ended September 30, 2019, were as follows:

	Total OPEB Liability
Balance at September 30, 2018	\$ 1,700,963
Changes for a year:	
Service cost	41,049
Interest	60,028
Differences between expected and actual experience	-
Changes of assumptions	34,022
Benefit payments – implicit rate subsidy	(103,690)
Other changes	638
Net changes	32,047
Balance at September 30, 2019	\$ 1,733,010

Sensitivity of the total OPEB liability to changes in the discount rate:

The following presents the total OPEB liability of the City calculated using the discount rate of 3.58%, as well as what the City’s total OPEB liability would be if it were calculated using a discount rate that is 1% lower (2.58%) or 1% higher (4.58%) than the current rate:

**CITY OF DELAND, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

(12) **Other Post-Employment Benefits (OPEB):** (Continued)

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Total OPEB Liability	\$ 1,878,161	\$ 1,733,010	\$ 1,604,715

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rate:

The following presents the total OPEB liability of the City as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% lower (3.50%) or 1% higher (5.50%) than the current healthcare cost trend rates (4.50%):

	<u>1% Decrease</u>	<u>Current Trend Rates</u>	<u>1% Increase</u>
Total OPEB Liability	\$ 1,592,207	\$ 1,733,010	\$ 1,894,271

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended September 30, 2019, the City recognized OPEB expense of \$116,954. At September 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 125,227	\$ -
Changes of assumptions	83,100	154,329
Total	\$ 208,327	\$ 154,329

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year ended September 30:</u>	<u>Amortization</u>
2020	\$ 15,877
2021	15,877
2022	15,877
2023	6,367
2024	-

(13) **Deferred Compensation Plan:**

The City offers a deferred compensation plan administered by Nationwide Retirement Solutions. The plan was created in accordance with Internal Revenue Code Section 457. The plan, optional and available to all City employees, permits them to defer a portion of their salary until future years. The deferred compensation in the 457 plan is not available until termination, retirement, death, or unforeseeable emergency.

Both the City's sponsored Section 457 deferred compensation plan and the City's sponsored Section 401(a) defined contribution plan have been modified to establish qualified trust and custodial accounts. As such, all amounts deferred under these plans are held in trust for the exclusive benefit of the participants and beneficiaries. These assets are not subject to the claims of the City's general creditors and therefore are not included in the financial records of the City.

CITY OF DELAND, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

(14) **Commitments and Contingencies:**

Various suits and claims arising in the ordinary course of the City's operations, some of which involve substantial amounts, are pending against the City.

The ultimate effect of such litigation cannot be ascertained at this time. However, in the opinion of counsel for the City, the liabilities which may arise from such action would not result in losses which would materially affect the financial position of the City or the results of its operations, nor is it anticipated that any material amount will be paid for claims and judgments in the next fiscal year.

(15) **Recent Accounting Pronouncements:**

The Governmental Accounting Standards Board ("GASB") has issued several pronouncements that have effective dates that may impact future financial statements. Listed below are pronouncements with required implementation dates effective for subsequent fiscal years that have not yet been implemented. Management has not currently determined what, if any, impact implementation of the following will have on the City's financial statements:

- (a) GASB issued Statement No. 84, *Fiduciary Activities*, in January 2017. GASB 84 improves guidance regarding the identification and reporting of fiduciary activities. The provisions in GASB 84 are effective for periods beginning after December 15, 2018.
- (b) GASB issued Statement No. 87, *Leases*, in June 2017. GASB 87 increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The provisions in GASB 87 are effective for periods beginning after December 15, 2019.
- (c) GASB issued Statement No. 90, *Majority Equity Interests-an amendment of GASB Statements No. 14 and No. 61*, in August 2018. GASB 90 improves the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and improves the relevance of financial statement information for certain component units. The provisions in GASB 90 are effective for periods beginning after December 15, 2018.
- (d) GASB issued Statement No. 91, *Conduit Debt Obligations*, in May 2019. GASB 91 provides a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. The provisions in GASB 90 are effective for periods beginning after December 15, 2020.

CITY OF DELAND, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
GENERAL EMPLOYEES' RETIREMENT TRUST FUND
SEPTEMBER 30, 2019
(UNAUDITED)

For the year ended September 30:	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total Pension Liability					
Service cost	\$ 235,928	\$ 250,784	\$ 273,020	\$ 291,773	\$ 310,280
Interest	2,360,947	2,347,252	2,298,910	2,265,723	2,215,991
Difference between actual and expected experience	(93,942)	311,862	361,324	174,308	77,014
Changes in assumptions	148,413	375,355	141,991	-	-
Benefit payments including refunds of contributions	<u>(2,272,646)</u>	<u>(2,202,224)</u>	<u>(2,567,071)</u>	<u>(2,195,086)</u>	<u>(1,846,672)</u>
Net change in total pension liability	378,700	1,083,029	508,174	536,718	756,613
Total pension liability - beginning	<u>32,959,366</u>	<u>31,876,337</u>	<u>31,368,163</u>	<u>30,831,445</u>	<u>30,074,832</u>
Total pension liability - ending (a)	<u><u>\$ 33,338,066</u></u>	<u><u>\$ 32,959,366</u></u>	<u><u>\$ 31,876,337</u></u>	<u><u>\$ 31,368,163</u></u>	<u><u>\$ 30,831,445</u></u>
Total Fiduciary Net Position					
Contributions - employer	\$ 626,403	\$ 665,870	\$ 633,943	\$ 608,582	\$ 676,540
Contributions - employee	123,455	139,754	147,864	163,219	171,079
Net investment income	2,355,834	3,089,508	2,271,104	458,850	2,078,490
Benefit payments, including refunds of contributions	(2,272,646)	(2,202,224)	(2,567,071)	(2,195,086)	(1,846,672)
Administrative expense	<u>(36,887)</u>	<u>(44,155)</u>	<u>(36,804)</u>	<u>(31,282)</u>	<u>(39,287)</u>
Net change in plan fiduciary net position	796,159	1,648,753	449,036	(995,717)	1,040,150
Plan fiduciary net position - beginning	<u>29,301,888</u>	<u>27,653,135</u>	<u>27,204,099</u>	<u>28,199,816</u>	<u>27,159,666</u>
Plan fiduciary net position - ending (b)	<u><u>\$ 30,098,047</u></u>	<u><u>\$ 29,301,888</u></u>	<u><u>\$ 27,653,135</u></u>	<u><u>\$ 27,204,099</u></u>	<u><u>\$ 28,199,816</u></u>
Net pension liability - ending (a) - (b)	<u><u>\$ 3,240,019</u></u>	<u><u>\$ 3,657,478</u></u>	<u><u>\$ 4,223,202</u></u>	<u><u>\$ 4,164,064</u></u>	<u><u>\$ 2,631,629</u></u>
Plan fiduciary net position as a percentage of the total pension liability	90.28%	88.90%	86.75%	86.73%	91.46%
Covered payroll	\$ 1,689,032	\$ 1,992,342	\$ 2,191,072	\$ 2,330,682	\$ 2,449,665
Net pension liability as a percentage of covered payroll	191.83%	183.58%	192.75%	178.66%	107.43%

*10 years of data will be presented as it becomes available.

CITY OF DELAND, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
POLICE OFFICERS' RETIREMENT TRUST FUND
SEPTEMBER 30, 2019
(UNAUDITED)

For the year ended September 30:	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total Pension Liability					
Service cost	\$ 781,239	\$ 671,583	\$ 613,544	\$ 597,810	\$ 518,327
Interest	2,458,448	2,386,282	2,239,685	2,124,818	1,988,374
Difference between actual and expected experience	142,773	576,943	301,484	594,013	(563,009)
Changes in assumptions	-	221,380	-	-	-
Benefit payments including refunds of contributions	(2,739,195)	(1,908,113)	(1,627,723)	(1,377,040)	(1,362,409)
Net change in total pension liability	643,265	1,948,075	1,526,990	1,939,601	581,283
Total pension liability - beginning	33,229,223	31,281,148	29,754,158	27,814,557	27,233,274
Total pension liability - ending (a)	<u>\$ 33,872,488</u>	<u>\$ 33,229,223</u>	<u>\$ 31,281,148</u>	<u>\$ 29,754,158</u>	<u>\$ 27,814,557</u>
Total Fiduciary Net Position					
Contributions - employer	\$ 1,064,184	\$ 1,006,060	\$ 981,365	\$ 920,335	\$ 1,061,626
Contributions - state	252,492	217,535	212,226	180,302	167,254
Contributions - employee	278,334	240,502	230,475	222,582	209,027
Net investment income	2,560,887	2,722,830	2,248,723	(103,002)	2,079,946
Benefit payments, including refunds of contributions	(2,739,195)	(1,908,113)	(1,627,723)	(1,377,040)	(1,362,409)
Administrative expense	(87,090)	(61,209)	(51,495)	(65,616)	(74,437)
Net change in plan fiduciary net position	1,329,612	2,217,605	1,993,571	(222,439)	2,081,007
Plan fiduciary net position - beginning	25,450,627	23,233,022	21,239,451	21,461,890	19,380,883
Plan fiduciary net position - ending (b)	<u>\$ 26,780,239</u>	<u>\$ 25,450,627</u>	<u>\$ 23,233,022</u>	<u>\$ 21,239,451</u>	<u>\$ 21,461,890</u>
Net pension liability - ending (a) - (b)	<u>\$ 7,092,249</u>	<u>\$ 7,778,596</u>	<u>\$ 8,048,126</u>	<u>\$ 8,514,707</u>	<u>\$ 6,352,667</u>
Plan fiduciary net position as a percentage of the total pension liability	79.06%	76.59%	74.27%	71.38%	77.16%
Covered payroll	\$ 3,422,845	\$ 2,996,390	\$ 2,861,008	\$ 2,625,931	\$ 2,537,987
Net pension liability as a percentage of covered payroll	207.20%	259.60%	281.30%	324.25%	250.30%

*10 years of data will be presented as it becomes available.

CITY OF DELAND, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
FIREFIIGHTERS' RETIREMENT TRUST FUND
SEPTEMBER 30, 2019
(UNAUDITED)

For the year ended September 30:	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total Pension Liability					
Service cost	\$ 595,986	\$ 536,575	\$ 497,848	\$ 493,277	\$ 470,653
Interest	1,389,294	1,259,212	1,118,048	1,012,256	951,466
Change in excess state money	-	(649,127)	54,565	53,670	53,504
Share plan allocation	16,377	324,564	-	-	-
Difference between actual and expected experience	458,190	403,418	366,689	575,210	-
Changes in assumptions	-	-	649,720	-	-
Benefit payments including refunds of contributions	(825,384)	(872,117)	(705,578)	(643,921)	(624,493)
Net change in total pension liability	<u>1,634,463</u>	<u>1,002,525</u>	<u>1,981,292</u>	<u>1,490,492</u>	<u>851,130</u>
Total pension liability - beginning	18,340,630	17,338,105	15,356,813	13,866,321	13,015,191
Total pension liability - ending (a)	<u><u>\$ 19,975,093</u></u>	<u><u>\$ 18,340,630</u></u>	<u><u>\$ 17,338,105</u></u>	<u><u>\$ 15,356,813</u></u>	<u><u>\$ 13,866,321</u></u>
Total Fiduciary Net Position					
Contributions - employer	\$ 838,197	\$ 828,703	\$ 664,829	\$ 652,166	\$ 685,846
Contributions - state	182,754	170,857	186,330	185,435	185,269
Contributions - employee	130,263	121,179	117,490	112,343	107,978
Net investment income	1,178,194	1,551,098	837,060	(13,662)	874,639
Benefit payments, including refunds of contributions	(825,384)	(872,117)	(705,578)	(643,921)	(624,493)
Administrative expense	(31,871)	(34,210)	(30,132)	(29,636)	(32,350)
Net change in plan fiduciary net position	<u>1,472,153</u>	<u>1,765,510</u>	<u>1,069,999</u>	<u>262,725</u>	<u>1,196,889</u>
Plan fiduciary net position - beginning	15,533,945	13,768,435	12,698,436	12,435,711	11,238,822
Plan fiduciary net position - ending (b)	<u><u>\$ 17,006,098</u></u>	<u><u>\$ 15,533,945</u></u>	<u><u>\$ 13,768,435</u></u>	<u><u>\$ 12,698,436</u></u>	<u><u>\$ 12,435,711</u></u>
Net pension liability - ending (a) - (b)	<u><u>\$ 2,968,995</u></u>	<u><u>\$ 2,806,685</u></u>	<u><u>\$ 3,569,670</u></u>	<u><u>\$ 2,658,377</u></u>	<u><u>\$ 1,430,610</u></u>
Plan fiduciary net position as a percentage of the total pension liability	85.14%	84.70%	79.41%	82.69%	89.68%
Covered payroll	\$ 2,605,257	\$ 2,423,588	\$ 2,351,223	\$ 2,281,600	\$ 2,159,563
Net pension liability as a percentage of covered payroll	113.96%	115.81%	151.82%	116.51%	66.25%

*10 years of data will be presented as it becomes available.

**CITY OF DELAND, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
GENERAL EMPLOYEES' RETIREMENT TRUST FUND
SEPTEMBER 30, 2019
(UNAUDITED)**

Fiscal Year	Actuarially Determined Contribution (ADC)	Contributions in Relation to ADC	Contribution Deficiency (Excess)	Covered Payroll	Contributions as Percentage of Employee Payroll
2019	\$ 619,990	\$ 619,990	\$ -	\$ 1,603,588	38.66%
2018	626,403	626,403	-	1,689,032	37.09%
2017	665,870	665,870	-	1,992,342	33.42%
2016	633,943	633,943	-	2,191,072	28.93%
2015	608,582	608,582	-	2,330,682	26.11%
2014	676,540	676,540	-	2,449,665	27.62%
2013	883,314	883,314	-	2,559,718	34.51%
2012	918,821	918,821	-	2,888,353	31.81%
2011	918,881	918,881	-	3,430,400	26.79%
2010	991,107	991,107	-	3,985,268	24.87%

Notes to Schedule:

Valuation Date: 10/1/2018

Methods and assumptions used to determine contribution rates:

Funding Method: Entry Age Normal Actuarial Cost Method
Amortization Method: Level Dollar, Closed
Remaining Amortization Period: 15 Years
Asset Valuation Method: 5-year smoothed market rate
Inflation: 2.50% per year
Salary Increases: 3.25%-4.25%
Investment Rate of Return: 7.35%
Cost of Living Adjustment: 0.50% for retirees who retire on or after Normal Retirement Date
Retirement Age: Experience-based table of rates that are specific to the type of eligibility condition.
Mortality: Healthy Participants: RP 2000 Combined Healthy Participant Mortality table, with fully generational mortality improvements projected to each future decrement with Scale BB.
Disabled Participants: RP 2000 Disabled Mortality table projected with generational improvements with Scale AA was used with separate rates for males and females.

**CITY OF DELAND, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
POLICE OFFICERS' RETIREMENT TRUST FUND
SEPTEMBER 30, 2019
(UNAUDITED)**

Fiscal Year	Actuarially Determined Contribution (ADC)	Contributions in Relation to ADC	Contribution Deficiency (Excess)	Covered Payroll	Contributions as Percentage of Employee Payroll
2019	\$ 1,350,943	\$ 1,350,943	\$ -	\$ 3,514,829	38.44%
2018	1,318,040	1,316,676	1,364	3,422,845	38.47%
2017	1,220,941	1,223,595	(2,654)	2,996,390	40.84%
2016	1,177,403	1,193,591	(16,188)	2,861,008	41.72%
2015	1,087,589	1,100,637	(13,048)	2,625,931	41.91%
2014	1,228,682	1,228,880	(198)	2,537,987	48.42%
2013	1,096,191	1,096,989	(798)	2,527,223	43.41%
2012	808,134	808,134	-	2,536,454	31.86%
2011	816,553	816,553	-	2,598,079	31.43%
2010	831,223	831,223	-	2,620,830	31.72%

Notes to Schedule:

Valuation Date: 10/1/2018

Methods and assumptions used to determine contribution rates:

Funding Method:	Entry Age Normal Actuarial Cost Method
Amortization Method:	Level Payment, Closed
Remaining Amortization Period:	30 Years
Asset Valuation Method:	Smoothed market value
Inflation:	2.50% per year
Salary Increases:	4.75%-6.25%
Investment Rate of Return:	7.50%
Cost of Living Adjustment:	0.50%/1.50%
Retirement Age:	5% - first year eligible for early retirement and 2% thereafter until 100% upon attaining normal retirement date, or age on the valuation date, if later - minimum one year of future service.
Mortality:	Healthy Participants: RP 2000 Combined Healthy Participant Mortality table with Blue Collar Adjustment with separate rates for males and females and fully generational mortality improvements projected to each future decrement date with Scale AA. Disabled Participants: RP 2000 Disabled Mortality table with separate rates for males and females and fully generational mortality improvements projected to each future decrement date with Scale AA.

CITY OF DELAND, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
FIREFIIGHTERS' RETIREMENT TRUST FUND
SEPTEMBER 30, 2019
(UNAUDITED)

Fiscal Year	Actuarially Determined Contribution (ADC)	Contributions in Relation to ADC	Contribution Deficiency (Excess)	Covered Payroll	Contributions as Percentage of Employee Payroll
2018	\$ 1,043,666	\$ 1,004,574	\$ 39,092	\$ 2,605,257	38.56%
2017	960,468	999,560	(39,092)	2,423,588	41.24%
2016	796,594	796,594	-	2,351,223	33.88%
2015	783,931	783,931	-	2,281,600	34.36%
2014	817,611	817,611	-	2,159,563	37.86%
2013	695,049	695,049	-	2,124,000	32.72%
2012	664,196	664,196	-	2,044,000	32.49%
2011	537,387	537,387	-	1,854,000	28.99%
2010	514,795	514,795	-	1,758,000	29.28%

Notes to Schedule:

Valuation Date: 10/1/2018

Methods and assumptions used to determine contribution rates:

Funding Method: Entry Age Normal Actuarial Cost Method
Amortization Method: Level Percentage of Pay, Closed
Remaining Amortization Period: 26 Years (as of 10/01/2018)
Inflation: 2.30% per year
Mortality: July 1, 2015 Florida Retirement System valuation tables for Special Risk
Retirement Age: Earlier of age 58 and 10 years of service or the completion of 23 years of service. Also, any member who has reached normal retirement is assumed to continue employment for one additional year.
Early Retirement Rate: None assumed
Disability Rates: See table below. 75% of disability and pre-retirement death occurrences are assumed to be service-connected.
Termination Rates: See table below.
Salary Increases: 5.00%-5.50%
Asset Valuation Method: The Actuarial Value of Assets is brought forward using the historical 4-year geometric average market value return (net of fees). Over time, this may produce an insignificant bias above or below the Market Value of Assets.
Cost of Living Adjustment: 2.00% automatic lifetime adjustment, beginning three years after retirement for all future retirees (excluding vested and terminated members). Current retirees receive a 0.50% COLA.
Interest Rate: 7.50% per year, compounded annually, net of investment-related expenses.
Payroll Growth: 0.00%
Termination and Disability Rate Table:

Age	% Termination During the Year	% Becoming Disabled During the Year
20	12.50%	0.09%
30	7.00%	0.11%
40	3.30%	0.15%
50	1.30%	0.33%

**CITY OF DELAND, FLORIDA
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULES OF INVESTMENT RETURNS
 SEPTEMBER 30, 2019**

For the year ended September 30,	Annual Money-Weighted Rate of Return, Net of Investment Expense		
	General	Police	
	Employees'	Officers'	Firefighters'
	Retirement Trust Fund	Retirement Trust Fund	Retirement Trust Fund
2018	8.26%	10.30%	7.89%
2017	11.42%	12.22%	11.74%
2016	8.70%	10.99%	6.86%
2015	1.14%	-0.10%	-0.11%
2014	8.28%	11.10%	8.04%

*10 years of data will be presented as it becomes available.

**CITY OF DELAND, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY
AND RELATED RATIOS
LAST 10 FISCAL YEARS
(UNAUDITED)**

	<u>2019</u>	<u>2018</u>
Total OPEB Liability		
Service cost	\$ 41,049	\$ 38,636
Interest	60,028	54,272
Difference between expected and actual experience	-	207,526
Changes of assumptions	34,022	(255,755)
Benefit payments - implicit rate subsidy	(103,690)	(111,853)
Other changes	638	92,153
Net change in total OPEB liability	<u>32,047</u>	<u>24,979</u>
Total OPEB liability - beginning of year	1,700,963	1,675,984
Total OPEB liability - end of year	<u>\$ 1,733,010</u>	<u>\$ 1,700,963</u>
Covered payroll	\$ 17,107,609	\$ 17,107,609
Total OPEB liability as a percentage of covered payroll	10.13%	9.94%

Notes to Schedule:

Valuation date:	10/1/2017	10/1/2017
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Changes of assumptions. Changes of assumptions and other changes reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

Discount rate	3.58%	3.64%
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*10 years of data will be presented as it becomes available.

**CITY OF DELAND, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2019**

	<u>Confiscated</u>	<u>Homelessness</u>	<u>Governmental Impact Fees Trust</u>	<u>Grant & Special Revenue</u>	<u>Total Nonmajor Governmental Funds</u>
ASSETS					
Cash and cash equivalents	\$ 59,135	\$ 395,151	\$ 831,659	\$ 1,469,088	\$ 2,755,033
Due from other governments	-	-	-	190,552	190,552
Total assets	<u>\$ 59,135</u>	<u>\$ 395,151</u>	<u>\$ 831,659</u>	<u>\$ 1,659,640</u>	<u>\$ 2,945,585</u>
LIABILITIES					
Accounts payable	\$ -	\$ -	\$ -	\$ 119,857	\$ 119,857
Unearned revenue	-	-	-	100,832	100,832
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>220,689</u>	<u>220,689</u>
FUND BALANCES					
Restricted for:					
Public safety	59,135	-	-	-	59,135
Construction	-	-	831,659	-	831,659
Transportation	-	-	-	260,391	260,391
Parks and recreation	-	-	-	1,178,560	1,178,560
Homelessness	-	395,151	-	-	395,151
Total fund balances	<u>59,135</u>	<u>395,151</u>	<u>831,659</u>	<u>1,438,951</u>	<u>2,724,896</u>
Total liabilities and fund balances	<u>\$ 59,135</u>	<u>\$ 395,151</u>	<u>\$ 831,659</u>	<u>\$ 1,659,640</u>	<u>\$ 2,945,585</u>

**CITY OF DELAND, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019**

	<u>Confiscated</u>	<u>Homelessness</u>	<u>Governmental Impact Fees Trust</u>	<u>Grant & Special Revenue</u>	<u>Total Nonmajor Governmental Funds</u>
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ 266,940	\$ 266,940
Intergovernmental	-	-	-	700,923	700,923
Fines and forfeitures	5,245	-	-	-	5,245
Impact fees	-	-	806,696	-	806,696
Interest revenues	851	5,534	8,620	7,864	22,869
Miscellaneous	-	97,000	-	-	97,000
Total revenues	<u>6,096</u>	<u>102,534</u>	<u>815,316</u>	<u>975,727</u>	<u>1,899,673</u>
Expenditures					
Current:					
General Government	-	697	32,951	76,733	110,381
Community Development	-	-	-	34,272	34,272
Public Works	-	-	-	231,941	231,941
Capital outlay	-	-	7,800	732,709	740,509
Debt service					
Principal	-	-	266,718	-	266,718
Interest and fiscal charges	-	-	93,712	-	93,712
Total expenditures	<u>-</u>	<u>697</u>	<u>401,181</u>	<u>1,075,655</u>	<u>1,477,533</u>
Excess (deficiency) of revenues over (under) expenditures	<u>6,096</u>	<u>101,837</u>	<u>414,135</u>	<u>(99,928)</u>	<u>422,140</u>
Other financing sources (uses):					
Issuance of long-term debt	-	-	-	433,000	433,000
Transfers in	-	50,000	-	500,000	550,000
Transfers out	-	-	(200,000)	-	(200,000)
Total other financing sources (uses)	<u>-</u>	<u>50,000</u>	<u>(200,000)</u>	<u>933,000</u>	<u>783,000</u>
Net change in fund balances	<u>6,096</u>	<u>151,837</u>	<u>214,135</u>	<u>833,072</u>	<u>1,205,140</u>
Fund balances, beginning of year	53,039	243,314	617,524	605,879	1,519,756
Fund balances, end of year	<u>\$ 59,135</u>	<u>\$ 395,151</u>	<u>\$ 831,659</u>	<u>\$ 1,438,951</u>	<u>\$ 2,724,896</u>

CITY OF DELAND, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - CONFISCATED
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Fines and forfeitures	\$ 3,000	\$ 3,000	\$ 5,245	\$ 2,245
Interest revenues	-	-	851	851
Total revenues	3,000	3,000	6,096	3,096
Expenditures				
Current:				
Public Safety:				
Police	3,000	3,000	-	3,000
Capital Outlay	17,008	17,008	-	17,008
Total expenditures	20,008	20,008	-	20,008
Net change in fund balances	(17,008)	(17,008)	6,096	23,104
Fund balances , beginning of year	53,039	53,039	53,039	-
Fund balances , end of year	\$ 36,031	\$ 36,031	\$ 59,135	\$ 23,104

CITY OF DELAND, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - HOMELESSNESS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$ 125,000	\$ 125,000	\$ -	\$ (125,000)
Interest revenues	-	-	5,534	5,534
Miscellaneous	140,668	140,668	97,000	(43,668)
Total revenues	<u>265,668</u>	<u>265,668</u>	<u>102,534</u>	<u>(163,134)</u>
Expenditures				
Current:				
General Government:				
City Hall	315,668	315,668	697	314,971
Excess (deficiency) of revenues over (under) expenditures	<u>(50,000)</u>	<u>(50,000)</u>	<u>101,837</u>	<u>151,837</u>
Other financing sources (uses):				
Transfers in	50,000	50,000	50,000	-
Net change in fund balances	<u>-</u>	<u>-</u>	<u>151,837</u>	<u>151,837</u>
Fund balances, beginning of year	243,314	243,314	243,314	-
Fund balances, end of year	<u>\$ 243,314</u>	<u>\$ 243,314</u>	<u>\$ 395,151</u>	<u>\$ 151,837</u>

CITY OF DELAND, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GOVERNMENTAL IMPACT FEES TRUST
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Impact fees	\$ 705,230	\$ 705,230	\$ 806,696	\$ 101,466
Interest revenues	-	-	8,620	8,620
Total revenues	<u>705,230</u>	<u>705,230</u>	<u>815,316</u>	<u>110,086</u>
Expenditures				
Current:				
General Government:				
City Hall	40,000	40,000	32,951	7,049
Capital Outlay	240,000	240,000	7,800	232,200
Debt Service:				
Principal	304,698	304,698	266,718	37,980
Interest and Fiscal Charges	107,287	107,287	93,712	13,575
Total expenditures	<u>691,985</u>	<u>691,985</u>	<u>401,181</u>	<u>290,804</u>
Excess (deficiency) of revenues over (under) expenditures	<u>13,245</u>	<u>13,245</u>	<u>414,135</u>	<u>400,890</u>
Other financing sources (uses):				
Transfers in	186,755	-	-	-
Transfers out	(200,000)	(200,000)	(200,000)	-
Total other financing sources (uses)	<u>(13,245)</u>	<u>(200,000)</u>	<u>(200,000)</u>	<u>-</u>
Net change in fund balances	<u>-</u>	<u>(186,755)</u>	<u>214,135</u>	<u>400,890</u>
Fund balances, beginning of year	617,524	617,524	617,524	-
Fund balances, end of year	<u>\$ 617,524</u>	<u>\$ 430,769</u>	<u>\$ 831,659</u>	<u>\$ 400,890</u>

CITY OF DELAND, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GRANT AND SPECIAL REVENUE
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$ 288,980	\$ 288,980	\$ 266,940	\$ (22,040)
Intergovernmental	97,322	2,267,278	700,923	(1,566,355)
Interest revenues	-	-	7,864	7,864
Total revenues	<u>386,302</u>	<u>2,556,258</u>	<u>975,727</u>	<u>(1,580,531)</u>
Expenditures				
Current:				
General Government:				
City Hall	-	54,749	54,749	-
Information Technology	-	22,832	21,984	848
Total General Government	<u>-</u>	<u>77,581</u>	<u>76,733</u>	<u>848</u>
Community Development:				
Economic Development	-	37,827	-	37,827
Planning and Zoning	-	240,000	34,272	205,728
Total Community Development	<u>-</u>	<u>277,827</u>	<u>34,272</u>	<u>243,555</u>
Public Works:				
Streets	288,980	312,488	231,941	80,547
Total Public Works	<u>288,980</u>	<u>312,488</u>	<u>231,941</u>	<u>80,547</u>
Capital Outlay	108,135	3,261,543	732,709	2,528,834
Total expenditures	<u>397,115</u>	<u>3,929,439</u>	<u>1,075,655</u>	<u>2,853,784</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(10,813)</u>	<u>(1,373,181)</u>	<u>(99,928)</u>	<u>1,273,253</u>
Other financing sources (uses):				
Issuance of long-term debt	-	433,000	433,000	-
Transfers in	10,813	500,000	500,000	-
Total other financing sources (uses)	<u>10,813</u>	<u>933,000</u>	<u>933,000</u>	<u>-</u>
Net change in fund balances	<u>-</u>	<u>(440,181)</u>	<u>833,072</u>	<u>1,273,253</u>
Fund balances, beginning of year	605,879	605,879	605,879	-
Fund balances, end of year	<u>\$ 605,879</u>	<u>\$ 165,698</u>	<u>\$ 1,438,951</u>	<u>\$ 1,273,253</u>

CITY OF DELAND, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - CAPITAL PROJECTS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Expenditures				
Capital Outlay	\$ 8,600,953	\$ 11,196,538	\$ 2,568,614	\$ 8,627,924
Total expenditures	<u>8,600,953</u>	<u>11,196,538</u>	<u>2,568,614</u>	<u>8,627,924</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(8,600,953)</u>	<u>(11,196,538)</u>	<u>(2,568,614)</u>	<u>8,627,924</u>
Other financing sources (uses):				
Issuance of long-term debt	6,376,844	7,552,000	7,552,000	-
Transfers in	2,224,109	2,980,495	1,355,771	(1,624,724)
Transfers out	-	(250,000)	(250,000)	-
Total other financing sources (uses)	<u>8,600,953</u>	<u>10,282,495</u>	<u>8,657,771</u>	<u>(1,624,724)</u>
Net change in fund balances	<u>-</u>	<u>(914,043)</u>	<u>6,089,157</u>	<u>7,003,200</u>
Fund balances, beginning of year	914,043	914,043	914,043	-
Fund balances, end of year	<u>\$ 914,043</u>	<u>\$ -</u>	<u>\$ 7,003,200</u>	<u>\$ 7,003,200</u>

CITY OF DELAND, FLORIDA
COMBINING STATEMENT OF NET POSITION
NONMAJOR PROPRIETARY FUNDS
SEPTEMBER 30, 2019

	<u>Stormwater</u>	<u>Permits & Inspections</u>	<u>Total</u>
ASSETS			
Current assets:			
Equity in pooled cash	\$ 615,307	\$ 2,644,652	\$ 3,259,959
Investments	1,184,065	1,839,490	3,023,555
Accounts receivable, net	177,490	8,670	186,160
Prepaid items	-	6,812	6,812
Total current assets	<u>1,976,862</u>	<u>4,499,624</u>	<u>6,476,486</u>
Noncurrent assets:			
Restricted cash	-	33,237	33,237
Liens receivable	156,990	-	156,990
Capital assets:			
Land	1,076,393	-	1,076,393
Buildings	124,414	-	124,414
Infrastructure (other than buildings)	3,846,260	105,255	3,951,515
Equipment	2,813,778	219,142	3,032,920
Construction in progress	236,553	637,724	874,277
Accumulated depreciation	(2,350,916)	(188,437)	(2,539,353)
Total noncurrent assets	<u>5,903,472</u>	<u>806,921</u>	<u>6,710,393</u>
Total assets	<u>\$ 7,880,334</u>	<u>\$ 5,306,545</u>	<u>\$ 13,186,879</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to OPEB	<u>\$ 3,851</u>	<u>\$ 7,425</u>	<u>\$ 11,276</u>
LIABILITIES			
Current liabilities:			
Accounts payable	\$ 33,858	\$ 125,680	\$ 159,538
Accrued liabilities	15,438	44,192	59,630
Deposits	25,005	-	25,005
Compensated absences	3,118	11,848	14,966
Total current liabilities	<u>77,419</u>	<u>181,720</u>	<u>259,139</u>
Noncurrent liabilities:			
Compensated absences	12,473	47,394	59,867
Net pension liability	41,682	-	41,682
Total OPEB liability	32,032	61,762	93,794
Total noncurrent liabilities	<u>86,187</u>	<u>109,156</u>	<u>195,343</u>
Total liabilities	<u>\$ 163,606</u>	<u>\$ 290,876</u>	<u>\$ 454,482</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pensions	\$ 8,620	\$ -	\$ 8,620
Deferred inflows related to OPEB	2,853	5,500	8,353
Total deferred inflows of resources	<u>\$ 11,473</u>	<u>\$ 5,500</u>	<u>\$ 16,973</u>
NET POSITION			
Net investment in capital assets	\$ 5,746,482	\$ 773,684	\$ 6,520,166
Restricted for:			
Building code enforcement	-	33,237	33,237
Unrestricted	1,962,624	4,210,673	6,173,297
Total net position	<u>\$ 7,709,106</u>	<u>\$ 5,017,594</u>	<u>\$ 12,726,700</u>

CITY OF DELAND, FLORIDA
COMBINING STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION
NONMAJOR PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	<u>Stormwater</u>	<u>Permits & Inspections</u>	<u>Total</u>
Operating revenues			
Charges for services	\$ 1,737,025	\$ 1,761,249	\$ 3,498,274
Total operating revenues	<u>1,737,025</u>	<u>1,761,249</u>	<u>3,498,274</u>
Operating expenses			
Personal services	422,849	1,022,977	1,445,826
Contractual services	188,835	61,997	250,832
Repairs and maintenance	25,077	5,672	30,749
Supplies	31,415	18,596	50,011
Utilities	13,391	-	13,391
Other expenses	51,713	28,847	80,560
Services provided by general government	233,099	396,550	629,649
Depreciation	347,881	40,417	388,298
Total operating expenses	<u>1,314,260</u>	<u>1,575,056</u>	<u>2,889,316</u>
Operating income (loss)	<u>422,765</u>	<u>186,193</u>	<u>608,958</u>
Nonoperating revenues (expenses)			
Interest earnings	54,821	97,709	152,530
Other income (expense)	540	25,773	26,313
Total nonoperating revenues (expenses)	<u>55,361</u>	<u>123,482</u>	<u>178,843</u>
Income (loss) before contributions and transfers	<u>478,126</u>	<u>309,675</u>	<u>787,801</u>
Transfers out	(125,848)	(651,460)	(777,308)
Change in net position	<u>352,278</u>	<u>(341,785)</u>	<u>10,493</u>
Net position, beginning of year	7,356,828	5,359,379	12,716,207
Net position, end of year	<u>\$ 7,709,106</u>	<u>\$ 5,017,594</u>	<u>\$ 12,726,700</u>

**CITY OF DELAND, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019**

	<u>Stormwater</u>	<u>Permits & Inspections</u>	<u>Total</u>
Cash flows from operating activities			
Cash received from customers	\$ 1,728,665	\$ 1,761,637	\$ 3,490,302
Cash paid to employees	(407,987)	(1,014,743)	(1,422,730)
Cash paid to suppliers	(523,095)	(437,092)	(960,187)
Other receipts	540	25,773	26,313
Net cash provided by (used in) operating activities	<u>798,123</u>	<u>335,575</u>	<u>1,133,698</u>
Cash flows from noncapital financing activities			
Interfund transfers out	(125,848)	(651,460)	(777,308)
Net cash provided by (used in) noncapital financing activities	<u>(125,848)</u>	<u>(651,460)</u>	<u>(777,308)</u>
Cash flows from capital and related financing activities			
Acquisition and construction of capital assets	(748,431)	(235,997)	(984,428)
Capital grants	13,698	-	13,698
Net cash provided by (used in) capital and related financing activities	<u>(734,733)</u>	<u>(235,997)</u>	<u>(970,730)</u>
Cash flows from investing activities			
Interest received	54,821	97,709	152,530
Sales of investments	114,233	177,466	291,699
Net cash provided by (used in) investing activities	<u>169,054</u>	<u>275,175</u>	<u>444,229</u>
Net increase (decrease) in cash and cash equivalents	<u>106,596</u>	<u>(276,707)</u>	<u>(170,111)</u>
Cash and cash equivalents, beginning of year	508,711	2,954,596	3,463,307
Cash and cash equivalents, end of year	<u>\$ 615,307</u>	<u>\$ 2,677,889</u>	<u>\$ 3,293,196</u>
Reconciliation of operating income to net cash provided by operating activities:			
Operating income (loss)	\$ 422,765	\$ 186,193	\$ 608,958
Adjustments to reconcile net operating income to net cash provided by operating activities:			
Depreciation	347,881	40,417	388,298
Other income (expense)	540	25,773	26,313
Changes in assets and liabilities:			
Accounts and liens receivable	(8,360)	388	(7,972)
Inventories and prepaids	-	(3,976)	(3,976)
Accounts payable and accrued liabilities	20,435	78,546	98,981
Compensated absences	1,217	(3,023)	(1,806)
Net pension liability	10,139	(898)	9,241
Total OPEB liability	3,506	12,155	15,661
Net cash provided by (used in) operating activities	<u>\$ 798,123</u>	<u>\$ 335,575</u>	<u>\$ 1,133,698</u>
Cash and cash equivalents classified as:			
Unrestricted	\$ 615,307	\$ 2,644,652	\$ 3,259,959
Restricted	-	33,237	33,237
Total cash and cash equivalents	<u>\$ 615,307</u>	<u>\$ 2,677,889</u>	<u>\$ 3,293,196</u>

**CITY OF DELAND, FLORIDA
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
SEPTEMBER 30, 2019**

	Workers' Compensation Self-Insurance	Health Insurance Cost Containment	Total
ASSETS			
Current assets:			
Equity in pooled cash	\$ 1,341,882	\$ 103,951	\$ 1,445,833
Investments	1,124,548	-	1,124,548
Accounts receivable, net	5,300	-	5,300
Total current assets	2,471,730	103,951	2,575,681
Noncurrent assets:			
Capital assets:			
Equipment	-	25,638	25,638
Accumulated depreciation	-	(25,638)	(25,638)
Total noncurrent assets	-	-	-
Total assets	\$ 2,471,730	\$ 103,951	\$ 2,575,681
LIABILITIES			
Current liabilities:			
Accounts payable	\$ 161,276	\$ 38,650	\$ 199,926
Estimated claims payable	722,000	-	722,000
Total liabilities	\$ 883,276	\$ 38,650	\$ 921,926
NET POSITION			
Unrestricted	\$ 1,588,454	\$ 65,301	\$ 1,653,755
Total net position	\$ 1,588,454	\$ 65,301	\$ 1,653,755

CITY OF DELAND, FLORIDA
COMBINING STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Workers' Compensation Self-Insurance	Health Insurance Cost Containment	Total
Operating revenues			
Charges for services	\$ 932,195	\$ 578,132	\$ 1,510,327
Total operating revenues	<u>932,195</u>	<u>578,132</u>	<u>1,510,327</u>
Operating expenses			
Personal services	927,254	-	927,254
Contractual services	68,187	398,868	467,055
Other expenses	490	138,458	138,948
Services provided by general government	64,000	32,205	96,205
Total operating expenses	<u>1,059,931</u>	<u>569,531</u>	<u>1,629,462</u>
Operating income (loss)	<u>(127,736)</u>	<u>8,601</u>	<u>(119,135)</u>
Nonoperating revenues (expenses)			
Interest earnings	60,448	4,229	64,677
Other income (expense)	112,924	-	112,924
Total nonoperating revenues (expenses)	<u>173,372</u>	<u>4,229</u>	<u>177,601</u>
Change in net position	<u>45,636</u>	<u>12,830</u>	<u>58,466</u>
Net position, beginning of year	1,542,818	52,471	1,595,289
Net position, end of year	<u>\$ 1,588,454</u>	<u>\$ 65,301</u>	<u>\$ 1,653,755</u>

**CITY OF DELAND, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019**

	<u>Workers' Compensation Self-Insurance</u>	<u>Health Insurance Cost Containment</u>	<u>Total</u>
Cash flows from operating activities			
Cash received from customers	\$ 937,063	\$ 578,132	\$ 1,515,195
Cash paid to employees	(927,254)	-	(927,254)
Cash paid to suppliers	16,710	(597,336)	(580,626)
Other receipts	112,924	-	112,924
Net cash provided by (used in) operating activities	<u>139,443</u>	<u>(19,204)</u>	<u>120,239</u>
Cash flows from investing activities			
Interest received	60,448	4,229	64,677
Sales of investments	108,491	-	108,491
Net cash provided by (used in) investing activities	<u>168,939</u>	<u>4,229</u>	<u>173,168</u>
Net increase (decrease) in cash and cash equivalents	<u>308,382</u>	<u>(14,975)</u>	<u>293,407</u>
Cash and cash equivalents, beginning of year	1,033,500	118,926	1,152,426
Cash and cash equivalents, end of year	<u>\$ 1,341,882</u>	<u>\$ 103,951</u>	<u>\$ 1,445,833</u>
Reconciliation of operating income (loss) to net cash provided by operating activities:			
Operating income (loss)	\$ (127,736)	\$ 8,601	\$ (119,135)
Adjustments to reconcile net operating income to net cash provided by operating activities:			
Other income (expense)	112,924	-	112,924
Changes in assets and liabilities:			
Accounts and liens receivable	4,868	-	4,868
Accounts payable and accrued liabilities	76,387	(27,805)	48,582
Estimated claims payable	73,000	-	73,000
Net cash provided by (used in) operating activities	<u>\$ 139,443</u>	<u>\$ (19,204)</u>	<u>\$ 120,239</u>
Cash and cash equivalents classified as:			
Unrestricted	\$ 1,341,882	\$ 103,951	\$ 1,445,833
Total cash and cash equivalents	<u>\$ 1,341,882</u>	<u>\$ 103,951</u>	<u>\$ 1,445,833</u>

Statistical Section

This part of the City of DeLand, Florida’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.

<u>Contents</u>	<u>Page</u>
Financial Trends	102
These schedules contain trend information to help the reader understand how the City’s financial performance and well-being have changed over time.	
Revenue Capacity	115
These schedules contain information to help the reader assess the factors affecting the City’s local revenue sources, property taxes, and charges for water and sewer.	
Debt Capacity	122
These schedules present information to help the reader assess the affordability of the City’s current levels of outstanding debt and the City’s ability to issue additional debt in the future.	
Demographic and Economic Information	130
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City’s financial activities take place and help make comparisons over time and with other governments.	
Operating Information	133
These schedules contain information about the City’s operations and resources to help the reader understand how the City’s financial information relates to the services the City provides and the activities it performs.	

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

**SCHEDULE 1
CITY OF DELAND, FLORIDA
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
SEPTEMBER 30, 2019**

	Fiscal Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Governmental Activities										
Net Investment in Capital Assets	\$ 55,509,924	\$ 59,373,684	\$ 58,789,111	\$ 59,050,328	\$ 57,882,181	\$ 58,961,301	\$ 52,599,391	\$ 52,875,861	\$ 51,803,161	\$ 51,088,519
Restricted	4,994,377	6,201,219	2,043,875	1,703,196	2,113,624	1,740,191	2,935,465	644,627	539,944	665,674
Unrestricted	7,885,467	(624,828)	1,303,444	(243,032)	(1,240,699)	5,489,293	11,716,811	11,904,628	10,995,431	11,473,106
Total Governmental Activities Net Position	<u>\$ 68,389,768</u>	<u>\$ 64,950,075</u>	<u>\$ 62,136,430</u>	<u>\$ 60,510,492</u>	<u>\$ 58,755,106</u>	<u>\$ 66,190,785</u>	<u>\$ 67,251,667</u>	<u>\$ 65,425,116</u>	<u>\$ 63,338,536</u>	<u>\$ 63,227,299</u>
Business-Type Activities										
Net Investment in Capital Assets	\$ 133,199,673	\$ 125,348,283	\$ 119,327,324	\$ 117,611,598	\$ 102,307,722	\$ 93,573,815	\$ 88,094,151	\$ 79,382,367	\$ 77,312,388	\$ 73,158,781
Restricted	12,161,270	11,226,462	8,842,005	7,396,580	8,562,139	8,394,089	6,778,843	6,997,058	7,063,016	4,664,587
Unrestricted	41,619,889	37,793,395	32,695,992	24,695,463	24,334,434	18,510,739	13,429,194	13,953,617	8,551,786	9,830,131
Total Business-Type Activities Net Position	<u>\$ 186,980,832</u>	<u>\$ 174,368,140</u>	<u>\$ 160,865,321</u>	<u>\$ 149,703,641</u>	<u>\$ 135,204,295</u>	<u>\$ 120,478,643</u>	<u>\$ 108,302,188</u>	<u>\$ 100,333,042</u>	<u>\$ 92,927,190</u>	<u>\$ 87,653,499</u>
Primary Government										
Net Investment in Capital Assets	\$ 188,709,597	\$ 184,721,967	\$ 178,116,435	\$ 176,661,926	\$ 160,189,903	\$ 152,535,116	\$ 140,693,542	\$ 132,258,228	\$ 129,115,549	\$ 124,247,300
Restricted	17,155,647	17,427,681	10,885,880	9,099,776	10,675,763	10,134,280	9,714,308	7,641,685	7,602,960	5,330,261
Unrestricted	49,505,356	37,168,567	33,999,436	24,452,431	23,093,735	24,000,032	25,146,005	25,858,245	19,547,217	21,303,237
Total Primary Government Net Position	<u>\$ 255,370,600</u>	<u>\$ 239,318,215</u>	<u>\$ 223,001,751</u>	<u>\$ 210,214,133</u>	<u>\$ 193,959,401</u>	<u>\$ 186,669,428</u>	<u>\$ 175,553,855</u>	<u>\$ 165,758,158</u>	<u>\$ 156,265,726</u>	<u>\$ 150,880,798</u>

*Notes: In 2015, the City implemented GASB Statement No. 68.
In 2017, the City implemented GASB Statement No. 75.*

Source: City of DeLand Finance Department

**SCHEDULE 2
CITY OF DELAND, FLORIDA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
SEPTEMBER 30, 2019**

	Fiscal Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Expenses										
Governmental Activities:										
General Government	\$ 4,643,641	\$ 5,111,275	\$ 4,751,846	\$ 3,419,165	\$ 3,329,161	\$ 3,679,877	\$ 3,511,308	\$ 3,322,617	\$ 3,343,835	\$ 4,006,561
Community Development	1,193,010	1,148,074	1,208,826	1,351,464	1,025,381	971,635	894,474	948,743	956,267	737,188
Public Safety	14,673,283	13,778,762	13,321,468	12,666,686	11,243,748	11,915,346	11,287,460	10,992,229	11,088,042	10,790,722
Public Works	4,205,124	4,199,861	3,982,863	3,836,050	3,688,510	3,665,166	3,488,878	3,449,017	3,579,605	3,615,243
Parks and Recreation	3,749,298	3,541,819	3,310,729	3,216,746	3,200,031	2,859,126	1,961,621	2,334,575	2,240,945	1,791,966
Community Redevelopment	498,518	485,934	409,132	335,276	315,734	346,598	341,938	388,015	324,158	269,848
Interest on Long-Term Debt	370,179	336,113	226,139	319,198	305,935	370,990	378,590	427,594	516,740	652,846
Total Governmental Activities Expenses	<u>29,333,053</u>	<u>28,601,838</u>	<u>27,211,003</u>	<u>25,144,585</u>	<u>23,108,500</u>	<u>23,808,738</u>	<u>21,864,269</u>	<u>21,862,790</u>	<u>22,049,592</u>	<u>21,864,374</u>
Business-Type Activities:										
Water and Sewer	15,061,368	14,326,231	13,657,258	12,383,092	11,475,879	11,686,141	11,526,708	10,658,322	10,915,705	10,818,883
Municipal Airport	1,884,546	1,868,607	1,778,983	1,892,178	1,256,071	1,145,907	1,097,340	1,185,011	1,301,099	1,221,643
Refuse Collection	3,756,562	3,701,927	2,747,292	2,617,440	2,545,278	2,482,663	2,443,228	2,462,149	2,499,889	2,453,037
Stormwater	1,314,260	1,277,090	1,023,798	1,009,010	955,295	927,201	842,115	851,418	949,669	821,797
Permits & Inspection	1,575,056	1,272,970	1,126,930	961,484	844,808	839,568	806,709	811,942	817,438	830,717
Total Business-Type Activities Expenses	<u>23,591,792</u>	<u>22,446,825</u>	<u>20,334,261</u>	<u>18,863,204</u>	<u>17,077,331</u>	<u>17,081,480</u>	<u>16,716,100</u>	<u>15,968,842</u>	<u>16,483,800</u>	<u>16,146,077</u>
Total Primary Government Expenses	<u>\$ 52,924,845</u>	<u>\$ 51,048,663</u>	<u>\$ 47,545,264</u>	<u>\$ 44,007,789</u>	<u>\$ 40,185,831</u>	<u>\$ 40,890,218</u>	<u>\$ 38,580,369</u>	<u>\$ 37,831,632</u>	<u>\$ 38,533,392</u>	<u>\$ 38,010,451</u>
Program Revenues										
Governmental Activities:										
Charges for Services:										
General Government	244,790	262,048	292,682	362,097	293,120	469,434	-	-	-	-
Community Development	332,493	99,842	434,755	502,875	382,764	311,288	363,729	288,986	296,746	311,283
Public Safety	283,187	301,899	230,035	281,917	240,336	233,682	208,501	260,703	269,698	251,158
Public Works	103,757	153,930	389,989	92,037	64,127	75,775	24,397	40,550	4,266	38,694
Parks and Recreation	442,062	429,254	455,529	443,317	342,041	211,678	220,906	224,050	203,452	196,051
Community Redevelopment	121,948	109,389	89,074	90,359	50,611	49,224	47,855	46,434	22,692	35,000
Operating Grants and Contributions	1,177,384	2,512,611	1,974,871	760,300	696,543	613,287	255,850	1,036,104	665,202	723,211
Capital Grants and Contributions	1,709,812	2,195,510	1,551,290	2,027,153	799,416	970,695	2,097,753	1,058,211	546,796	880,445
Total Governmental Activities Program Revenues	<u>4,415,433</u>	<u>6,064,483</u>	<u>5,418,225</u>	<u>4,560,055</u>	<u>2,868,958</u>	<u>2,935,063</u>	<u>3,218,991</u>	<u>2,955,038</u>	<u>2,008,852</u>	<u>2,435,842</u>
Business-Type Activities:										
Charges for Services:										
Water and Sewer	22,153,910	21,767,733	20,975,133	20,015,885	19,232,847	17,970,110	17,270,949	16,349,006	15,974,824	14,798,021
Municipal Airport	1,590,383	1,551,891	1,450,275	1,325,366	1,257,163	1,241,198	1,224,339	1,207,610	1,180,207	1,181,619
Refuse Collection	3,857,280	3,804,313	2,821,303	2,694,525	2,621,219	2,550,885	2,516,940	2,507,673	2,570,415	2,465,359
Stormwater	1,737,025	1,668,908	1,580,931	1,513,418	1,450,706	1,421,263	1,343,634	1,289,195	1,260,279	1,259,643
Permits & Inspection	1,761,249	2,068,247	1,816,362	1,953,127	1,567,935	1,516,064	1,285,000	816,936	603,641	797,881
Operating Grants and Contributions	-	-	-	-	18,870	233,608	281,917	-	-	-
Capital Grants and Contributions	6,691,118	7,483,770	4,432,890	7,192,210	7,908,776	6,205,510	2,258,642	2,375,913	1,280,442	5,095,431
Total Business-Type Activities Program Revenues	<u>37,790,965</u>	<u>38,344,862</u>	<u>33,076,894</u>	<u>34,694,531</u>	<u>34,057,516</u>	<u>31,138,638</u>	<u>26,181,421</u>	<u>24,546,333</u>	<u>22,869,808</u>	<u>25,597,954</u>
Total Primary Government Program Revenues	<u>\$ 42,206,398</u>	<u>\$ 44,409,345</u>	<u>\$ 38,495,119</u>	<u>\$ 39,254,586</u>	<u>\$ 36,926,474</u>	<u>\$ 34,073,701</u>	<u>\$ 29,400,412</u>	<u>\$ 27,501,371</u>	<u>\$ 24,878,660</u>	<u>\$ 28,033,796</u>

(Continued on next page)

SCHEDULE 2
CITY OF DELAND, FLORIDA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
SEPTEMBER 30, 2019
(Continued)

	Fiscal Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Net (Expense) Revenue										
Governmental Activities	\$ (24,917,620)	\$ (22,537,355)	\$ (21,792,778)	\$ (20,584,530)	\$ (20,239,542)	\$ (20,873,675)	\$ (18,645,278)	\$ (18,907,752)	\$ (20,040,740)	\$ (19,428,532)
Business-Type Activities	14,199,173	15,898,037	12,742,633	15,831,327	16,980,185	14,057,158	9,465,321	8,577,491	6,386,008	9,451,877
Total Primary Government Net Expense	<u>\$ (10,718,447)</u>	<u>\$ (6,639,318)</u>	<u>\$ (9,050,145)</u>	<u>\$ (4,753,203)</u>	<u>\$ (3,259,357)</u>	<u>\$ (6,816,517)</u>	<u>\$ (9,179,957)</u>	<u>\$ (10,330,261)</u>	<u>\$ (13,654,732)</u>	<u>\$ (9,976,655)</u>
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Taxes										
Property Taxes	\$ 12,154,023	\$ 11,535,511	\$ 10,144,219	\$ 9,504,219	\$ 8,926,793	\$ 8,466,489	\$ 8,077,322	\$ 8,048,262	\$ 7,966,651	\$ 9,644,329
Sales and Use Taxes	1,913,605	1,856,486	1,706,385	1,601,790	1,479,995	1,339,684	867,109	873,618	883,909	878,841
Franchise Taxes	3,365,033	3,149,547	2,819,863	2,790,527	2,946,925	2,828,154	2,618,664	2,718,382	2,893,301	3,083,037
Public Service Taxes	5,181,391	4,921,111	4,686,649	4,663,287	4,564,033	4,550,177	4,477,025	4,209,090	4,445,508	4,672,324
Casualty & Fire Insurance Premium Taxes	462,045	435,246	388,392	398,556	365,737	352,523	-	-	-	-
Intergovernmental Revenues	1,415,036	1,327,369	1,236,852	1,127,268	1,068,729	948,638	2,143,875	1,967,168	1,866,957	1,833,880
Investment Earnings	482,358	123,471	47,515	59,239	141,094	95,686	(2,642)	204,322	162,012	423,834
Miscellaneous Revenues	269,847	488,417	249,329	215,782	446,394	511,067	612,879	605,896	534,774	681,391
Transfers	3,113,975	2,296,994	2,139,512	1,979,248	1,823,738	1,814,695	1,623,653	1,438,406	1,398,865	1,122,210
Total Governmental Activities	<u>28,357,313</u>	<u>26,134,152</u>	<u>23,418,716</u>	<u>22,339,916</u>	<u>21,763,438</u>	<u>20,907,113</u>	<u>20,417,885</u>	<u>20,065,144</u>	<u>20,151,977</u>	<u>22,339,846</u>
Business-Type Activities:										
Investment Earnings	1,298,843	172,826	149,939	288,991	308,618	166,548	(3,117)	126,189	153,384	353,435
Miscellaneous Revenues	228,651	281,429	408,620	358,276	321,754	235,711	169,710	140,578	133,164	172,600
Transfers	(3,113,975)	(2,296,994)	(2,139,512)	(1,979,248)	(1,823,738)	(1,814,695)	(1,623,653)	(1,438,406)	(1,398,865)	(1,122,210)
Total Business-Type Activities	<u>(1,586,481)</u>	<u>(1,842,739)</u>	<u>(1,580,953)</u>	<u>(1,331,981)</u>	<u>(1,193,366)</u>	<u>(1,412,436)</u>	<u>(1,457,060)</u>	<u>(1,171,639)</u>	<u>(1,112,317)</u>	<u>(596,175)</u>
Total Primary Government	<u>\$ 26,770,832</u>	<u>\$ 24,291,413</u>	<u>\$ 21,837,763</u>	<u>\$ 21,007,935</u>	<u>\$ 20,570,072</u>	<u>\$ 19,494,677</u>	<u>\$ 18,960,825</u>	<u>\$ 18,893,505</u>	<u>\$ 19,039,660</u>	<u>\$ 21,743,671</u>
Change in Net Position										
Governmental Activities	\$ 3,439,693	\$ 3,596,797	\$ 1,625,938	\$ 1,755,386	\$ 1,523,896	\$ 33,438	\$ 1,772,607	\$ 1,157,392	\$ 111,237	\$ 2,911,314
Business-Type Activities	12,612,692	14,055,298	11,161,680	14,499,346	15,786,819	12,644,722	8,008,261	7,405,852	5,273,691	8,855,702
Total Primary Government	<u>\$ 16,052,385</u>	<u>\$ 17,652,095</u>	<u>\$ 12,787,618</u>	<u>\$ 16,254,732</u>	<u>\$ 17,310,715</u>	<u>\$ 12,678,160</u>	<u>\$ 9,780,868</u>	<u>\$ 8,563,244</u>	<u>\$ 5,384,928</u>	<u>\$ 11,767,016</u>

Source: City of DeLand Finance Department

SCHEDULE 3
CITY OF DELAND, FLORIDA
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
SEPTEMBER 30, 2019

	Fiscal Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
General Fund										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-	-	-	-	-	-	-
Nonspendable	2,361,663	2,064,934	42,573	300,217	42,861	53,020	45,519	785,323	902,234	536,065
Restricted	872,144	1,281,800	786,430	72,435	66,905	72,043	122,700	131,893	113,764	111,970
Committed	291,786	682,840	572,078	229,752	189,017	148,078	35,133	35,133	35,133	36,409
Assigned	10,738,786	7,139,069	5,542,623	4,564,992	3,496,438	3,362,210	5,898,754	6,449,621	6,237,750	6,443,286
Unassigned	6,025,159	5,781,603	5,003,576	4,589,826	4,986,250	4,068,361	2,745,163	4,914,062	4,000,239	4,411,439
Total General Fund	<u>\$ 20,289,538</u>	<u>\$ 16,950,246</u>	<u>\$ 11,947,280</u>	<u>\$ 9,757,222</u>	<u>\$ 8,781,471</u>	<u>\$ 7,703,712</u>	<u>\$ 8,847,269</u>	<u>\$ 12,316,032</u>	<u>\$ 11,289,120</u>	<u>\$ 11,539,169</u>
All Other Governmental Funds										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:										
Special Revenue Funds	-	-	-	-	-	-	-	-	-	-
Nonspendable	-	-	-	78,546	-	-	-	-	-	-
Restricted	11,125,433	2,919,419	1,597,798	1,220,728	1,586,719	1,168,360	2,821,876	512,734	426,180	672,622
Committed	-	-	-	-	-	-	-	3,463	10,463	-
Assigned	-	-	-	-	-	-	813,893	970,143	1,105,084	1,300,063
Unassigned	-	-	-	(8,281)	-	-	(182,187)	(431,941)	-	-
Total All Other Governmental Funds	<u>\$ 11,125,433</u>	<u>\$ 2,919,419</u>	<u>\$ 1,597,798</u>	<u>\$ 1,290,993</u>	<u>\$ 1,586,719</u>	<u>\$ 1,168,360</u>	<u>\$ 3,453,582</u>	<u>\$ 1,054,399</u>	<u>\$ 1,541,727</u>	<u>\$ 1,972,685</u>

Note: GASB 54, Fund Balance Reporting and Government Fund Type Definitions, was implemented in 2011. This standard changed the way fund balances are reported. The 2010 balances were restated in the year of implementation for comparability purposes. The prior year balances have not been restated.

Source: City of DeLand Finance Department

SCHEDULE 4
CITY OF DELAND, FLORIDA
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
SEPTEMBER 30, 2019

	Fiscal Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Revenues										
Taxes	\$ 21,806,540	\$ 20,690,079	\$ 18,656,345	\$ 17,777,760	\$ 17,342,239	\$ 16,711,742	\$ 16,051,324	\$ 15,842,662	\$ 16,237,818	\$ 18,362,163
Licenses and Permits	283,152	285,409	290,652	293,923	288,611	286,402	290,365	295,368	293,744	280,000
Intergovernmental & State Grants	4,648,238	5,169,302	4,897,385	3,725,591	3,131,748	3,492,712	4,460,081	4,109,124	2,847,496	3,059,120
Charges for Services	998,049	879,677	1,041,689	768,562	589,360	423,665	435,404	416,464	346,474	401,344
Charges for General Government	1,756,431	1,663,192	1,517,509	1,332,719	1,107,210	1,044,808	970,019	1,008,976	1,031,811	929,358
Fines and Forfeitures	97,643	117,382	120,646	174,460	151,297	122,356	139,619	148,891	156,636	150,842
Impact Fees	806,696	1,115,106	747,459	772,430	424,795	207,531	1,856	3,632	174,249	361,804
Miscellaneous	1,005,718	802,534	1,255,724	659,944	642,871	681,159	600,198	798,694	697,965	1,108,312
Total Revenues	31,402,467	30,722,681	28,527,409	25,505,389	23,678,131	22,970,375	22,948,866	22,623,811	21,786,193	24,652,943
Expenditures										
General Government	5,575,414	6,253,537	5,783,932	4,357,749	4,096,328	4,021,248	3,587,348	3,414,518	3,562,522	3,377,762
Community Development	1,077,116	1,032,877	1,085,804	1,054,415	941,013	891,921	804,276	820,533	840,621	724,329
Public Safety	14,110,501	13,123,623	12,396,127	11,991,463	11,529,649	11,315,216	10,652,542	10,396,485	10,503,304	10,070,293
Public Works	3,440,091	3,394,305	3,230,408	3,115,081	2,973,423	2,863,762	2,552,734	2,555,943	2,686,465	2,572,602
Parks and Recreation	2,944,785	2,711,022	2,526,081	2,447,690	2,382,590	2,179,249	1,884,809	1,852,070	1,891,071	1,871,859
Downtown Community Redevelopment	422,543	386,572	319,284	452,448	190,675	215,805	201,673	292,576	210,297	173,303
Spring Hill Community Redevelopment	-	-	-	-	31,577	38,967	69,215	39,362	57,783	59,917
Governmental Impact Fees	-	-	-	-	-	-	-	-	187,115	-
Grant & Special Revenue	-	-	-	-	-	-	334,946	794,021	439,734	594,837
Contingent Expenditures	-	4,387	8,258	4,545	-	-	55,265	5,952	1,438	552,086
Capital Outlay	3,490,574	3,407,684	1,520,599	2,092,615	698,999	4,698,411	7,407,606	2,249,806	1,173,993	637,358
Debt Service:										
Principal	1,500,224	1,068,415	1,030,165	992,909	1,932,324	1,593,811	1,028,538	1,139,650	3,053,782	4,130,248
Interest	379,888	290,866	269,400	295,697	330,155	395,459	394,544	388,093	540,655	720,708
Total Expenditures	32,941,136	31,673,288	28,170,058	26,804,612	25,106,733	28,213,849	28,973,496	23,949,009	25,148,780	25,485,302
Excess of Revenues Over (Under)	(1,538,669)	(950,607)	357,351	(1,299,223)	(1,428,602)	(5,243,474)	(6,024,630)	(1,325,198)	(3,362,587)	(832,359)
Other Financing Sources (Uses):										
Debt Issuance	9,970,000	4,978,200	-	-	925,000	-	3,623,000	-	1,242,715	-
Donations from Private Sources	-	-	-	-	-	-	-	36,006	40,000	-
Transfers In	4,988,655	6,346,352	3,457,785	3,493,233	2,276,517	3,269,259	5,840,384	2,466,763	2,168,704	1,741,705
Transfers Out	(1,874,680)	(4,049,358)	(1,318,273)	(1,513,985)	(452,779)	(1,454,564)	(4,216,731)	(1,045,936)	(769,839)	(663,769)
Total Other Financing Sources (Uses)	13,083,975	7,275,194	2,139,512	1,979,248	2,748,738	1,814,695	5,246,653	1,456,833	2,681,580	1,077,936
Net Change in Fund	\$ 11,545,306	\$ 6,324,587	\$ 2,496,863	\$ 680,025	\$ 1,320,136	\$ (3,428,779)	\$ (777,977)	\$ 131,635	\$ (681,007)	\$ 245,577
Debt Service as a Percentage of Noncapital Expenditures	6.38%	4.81%	4.88%	5.21%	9.27%	8.46%	6.60%	7.04%	14.99%	19.52%

Source: City of DeLand Finance Department

**SCHEDULE 5
CITY OF DELAND, FLORIDA
GENERAL GOVERNMENTAL REVENUES AND OTHER SOURCES BY FUNCTION
LAST TEN FISCAL YEARS
SEPTEMBER 30, 2019**

Fiscal Year	Total	Taxes	Licenses and Permits	Intergovernmental Revenues	Charges for Services	Charges for General Gov't Services	Fines and Forfeitures	Impact Fees	Miscellaneous Revenue (1)	Other Financing Sources (2)									
General Fund																			
2019	32,786,263	21,098,162	64%	283,152	1%	3,807,001	12%	941,091	3%	1,756,431	5%	92,398	-%	-	-%	850,144	3%	3,957,884	12%
2018	35,911,000	19,961,465	55%	285,409	1%	5,006,107	14%	824,539	2%	1,663,192	5%	103,520	-%	-	-%	659,688	2%	7,407,080	21%
2017	28,788,808	18,031,637	63%	290,652	1%	4,307,054	15%	988,518	4%	1,517,509	5%	113,737	-%	-	-%	1,236,982	4%	2,302,719	8%
2016	25,676,572	17,305,713	67%	293,923	1%	2,947,405	11%	716,700	3%	1,332,719	5%	118,183	1%	-	-%	642,791	3%	2,319,138	9%
2015	25,142,492	16,909,234	67%	288,611	1%	2,754,037	11%	589,360	2%	1,107,210	4%	115,933	1%	-	-%	629,369	3%	2,748,738	11%
2014	23,231,802	16,316,336	70%	286,402	1%	2,571,933	11%	423,665	2%	1,044,808	4%	108,251	1%	-	-%	665,712	3%	1,814,695	8%
2013	21,915,314	15,651,444	71%	290,365	1%	2,286,426	11%	387,549	2%	970,019	4%	115,747	1%	-	-%	590,111	3%	1,623,653	7%
2012	22,214,352	15,416,867	69%	295,368	1%	2,759,577	12%	370,030	2%	1,008,976	5%	127,076	1%	-	-%	775,631	3%	1,460,827	7%
2011	23,181,348	15,789,650	68%	293,744	1%	2,283,486	10%	323,782	1%	1,031,811	4%	134,561	1%	-	-%	656,239	3%	2,668,075	12%
2010	23,857,229	17,658,349	74%	280,000	1%	2,404,956	10%	366,344	1%	929,358	4%	144,988	1%	-	-%	951,024	4%	1,122,210	5%
Combined Special Revenue and Capital Projects Funds																			
2019	13,574,859	708,378	5%	-	-%	841,237	6%	56,958	1%	-	-%	5,245	-%	806,696	6%	155,574	1%	11,000,771	81%
2018	6,136,233	728,614	12%	-	-%	163,195	3%	55,138	1%	-	-%	13,862	-%	1,115,106	18%	142,846	2%	3,917,472	64%
2017	3,196,386	624,708	20%	-	-%	590,331	18%	53,171	2%	-	-%	6,909	-%	747,459	23%	18,742	1%	1,155,066	36%
2016	3,322,050	472,047	14%	-	-%	778,186	23%	51,862	2%	-	-%	56,277	2%	772,430	23%	17,153	1%	1,174,095	35%
2015	1,737,156	433,005	25%	-	-%	327,100	19%	50,611	3%	-	-%	35,364	2%	424,795	24%	13,502	1%	452,779	26%
2014	3,007,832	395,406	13%	-	-%	871,555	29%	49,224	2%	-	-%	14,105	-%	207,531	7%	15,447	1%	1,454,564	48%
2013	10,496,936	399,880	4%	-	-%	2,173,655	21%	47,855	-%	-	-%	23,872	-%	1,856	-%	10,087	-%	7,839,731	75%
2012	2,929,807	425,795	14%	-	-%	1,349,547	46%	46,434	2%	-	-%	21,815	1%	3,632	-%	59,069	2%	1,023,515	35%
2011	2,056,264	448,168	22%	-	-%	564,010	27%	22,692	1%	-	-%	22,075	1%	174,249	9%	41,726	2%	783,344	38%
2010	2,537,419	703,814	28%	-	-%	654,164	26%	35,000	1%	-	-%	5,854	-%	361,804	14%	157,288	6%	619,495	25%

(1) Miscellaneous revenue encompasses miscellaneous revenues, rentals and interest on investments per the incorporation of the Uniform Accounting System for Units of Local Governments in the State of Florida.
(2) Other financing sources includes proceeds from issuance of long-term debt and transfers in.

Source: City of DeLand Finance Department

**SCHEDULE 6
CITY OF DELAND, FLORIDA
TAX REVENUES BY SOURCE, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
SEPTEMBER 30, 2019**

<u>Fiscal Year</u>	<u>Property</u>	<u>Local Option Gas (6 cents)</u>	<u>Local Option Gas (5 cents)</u>	<u>Franchise and Utilities</u>	<u>Fire Insurance Premium</u>	<u>Casualty Insurance Premium</u>	<u>Total</u>
2019	12,154,023	360,122	266,940	8,546,424	183,517	278,528	21,789,553
2018	11,535,511	361,757	269,850	8,070,658	182,754	252,492	20,673,022
2017	10,144,219	351,605	265,617	7,506,512	170,857	217,535	18,656,345
2016	9,338,390	336,733	250,267	7,453,814	186,330	212,226	17,777,760
2015	8,926,793	309,416	229,335	7,510,958	185,435	180,302	17,342,239
2014	8,466,489	294,389	220,010	7,378,331	185,269	167,254	16,711,742
2013	8,088,526	296,836	222,971	7,095,689	180,246	167,056	16,051,324
2012	8,041,572	297,566	222,831	6,927,472	186,963	166,258	15,842,662
2011	8,015,100	296,047	220,694	7,338,809	193,027	174,141	16,237,818
2010	9,727,961	298,583	220,236	7,755,361	186,890	173,132	18,362,163
Percent Change 2010 - 2019	24.9%	20.6%	21.2%	10.2%	-1.8%	60.9%	18.7%

Source: City of DeLand Finance Department

SCHEDULE 7
CITY OF DELAND, FLORIDA
FRANCHISE AND UTILITIES SERVICE TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
SEPTEMBER 30, 2019

<u>Fiscal Year Ended</u>	<u>Total Tax</u>	<u>Electric Utilities</u>	<u>Communications Tax</u>	<u>Water Utilities</u>	<u>Gas Utilities</u>	<u>Electric Franchise Fees</u>	<u>Gas Franchise Fees</u>	<u>Solid Waste Franchise Fees</u>
2019	8,546,424	3,338,974	897,026	727,632	217,759	2,838,367	109,356	417,310
2018	8,070,658	3,031,105	966,449	681,615	241,942	2,624,285	108,430	416,832
2017	7,506,512	2,888,536	914,719	656,992	226,402	2,397,953	106,001	315,909
2016	7,453,814	2,876,547	953,405	614,452	218,883	2,414,938	84,906	290,683
2015	7,510,958	2,779,787	1,001,452	567,168	215,626	2,572,975	89,259	284,691
2014	7,378,331	2,798,468	1,025,352	532,263	194,094	2,490,860	61,615	275,679
2013	7,095,689	2,601,981	1,164,428	533,264	177,352	2,283,921	55,654	279,089
2012	6,927,472	2,439,565	1,093,016	509,209	167,300	2,402,218	49,628	266,536
2011	7,338,809	2,607,528	1,120,441	516,747	200,792	2,495,352	96,557	301,392
2010	7,755,361	2,792,406	1,177,756	465,867	236,295	2,723,411	99,635	259,991
Percent Change 2010 - 2019	10.20%	19.57%	-23.84%	56.19%	-7.84%	4.22%	9.76%	60.51%

Source: City of DeLand Finance Department

**SCHEDULE 8
CITY OF DELAND, FLORIDA
IMPACT FEES
LAST TEN FISCAL YEARS
SEPTEMBER 30, 2019**

Fiscal Year	Police	Fire	Parks & Recreation	General Government	Water	Sewer
2019	52,150	38,278	581,701	134,567	1,555,053	1,864,953
2018	65,459	56,553	833,723	159,371	2,156,400	2,620,570
2017	47,325	37,724	520,205	142,205	1,597,193	1,973,242
2016	50,744	37,414	553,588	130,684	1,680,980	2,043,454
2015	25,298	22,710	296,827	79,960	1,341,337	1,646,771
2014	12,671	9,851	159,166	26,113	1,375,313	1,614,083
2013	-	-	-	1,856	973,407	796,706
2012	236	173	2,820	403	679,008	418,737
2011	9,910	8,047	109,962	46,330	445,032	508,571
2010	18,333	17,774	226,531	99,166	690,567	1,021,154

Source: City of DeLand Finance Department

**SCHEDULE 9
CITY OF DELAND, FLORIDA
GENERAL GOVERNMENTAL EXPENDITURES AND OTHER USES BY FUNCTION
LAST TEN FISCAL YEARS
SEPTEMBER 30, 2019**

Fiscal Year Ended	Total Expenditures	General Government	Community Development	Public Safety	Public Works	Parks and Recreation	Community Redevelopment	Contingency	Capital Outlay	Debt Service	Transfers Out
General Fund											
2019	29,446,971	5,465,033	1,042,844	14,110,501	3,208,150	2,944,785	-	-	-	1,519,682	1,155,976
2018	30,908,034	6,253,537	945,888	13,121,101	3,188,137	2,711,022	-	4,387	-	866,395	3,817,567
2017	26,598,750	5,783,932	992,901	12,365,554	2,972,296	2,526,081	-	8,258	-	876,661	1,073,067
2016	24,700,821	4,357,749	1,054,415	11,960,936	2,890,710	2,447,690	-	4,545	-	810,681	1,174,095
2015	24,064,733	4,085,700	882,633	11,526,406	2,788,071	2,382,590	-	-	-	1,946,554	452,779
2014	24,375,359	4,021,248	854,281	11,282,866	2,674,049	2,127,623	-	50,626	-	1,910,102	1,454,564
2013	25,109,494	3,587,348	804,276	10,645,620	2,552,734	1,884,809	-	55,265	-	1,362,711	4,216,731
2012	21,561,344	3,414,518	820,533	10,385,138	2,555,943	1,852,070	-	5,952	-	1,463,675	1,063,515
2011	23,431,397	3,562,522	840,621	10,487,982	2,686,465	1,891,071	-	1,438	-	3,191,459	769,839
2010	23,574,519	3,377,762	724,329	10,054,311	2,572,602	1,871,859	-	552,086	-	3,757,801	663,769
Combined Special Revenue and Capital Projects Funds											
2019	5,368,845	110,381	34,272	-	231,941	-	422,543	-	3,490,574	360,430	718,704
2018	4,814,612	-	86,989	2,522	206,168	-	386,572	-	3,407,684	492,886	231,791
2017	2,889,581	-	92,903	30,573	258,112	-	319,284	-	1,520,599	422,904	245,206
2016	3,617,776	-	-	30,527	224,371	-	452,448	-	2,092,615	477,925	339,890
2015	1,494,779	10,628	58,380	3,243	185,352	-	222,252	-	698,999	315,925	-
2014	5,293,054	-	37,640	32,350	189,713	1,000	254,772	-	4,698,411	79,168	-
2013	8,080,733	-	12,052	28,896	254,241	46,679	270,888	-	7,407,606	60,371	-
2012	3,451,180	338,203	71,660	67,114	202,154	127,712	331,938	-	2,248,331	64,068	-
2011	2,487,222	85,088	105,083	31,141	233,744	187,115	267,684	396	1,173,993	402,978	-
2010	2,574,550	-	75,237	125,388	410,194	-	233,220	-	637,358	1,093,153	-

Source: City of DeLand Finance Department

SCHEDULE 10
CITY OF DELAND, FLORIDA
CHANGES IN NET POSITION, ENTERPRISE FUNDS
LAST TEN FISCAL YEARS
SEPTEMBER 30, 2019

	Fiscal Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Operating revenues										
Charges for services:										
Water and Sewer	\$ 22,153,910	\$ 21,767,733	\$ 20,975,133	\$ 20,015,885	\$ 19,232,847	\$ 17,970,110	\$ 17,270,949	\$ 16,349,006	\$ 15,974,824	\$ 14,798,021
Municipal Airport	90,441	90,349	125,682	28,441	-	-	-	-	-	-
Refuse Collection	3,857,280	3,804,313	2,821,303	2,694,525	2,621,219	2,550,885	2,516,940	2,507,673	2,570,415	2,465,359
Stormwater	1,737,026	1,668,908	1,580,931	1,513,418	1,450,706	1,421,263	1,343,634	1,289,195	1,260,279	1,259,643
Permits & Inspections	1,761,248	2,068,247	1,816,362	1,953,127	1,567,935	1,516,064	1,285,000	816,936	603,641	797,881
Rental Income	1,499,942	1,461,542	1,324,593	1,296,925	1,257,163	1,241,198	1,224,339	1,207,610	1,180,207	1,181,619
Total operating revenues	<u>31,099,847</u>	<u>30,861,092</u>	<u>28,644,004</u>	<u>27,502,321</u>	<u>26,129,870</u>	<u>24,699,520</u>	<u>23,640,862</u>	<u>22,170,420</u>	<u>21,589,366</u>	<u>20,502,523</u>
Operating expenses										
Personal services	8,595,507	8,108,173	7,813,568	7,040,382	6,406,493	6,183,405	5,850,023	5,802,281	5,806,063	5,710,162
Contractual services	4,762,249	4,606,629	3,628,877	3,396,927	3,299,234	3,570,251	3,605,333	3,037,695	3,165,210	2,959,208
Repairs and maintenance	428,154	422,124	461,131	364,009	320,257	396,257	450,803	324,937	414,213	459,290
Supplies	1,695,965	1,690,363	1,394,912	1,300,397	1,163,001	1,091,108	1,259,844	1,137,682	1,202,599	1,093,042
Utilities	1,040,062	942,909	856,250	750,583	788,019	819,223	818,374	907,139	893,624	919,017
Other expenses	1,156,513	1,027,178	1,010,038	1,184,777	726,247	746,550	542,927	477,382	605,223	495,870
Services provided by general gov't	1,617,826	1,556,987	1,411,305	1,226,514	1,001,005	938,603	878,794	940,190	957,811	916,978
Depreciation	4,295,516	4,092,462	3,758,180	3,362,832	3,116,177	3,016,743	2,901,820	2,809,677	2,674,217	2,669,474
Total operating expenses	<u>23,591,792</u>	<u>22,446,825</u>	<u>20,334,261</u>	<u>18,626,421</u>	<u>16,820,433</u>	<u>16,762,140</u>	<u>16,307,918</u>	<u>15,436,983</u>	<u>15,718,960</u>	<u>15,223,041</u>
Operating income	<u>7,508,055</u>	<u>8,414,267</u>	<u>8,309,743</u>	<u>8,875,900</u>	<u>9,309,437</u>	<u>7,937,380</u>	<u>7,332,944</u>	<u>6,733,437</u>	<u>5,870,406</u>	<u>5,279,482</u>
Nonoperating income (expenses)										
Interest earnings	1,298,843	172,826	149,939	288,991	308,618	166,548	(3,117)	126,189	153,384	353,435
Operating grants	-	-	-	-	18,870	233,608	-	-	-	-
Other income (expense)	235,291	253,392	343,620	258,073	205,932	214,680	148,388	124,356	168,517	132,300
Gain (Loss) on disposal of fixed assets	-	-	-	(54,404)	-	-	21,322	16,222	(35,353)	40,300
Interest and amortization expense	-	-	-	(182,379)	(256,898)	(319,340)	(438,722)	(544,911)	(778,393)	(1,065,461)
Total nonoperating revenues (expenses)	<u>1,534,134</u>	<u>426,218</u>	<u>493,559</u>	<u>310,281</u>	<u>276,522</u>	<u>295,496</u>	<u>(272,129)</u>	<u>(278,144)</u>	<u>(491,845)</u>	<u>(539,426)</u>
Income before contributions, grants and transfers	<u>9,042,189</u>	<u>8,840,485</u>	<u>8,803,302</u>	<u>9,186,181</u>	<u>9,585,959</u>	<u>8,232,876</u>	<u>7,060,815</u>	<u>6,455,293</u>	<u>5,378,561</u>	<u>4,740,056</u>
Capital contributions and grants	6,691,118	7,483,770	4,432,890	7,192,210	7,908,776	6,205,510	2,540,559	2,375,913	1,280,442	5,095,431
Transfers in	261,708	116,893	90,858	71,385	69,417	67,709	-	40,000	26,495	105,894
Transfers out	(3,375,683)	(2,413,887)	(2,230,370)	(2,050,633)	(1,893,155)	(1,882,404)	(1,623,653)	(1,478,406)	(1,425,360)	(1,122,210)
Change in net position	<u>\$ 12,619,332</u>	<u>\$ 14,027,261</u>	<u>\$ 11,096,680</u>	<u>\$ 14,399,143</u>	<u>\$ 15,670,997</u>	<u>\$ 12,623,691</u>	<u>\$ 7,977,721</u>	<u>\$ 7,392,800</u>	<u>\$ 5,260,138</u>	<u>\$ 8,819,171</u>

Source: City of DeLand Finance Department

**SCHEDULE 11
CITY OF DELAND, FLORIDA
OPERATING REVENUES BY SOURCE, ENTERPRISE FUNDS
LAST TEN FISCAL YEARS
SEPTEMBER 30, 2019**

Fiscal Year	Water Charges	Reuse Charges	Sewer Charges	Refuse Charges	Stormwater Charges	Building Permits	Plans Review & Inspections	Miscellaneous Revenues	Airport Rental Income	Total Operating Revenues
2019	9,195,542	971,129	10,986,150	3,857,280	1,733,937	1,532,345	216,243	1,107,280	1,499,942	31,099,847
2018	8,737,193	844,404	10,905,134	3,804,356	1,662,990	1,737,104	328,281	1,380,088	1,461,542	30,861,092
2017	8,329,362	938,372	10,577,240	2,821,303	1,567,667	1,550,966	261,590	1,272,911	1,324,593	28,644,004
2016	8,071,802	716,001	10,258,759	2,694,525	1,499,667	1,676,024	273,148	1,015,470	1,296,925	27,502,321
2015	7,598,106	629,453	9,927,023	2,621,219	1,434,817	1,322,957	241,865	1,097,267	1,257,163	26,129,870
2014	7,532,753	436,685	9,236,423	2,550,885	1,406,946	1,309,748	201,510	783,372	1,241,198	24,699,520
2013	7,428,201	421,798	8,491,225	2,516,940	1,326,744	1,111,081	166,802	953,732	1,224,339	23,640,862
2012	7,148,108	403,477	8,068,553	2,507,673	1,273,117	659,799	141,377	760,706	1,207,610	22,170,420
2011	7,174,247	401,254	7,682,880	2,570,415	1,242,998	475,743	126,615	735,007	1,180,207	21,589,366
2010	6,543,555	318,338	7,148,314	2,465,359	1,217,000	644,455	153,396	830,487	1,181,619	20,502,523

Source: City of DeLand Finance Department

SCHEDULE 12
CITY OF DELAND, FLORIDA
OPERATING EXPENSES, ENTERPRISE FUNDS
LAST TEN FISCAL YEARS
SEPTEMBER 30, 2019

Fiscal Year	Personal Services				Contractual Services						Services Provided by General Government	Subtotal - Expenses before		Total Operating Expenses
	Water & Sewer	Municipal Airport	Stormwater	Permits & Inspections	Refuse	Other	Repairs & Maintenance	Supplies	Utilities	Other Expenses		Depreciation	Depreciation	
2019	6,666,341	483,340	422,849	1,022,977	3,753,717	1,008,532	428,154	1,695,965	1,040,062	1,156,513	1,617,826	19,296,276	4,295,516	23,591,792
2018	6,467,270	467,684	456,792	716,427	3,699,427	907,202	422,124	1,690,363	942,909	1,027,178	1,556,987	18,354,363	4,092,462	22,446,825
2017	6,345,972	429,834	318,399	719,363	2,744,793	884,084	461,131	1,394,912	856,250	1,010,038	1,411,305	16,576,081	3,758,180	20,334,261
2016	5,779,387	368,326	288,677	603,992	2,617,440	779,487	364,009	1,300,397	750,583	1,184,777	1,226,514	15,263,589	3,362,832	18,626,421
2015	5,202,563	283,452	357,148	563,330	2,545,278	753,956	320,257	1,163,001	788,019	726,247	1,001,005	13,704,256	3,116,177	16,820,433
2014	5,019,996	235,435	331,902	596,072	2,482,663	1,087,588	396,257	1,091,108	819,223	746,550	938,603	13,745,397	3,016,743	16,762,140
2013	4,810,630	185,533	275,421	578,439	2,443,105	1,162,228	450,803	1,259,844	818,374	542,927	878,794	13,406,098	2,901,820	16,307,918
2012	4,711,467	225,484	302,751	562,579	2,458,442	579,253	324,937	1,137,682	907,139	477,382	940,190	12,627,306	2,809,677	15,436,983
2011	4,649,561	269,835	314,184	572,483	2,497,744	667,466	414,213	1,202,599	893,624	605,223	957,811	13,044,743	2,674,217	15,718,960
2010	4,592,204	278,603	234,999	604,356	2,389,049	570,159	459,290	1,093,042	919,017	495,870	916,978	12,553,567	2,669,474	15,223,041

Source: City of DeLand Finance Department

SCHEDULE 13
CITY OF DELAND, FLORIDA
PROPERTY VALUES AND PROPERTY TAX MILLAGE
LAST TEN FISCAL YEARS
SEPTEMBER 30, 2019

Fiscal Year Ended	Valuation					Property Tax Millage			
	Assessed Value	Exempt Value	Percent Exempt	Taxable Value	Percent Taxable	Value of One Mill	Operating Millage	Debt Service Millage	Total
2019	2,618,225,796	888,361,081	33.93%	1,729,864,715	66.07%	1,729,865	6.8841	0.2353	7.1194
2018	2,400,859,792	803,100,739	33.45%	1,597,759,053	66.55%	1,597,759	6.8231	0.2544	7.0775
2017	2,189,781,537	738,002,741	33.70%	1,451,778,796	66.30%	1,451,779	6.9231	0.2348	7.1579
2016	2,020,275,715	682,272,544	33.77%	1,338,003,171	66.23%	1,338,003	6.9995	0.2540	7.2535
2015	1,884,727,387	654,230,799	34.71%	1,230,496,588	65.29%	1,230,497	7.0954	0.3046	7.4000
2014	1,753,303,583	618,664,932	35.29%	1,134,638,651	64.71%	1,134,639	7.2385	0.3452	7.5837
2013	1,735,545,673	609,446,509	35.12%	1,126,099,164	64.88%	1,126,099	7.0168	0.3473	7.3641
2012	1,793,872,351	606,647,842	33.82%	1,187,224,509	66.18%	1,187,225	6.6409	0.3166	6.9575
2011	1,934,522,326	638,162,815	32.99%	1,296,359,511	67.01%	1,296,360	5.9995	0.2851	6.2846
2010	2,093,851,582	545,696,228	26.06%	1,548,155,354	73.94%	1,548,155	5.9995	0.2399	6.2394

Source: Volusia County Property Appraiser

SCHEDULE 14
CITY OF DELAND, FLORIDA
GROSS TAXABLE VALUE AND COMPOSITION BY MAJOR PROPERTY CLASSIFICATION
LAST TEN FISCAL YEARS
SEPTEMBER 30, 2019

Fiscal Year	Residential	%	Commercial	%	Industrial	%	Institutional	%	Governmental, Agricultural & Miscellaneous	%	Personal & Centrally Assessed Property	%	Total Final Gross Taxable Value	% Change From Prior Year	Total Direct Tax Rate
2019	968,412,554	56.0%	402,429,120	23.3%	69,012,477	4.0%	37,149,714	2.1%	47,992,292	2.8%	204,866,558	11.8%	1,729,862,715	8.3%	7.1194
2018	855,699,973	53.5%	387,656,135	24.3%	66,114,633	4.1%	41,433,900	2.6%	41,275,040	2.6%	205,579,372	12.9%	1,597,759,053	10.1%	7.0775
2017	759,516,494	52.3%	368,358,135	25.4%	62,618,306	4.3%	33,329,972	2.3%	39,512,510	2.7%	188,443,379	13.0%	1,451,778,796	8.5%	7.1579
2016	695,397,046	52.0%	331,656,120	24.8%	60,197,120	4.5%	28,807,269	2.2%	36,746,998	2.7%	185,198,618	13.8%	1,338,003,171	8.7%	7.2535
2015	607,049,034	49.4%	314,023,479	25.5%	59,537,999	4.8%	28,549,732	2.3%	35,694,255	2.9%	185,642,089	15.1%	1,230,496,588	8.4%	7.4000
2014	531,977,005	46.9%	298,120,578	26.3%	57,195,656	5.0%	25,654,954	2.3%	34,350,273	3.0%	187,340,185	16.5%	1,134,638,651	0.8%	7.5837
2013	509,058,976	45.2%	302,442,609	26.9%	58,885,588	5.2%	26,767,897	2.4%	35,907,844	3.2%	193,036,250	17.1%	1,126,099,164	-5.1%	7.3641
2012	532,500,019	44.8%	317,077,540	26.7%	61,525,661	5.2%	27,408,154	2.3%	40,166,426	3.4%	208,546,709	17.6%	1,187,224,509	-8.4%	6.9575
2011	607,230,352	46.9%	336,725,195	26.0%	67,271,431	5.2%	28,944,292	2.2%	45,976,691	3.5%	210,211,550	16.2%	1,296,359,511	-16.3%	6.2846
2010	745,639,550	48.2%	411,547,600	26.6%	82,132,568	5.3%	33,185,440	2.1%	59,678,677	3.9%	215,971,519	14.0%	1,548,155,354	-17.2%	6.2394

Notes: The City assesses property annually. Property is assessed at actual market value.

Source: Volusia County Property Appraiser

SCHEDULE 15
CITY OF DELAND, FLORIDA
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(RATE PER \$1,000 OF ASSESSED VALUE)
SEPTEMBER 30, 2019

Fiscal Year	City of DeLand			Overlapping Rates					Total for All Taxing Districts	
	Operating Millage	Debt Service Millage	Total City Millage	St. John's Water Management	School District	Volusia County	Hospital Authority	Florida Inland Navigation		Total Overlapping
2019	6.8841	0.2353	7.1194	0.2562	6.2810	6.6464	2.1751	0.0320	15.3907	22.5101
2018	6.8231	0.2544	7.0775	0.2724	6.5200	7.0520	2.3660	0.0320	16.2424	23.3199
2017	6.9231	0.2348	7.1579	0.2885	6.8480	7.0520	1.5900	0.0320	15.8105	22.9684
2016	6.9995	0.2540	7.2535	0.3023	7.1970	7.2709	1.6679	0.0320	16.4701	23.7236
2015	7.0954	0.3046	7.4000	0.3164	7.3360	7.2709	1.9237	0.0345	16.8815	24.2815
2014	7.2385	0.3452	7.5837	0.3283	7.3580	7.2709	2.3759	0.0345	17.3676	24.9513
2013	7.0168	0.3473	7.3641	0.3313	7.8880	6.8809	2.4666	0.0345	17.6013	24.9654
2012	6.6409	0.3166	6.9575	0.3313	8.0630	6.7791	2.3849	0.0345	17.5928	24.5503
2011	5.9995	0.2851	6.2846	0.4158	8.2370	6.3025	2.0818	0.0345	17.0716	23.3562
2010	5.9995	0.2399	6.2394	0.4158	7.8050	6.3743	1.7450	0.0345	16.3746	22.6140

Source: Volusia County Property Appraiser

**SCHEDULE 16
CITY OF DELAND, FLORIDA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
SEPTEMBER 30, 2019**

Fiscal Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years (2)	Total Collections to Date	
		Amount	Percentage of Levy (1)		Amount	Percentage of Levy
2019	12,315,585	11,622,448	94.4%	N/A	11,622,448	94.4%
2018	11,308,140	10,696,538	94.6%	278,154	10,974,692	97.1%
2017	10,391,687	9,757,160	93.9%	580,074	10,337,234	99.5%
2016	9,705,206	9,072,109	93.5%	194,747	9,266,856	95.5%
2015	9,105,675	8,781,532	96.4%	146,474	8,928,006	98.0%
2014	8,604,759	8,319,541	96.7%	32,460	8,352,001	97.1%
2013	8,292,707	7,958,257	96.0%	49,980	8,008,237	96.6%
2012	8,260,115	7,907,539	95.7%	32,766	7,940,305	96.1%
2011	8,147,101	7,819,141	96.0%	19,356	7,838,497	96.2%
2010	9,659,561	9,304,213	96.3%	64,896	9,369,109	97.0%

Notes: (1) Taxes are levied on November 1 of each year. Taxes are due by March 31 of the following year. Taxes paid prior to March 31 receive discounts of up to 4%.

(2) Information for collections in subsequent years of prior year levies is not available from Volusia County Property Appraiser's Office. Subsequent collections have been applied to the previous tax levied year.

Source: Volusia County Property Appraiser

**SCHEDULE 17
CITY OF DELAND, FLORIDA
PRINCIPAL PROPERTY TAXPAYERS
CURRENT FISCAL YEAR AND NINE YEARS AGO
SEPTEMBER 30, 2019**

Taxpayer	Type of Business	2019			2010		
		Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
KPR US LLC	Industry	\$ 61,713,398	1	3.57%			
Duke Energy Florida INC	Utility	14,861,506	2	0.86%			
West Volusia Investors LLC	Shopping Center	13,381,645	3	0.77%	\$ 10,255,175	6	0.66%
Wal-Mart Stores East L.P.	Retail	13,201,787	4	0.76%	12,579,401	5	0.81%
TKG DeLand LLC	Shopping Center	11,373,988	5	0.66%			
Carrington Place Property	Real Estate	10,313,899	6	0.60%			
Kingspan Insulated Panels Inc	Industry	9,996,902	7	0.58%	\$ 9,686,232	8	0.63%
Charter Communications	Communications	9,812,951	8	0.57%			
Total Renal Labs, Inc.	Industry	9,533,859	9	0.55%			
Bre Retail NP Owner 1	Shopping Center	9,290,349	10	0.54%			
Covidien LTD	Industry				75,813,173	1	4.90%
OK Victoria Park LLP	Real Estate				21,136,752	2	1.37%
DeLand Oaks LLC	Real Estate				15,546,901	3	1.00%
Bright House Networks LLC	Communications				14,586,354	4	0.94%
Bellsouth Telecommunication Inc	Communications				10,252,623	7	0.66%
Florida Power Corporation	Utility				9,643,815	9	0.62%
Lowe's Home Centers Inc.	Retail				8,980,507	10	0.58%
		<u>\$ 163,480,284</u>		<u>9.45%</u>	<u>\$ 188,480,933</u>		<u>12.17%</u>

Source: Volusia County Property Appraiser

SCHEDULE 18
CITY OF DELAND, FLORIDA
WATER AND SEWER RATES
LAST TEN FISCAL YEARS
SEPTEMBER 30, 2019

<u>Residential</u>			<u>Water</u>				<u>Sewer</u>		
Fiscal Year	Billing Fee per Account	Service ** Availability	Consumption Rate Block 1	Consumption Rate Block 2	Consumption Rate Block 3	Consumption Rate Block 4	Service ** Availability	Consumption Rate Cap at 15,000 Gallons	Consumption Rate Cap at 10,000 Gallons
2019	4.99	7.29	2.11	3.48	5.49	6.54	24.41		4.83
2018	4.99	6.98	2.02	3.33	5.25	6.26	24.41		4.83
2017	4.99	6.98	1.94	4.06	6.10	6.10	24.41	4.67	
2016	4.99	6.89	1.92	4.02	6.03	6.03	24.14	4.62	
2015	4.98	6.89	1.92	4.01	6.02	6.02	24.09	4.61	
2014	4.98	6.89	1.92	3.60	5.40	5.40	24.09	4.05	
2013	4.98	6.89	1.92	3.20	4.80	4.80	24.09	3.53	
2012	4.98	6.89	1.92	2.69	3.84	3.84	24.09	3.11	
2011	4.74	6.56	1.83	2.56	3.66	3.66	22.94	2.96	
2010	4.43	6.13	1.71	2.39	3.42	3.42	21.44	2.77	

<u>Multi-Family</u>			<u>Water</u>				<u>Sewer</u>		
Fiscal Year	Billing Fee per Account	Service ** Availability	Consumption Rate Block 1	Consumption Rate Block 2	Consumption Rate Block 3	Consumption Rate Block 4	Service ** Availability	Consumption Rate Cap at 9,000 Gallons	Consumption Rate Cap at 7,000 Gallons
2019	4.99	5.11	2.11	3.48	5.49	6.54	17.09		4.83
2018	4.99	4.89	2.02	3.33	5.25	6.26	17.09		4.83
2017	4.99	4.89	1.94	4.06	6.10	6.10	17.09	4.67	
2016	4.99	4.84	1.92	4.02	6.03	6.03	16.90	4.62	-
2015	4.98	4.83	1.92	4.01	6.02	6.02	16.87	4.61	-
2014	4.98	4.83	1.92	3.60	5.40	5.40	16.87	4.05	-
2013	4.98	4.83	1.92	3.20	4.80	4.80	16.87	3.53	-
2012	4.98	4.83	1.92	2.69	3.84	3.84	16.87	-	3.11
2011	4.74	4.60	1.83	2.56	3.66	3.66	16.07	-	2.96
2010	4.43	4.30	1.71	2.39	3.42	3.42	15.02	-	2.77

<u>Commercial</u>			<u>Water</u>				<u>Sewer</u>		
Fiscal Year	Billing Fee per Account	Service * Availability	Consumption Rate Block 1	Consumption Rate Block 2	Consumption Rate Block 3	Consumption Rate Block 4	Service * Availability	Consumption Rate All Usage	
2019	4.99	7.29 - 838.35	2.11	3.48	5.49	6.54	24.41 - 2807.15	4.83	
2018	4.99	6.98 - 802.70	2.02	3.33	5.25	6.26	24.41 - 2807.15	4.83	
2017	4.99	6.98 - 802.31	1.94	4.06	6.10	6.10	24.41 - 2806.65	4.67	
2016	4.99	6.90 - 793.58	1.92	4.02	6.03	6.03	24.14 - 2,776.11	4.62	
2015	4.98	6.89 - 792.00	1.92	4.01	6.02	6.02	24.09 - 2,770.57	4.61	
2014	4.98	6.89 - 792.00	1.92	3.60	5.40	5.40	24.09 - 2,770.57	4.05	
2013	4.98	6.89 - 792.00	1.92	3.20	4.80	4.80	24.09 - 2,770.57	3.53	
2012	4.98	6.89 - 792.00	1.92	2.69	3.84	3.84	24.09 - 2,770.57	3.11	
2011	4.74	6.56 - 754.28	1.83	2.56	3.66	3.66	22.94 - 2,638.64	2.96	
2010	4.43	6.13 - 704.94	1.71	2.39	3.42	3.42	21.44 - 2,466.02	2.77	

** Base Facility Charges

Notes: Consumption rate blocks vary by type of account and by year.
Service availability charges on commercial accounts vary by meter size from 3/4" to 10".

Source: City of DeLand Customer Service/Utility Billing Department

**SCHEDULE 19
CITY OF DELAND, FLORIDA
PRINCIPAL WATER CUSTOMERS
CURRENT FISCAL YEAR AND NINE YEARS AGO
SEPTEMBER 30, 2019**

Customer	2019			2010		
	Dollars Billed	Rank	Percentage of Total Dollars Billed	Dollars Billed	Rank	Percentage of Total Dollars Billed
Victoria Park Community Council	\$ 503,952	1	5.48%	\$ 118,682	1	1.72%
Garfield Place Apts LTD	73,376	2	0.80%	45,155	8	0.66%
Stetson University	119,007	3	1.29%	94,734	2	1.38%
County of Volusia	61,510	4	0.67%	47,815	7	0.69%
Cloisters RHF Housing LLC	56,697	5	0.62%			
Advent Health DeLand	56,112	6	0.61%			
Wal-Mart Stores EAS L P	50,452	7	0.55%			
Country Club Eqty Entp LLC	49,854	8	0.54%			
Deland Housing Authority	45,148	9	0.49%			
KPR US LLC	44,506.00	10	0.48%			
Florida Hospital Deland				73,099	3	1.06%
City of Deland				51,939	4	0.75%
Volusia County School Board				50,413	5	0.73%
OK Victoria Park				48,947	6	0.71%
Colonial Partners				43,456	9	0.63%
Deland Country Club				33,836	10	0.49%
Total	\$ 1,060,614		11.53%	\$ 608,076		8.82%
Total Dollars Billed	\$ 9,195,542			\$ 6,543,555		

Source: Utility Billing Reports FY2019, CAFR 2010

Notes: Includes both potable and reclaimed water.

**SCHEDULE 20
CITY OF DELAND, FLORIDA
PRINCIPAL SEWER CUSTOMERS
CURRENT FISCAL YEAR AND NINE YEARS AGO
SEPTEMBER 30, 2019**

Customer	2019			2010		
	Dollars Billed	Rank	Percentage of Total Dollars Billed	Dollars Billed	Rank	Percentage of Total Dollars Billed
Garfield Place Apts LTD	\$ 133,920	1	1.27%	\$ 91,874	2	1.29%
Cloisters RHF Housing LLC	104,197	2	0.99%	69,149	5	0.97%
Carrington Place Property Holdings LLC	92,081	3	0.87%			
Deland Housing Authority	91,803	4	0.87%			
Advent Health DeLand	78,220	5	0.74%			
School Board of Volusia County	69,716	6	0.66%	85,177	4	1.19%
College Arms Towers Inc	68,301	7	0.65%	49,654	9	0.69%
AE Woodland Towers	67,601	8	0.64%	51,857	7	0.73%
Country Club Eqty Entp LLC	64,411	9	0.61%			
CFI Applewood LLC	55,999	10	0.53%			
Florida Hospital Deland				94,849	1	1.33%
Stetson University				86,857	3	1.22%
Arbors Apt Associates				62,759	6	0.88%
Colonial Partners				51,292	8	0.72%
Volusia County				44,519	10	0.62%
Total	\$ 826,249		7.82%	\$ 687,987		9.64%
Total Dollars Billed	\$ 10,566,772			\$ 6,887,995		

Source: Utility Billing Reports FY2019, CAFR 2010

**SCHEDULE 21
CITY OF DELAND, FLORIDA
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
SEPTEMBER 30, 2019**

Fiscal Year	Governmental Activities					Total Governmental Activities (4)
	General Fund Multipurpose Loan Payable	Community Redevelopment Multipurpose Loan Payable	Grants and Special Revenue Multipurpose Loan payable	Capital Leases		
2019	18,261,764	-	2,673,127	-	-	20,934,891
2018	9,637,775	-	2,827,340	-	-	12,465,115
2017	5,578,829	-	2,976,501	-	-	8,555,330
2016	6,199,483	-	3,120,777	-	-	9,320,260
2015	7,318,080	-	3,260,325	-	-	10,578,405
2014	8,144,719	-	3,395,299	45,710	-	11,585,728
2013	9,418,801	-	3,623,000	137,738	-	13,179,539
2012	10,310,826	58,907	-	215,343	-	10,585,076
2011	11,258,855	115,915	-	292,948	-	11,667,718
2010	12,931,651	171,101	-	376,036	-	13,478,788

Fiscal Year	Business - Type Activities									
	Water & Sewer Refunding Revenue Note Payable	Water & Sewer Florida Clean Water Revolving Loan Payable	Water & Sewer Revenue Note Payable	Municipal Airport Multipurpose Loan Payable	Stormwater Multipurpose Loan Payable	Capital Leases	Total Business-Type Activities	Total Primary Government (1)	Percentage of Personal Income (2)	Per Capita (3)
2019	-	-	-	-	-	-	-	20,934,891	1.38%	585
2018	-	-	-	-	-	-	-	12,465,115	0.90%	365
2017	-	-	-	-	-	-	-	8,555,330	0.67%	261
2016	-	-	-	-	-	-	-	9,320,260	0.77%	293
2015	855,797	7,962,758	-	-	-	-	8,818,555	19,396,960	1.80%	658
2014	1,679,247	8,670,825	-	-	-	10,083	10,360,155	21,945,883	2.11%	745
2013	2,471,573	9,360,377	-	46,814	258,101	29,053	12,165,918	25,345,457	2.54%	891
2012	3,233,951	10,032,353	4,825,264	1,542,517	424,112	44,964	20,103,161	30,688,237	3.21%	1,108
2011	3,967,513	10,520,116	5,200,000	1,742,623	586,215	60,859	22,077,326	33,745,044	3.70%	1,235
2010	4,673,348	11,082,429	10,458,055	1,916,850	742,688	105,621	28,978,991	42,457,779	4.87%	1,564

Note: All W&S Loans were paid off in FY2016 with \$0 outstanding debt in business-type activities at the end of FY2016. Details regarding the city's outstanding debt can be found in Note 8 on page 63 of the Notes to the Financial Statements

(1) Represents Total Governmental Activities and Total Business-Type Activities

(2) Percentage of personal income = Total Primary Government divided by (DeLand Population multiplied by average per capita income), from Schedule 29 Demographic & Economic Statistics

(3) Per Capita = Total Primary Government divided by DeLand Population, from Schedule 29 Demographic and Economic Statistics

(4) Details regarding the city's outstanding debt can be found in Note 8 on pg. 63 of the Notes to the Financial Statements

**SCHEDULE 22
CITY OF DELAND, FLORIDA
RATIO OF GENERAL OBLIGATION BONDED DEBT TO ASSESSED VALUE
AND GENERAL OBLIGATION BONDED DEBT PER CAPITA
LAST TEN FISCAL YEARS
SEPTEMBER 30, 2019**

Fiscal Year	Population (1)	Taxable Value (2)	General Obligation Bonded Debt (3)	Percentage of GOB Debt to Assessed Value	Net Bonded Debt Per Capita
2019	35,763	1,729,864,715	-	0.00%	-
2018	34,106	1,597,759,053	385,377	0.02%	11.30
2017	32,775	1,451,778,796	756,265	0.05%	23.07
2016	31,792	1,338,003,171	1,108,143	0.08%	34.86
2015	29,461	1,230,496,588	1,441,471	0.12%	48.93
2014	29,467	1,134,638,651	1,761,687	0.16%	59.79
2013	28,436	1,126,099,164	2,069,207	0.18%	72.77
2012	27,700	1,187,224,509	2,359,425	0.20%	85.18
2011	27,330	1,296,359,511	2,637,715	0.20%	96.51
2010	27,144	1,548,155,354	2,899,433	0.19%	106.82

(1) From Schedule 29 - Population & Demographic Statistics

(2) From Schedule 13 - Property Values

(3) Details regarding the city's outstanding general obligation debt can be found in Note 8 on pg. 63 of the Notes to the Financial Statements.

**SCHEDULE 23
CITY OF DELAND, FLORIDA
DIRECT AND OVERLAPPING DEBT
SEPTEMBER 30, 2019**

Governmental Unit	Net Debt Outstanding (1)	Percentage Applicable To This Government Unit (2)	Estimated Share of Overlapping Debt
Debt Repaid with Property Taxes			
School District (1)	\$ 268,095,818	0.63%	1,702,258
Volusia County (2)	6,380,000	5.27%	<u>\$ 336,226</u>
Subtotal, Overlapping Debt			2,038,484
City Direct Debt			<u>20,934,891</u>
Total Direct and Overlapping Debt			<u><u>\$ 22,973,375</u></u>

Note: *Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of DeLand. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.*

(1) *Net Debt outstanding data provided by each governmental unit listed.*

(2) *For Volusia county overlapping debt, the percentage applicable to DeLand was determined by taking the City's taxable value of \$1,597,706,410 and dividing it by Volusia County's taxable value of \$28,491,267,087 for year 2018.*

(2) *For school district overlapping debt, the percentage applicable to DeLand was determined by taking the City's previous year outstanding General Obligation debt of \$385,377 and dividing it by the total General Obligation Debt outstanding at 6/30/19 for all taxing districts in Volusia County totaling \$60,694,647*

SCHEDULE 24
CITY OF DELAND, FLORIDA
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
SEPTEMBER 30, 2019

	Fiscal Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Debt Limit	\$345,972,943	\$ 319,541,282	\$ 290,355,759	\$ 267,600,634	\$ 246,530,056	\$ 226,927,730	\$ 225,219,833	\$ 237,444,902	\$ 259,271,902	\$ 309,631,071
Total Net Debt Applicable to Limit	-	385,377	756,265	1,108,143	1,441,471	1,761,687	2,069,207	2,359,425	2,637,715	2,899,433
Legal Debt Margin	<u>\$345,972,943</u>	<u>\$ 319,155,905</u>	<u>\$ 289,599,494</u>	<u>\$ 266,492,491</u>	<u>\$ 245,088,585</u>	<u>\$ 225,166,043</u>	<u>\$ 223,150,626</u>	<u>\$ 235,085,477</u>	<u>\$ 256,634,187</u>	<u>\$ 306,731,638</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	0.00%	0.12%	0.26%	0.41%	0.58%	0.78%	0.92%	0.99%	1.02%	0.94%

Legal Debt Margin Calculation for Fiscal Year 2019	
Assessed Value	\$ 1,729,864,715
Debt Limit (20% of Assessed Value)	345,972,943
Debt Applicable to Limit:	
General Obligation Bonded Debt Applicable to Limit	-
Legal Debt Margin	<u>\$ 345,972,943</u>

Note: The City's outstanding general obligation debt should not exceed 20 percent of total assessed property value set aside for repaying general obligation bonded debts.

Source: City of DeLand Finance Department

**SCHEDULE 25
CITY OF DELAND, FLORIDA
RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR GENERAL
OBLIGATION BONDED DEBT TO TOTAL GENERAL FUND EXPENDITURES
LAST TEN FISCAL YEARS
(AMOUNTS EXPRESSED IN THOUSANDS)
SEPTEMBER 30, 2019**

Fiscal Year	Principal	Interest	Total General Obligation Debt Service	Total General Fund Expenditures	Ratio of GO Debt Service to General Fund Expenditures
2019	385	10	396	28,265	1.4%
2018	371	19	390	27,090	1.4%
2017	352	24	376	25,525	1.5%
2016	333	32	365	23,527	1.6%
2015	320	37	357	23,612	1.5%
2014	303	74	377	22,921	1.6%
2013	290	84	374	20,893	1.8%
2012	278	90	368	19,034	1.9%
(Year of Refinancing)					
2011	1,504	123	1,627	22,662	7.2%
2010	250	128	378	22,911	1.6%

Note: Details regarding the city's outstanding debt can be found in Note 8 on pg. 63 of the financial statements

Source: City of DeLand Finance Department

**SCHEDULE 26
CITY OF DELAND, FLORIDA
DEBT SERVICE COVERAGE - NOTES PAYABLE
GENERAL FUND
LAST TEN FISCAL YEARS
SEPTEMBER 30, 2019**

Fiscal Year	Total Non-Ad Valorem Revenues	Essential General Fund Expenses Paid From Non-Ad Valorem Revenues (1)	Revenue Available For Debt Services (2)	General Fund Debt Service	Debt Service Coverage Ratio	Annual Minimum Required Coverage Ratio
2019	17,120,586	11,484,754	5,635,832	1,519,682	3.71	1.50
2018	17,428,444	11,800,835	5,627,609	866,395	6.50	1.50
2017	16,700,962	11,585,809	5,115,153	876,661	5.83	1.50
2016	14,240,825	9,621,980	4,618,845	810,682	5.70	1.50
2015	13,670,307	8,930,673	4,739,634	1,021,555	4.64	1.50
2014	13,126,013	8,406,809	4,719,204	1,439,673	3.28	1.50
2013	12,380,043	9,034,867	3,345,176	1,362,711	2.45	1.50
2012	12,927,884	8,648,833	4,279,051	1,463,675	2.92	1.50
2011	12,725,644	9,035,324	3,690,320	1,588,557	2.32	1.50
2010	13,490,636	6,896,580	6,594,056	1,266,715	5.21	1.50

Note: Details regarding the city's outstanding debt can be found in Note 8 on pg. 63 of the Notes to the Financial Statements

(1) - Equals General Government expenditures, Public Safety expenditures, 50% of Public Works expenditures, 50% of Parks & Recreation expenditures, and 15% of Community Development expenditures, all net of debt service, less Capital Expenditures paid from "Other Financing Sources" less Ad Valorem Revenues used for Essential General Fund Expenses."

(2) - Equals "Total Non-Ad Valorem Revenues less "Essential General Fund Expenses Paid From Non-Ad Valorem Revenues."

Source: City of DeLand Finance Department

**SCHEDULE 27
CITY OF DELAND, FLORIDA
REFUNDING REVENUE NOTE DEBT SERVICE COVERAGE
WATER AND SEWER FUND
LAST TEN FISCAL YEARS
SEPTEMBER 30, 2019**

Fiscal Year	Operating Revenues (1)	Interest Earnings (2)	Gross Revenue	Operating Expenses (3)	Revenue Available For Debt Service	Annual Required Debt Service (4)	Annual Debt Service Coverage by Pledged Revenue	Annual Required Minimum Debt Coverage
2019	22,354,029	1,124,577	23,478,606	11,904,427	11,574,179	-	-	1.10
2018	21,956,945	136,585	22,093,530	11,182,948	10,910,582	-	-	1.10
2017	20,975,133	125,876	21,101,009	10,761,056	10,339,953	-	-	1.10
2016	20,204,745	254,002	20,458,747	9,689,089	10,769,658	-	-	1.10
2015	19,391,864	297,566	19,689,430	8,869,050	10,820,380	880,764	12.29	1.10
2014	18,148,280	159,339	18,307,619	8,953,293	9,354,326	880,764	10.62	1.10
2013	17,412,745	(4,279)	17,408,466	8,867,964	8,540,502	880,764	9.70	1.10
2012	16,464,083	87,354	16,551,437	7,931,519	8,619,918	880,764	9.79	1.10
2011	16,099,569	112,421	16,211,990	8,218,611	7,993,379	880,764	9.08	1.10
2010	14,882,228	273,521	15,155,749	7,959,140	7,196,609	1,899,533	3.79	1.10

(1) - Operating revenues includes miscellaneous revenue and gain/loss on disposal of assets.

(2) - Interest earnings exclude interest earned on development fees and construction fund.

(3) - Operating Expenses exclude depreciation and bad debts.

(4) - All Water & Sewer debt was paid in full in Fiscal Year 2016 with a current debt obligation of \$0.

Source: City of DeLand Finance Department

**SCHEDULE 28
CITY OF DELAND, FLORIDA
STATE REVOLVING LOAN AND WELLS FARGO BANK REVENUE NOTE DEBT SERVICE COVERAGE
WATER AND SEWER FUND
LAST TEN FISCAL YEARS
SEPTEMBER 30, 2019**

Fiscal Year	Operating Revenues (1)	Interest Earnings (2)	Gross Revenue	Operating Expenses (3)	Senior Debt Obligations (4)	Revenue Available for Debt Service	Annual Required SRF Debt Service (5)	Annual Debt Service Coverage by Pledged Revenue	Annual Required Minimum Debt Coverage
2019	22,354,029	1,124,577	23,478,606	11,904,427	-	11,574,179	-	-	1.15
2018	21,956,945	136,585	22,093,530	11,182,948	-	10,910,582	-	-	1.15
2017	21,195,040	125,876	21,320,916	10,761,056	-	10,559,860	-	-	1.15
2016	20,204,745	254,002	20,458,747	9,689,089	-	10,769,658	-	-	1.15
2015	19,391,864	297,566	19,689,430	8,869,050	880,764	9,939,616	924,321	10.75	1.15
2014	18,148,280	159,339	18,307,619	8,953,293	880,764	8,473,562	929,683	9.11	1.15
2013	17,412,745	(4,279)	17,408,466	8,867,964	880,764	7,659,738	467,337	16.39	1.15
2012	16,464,083	87,354	16,551,437	7,931,519	880,764	7,739,154	914,759	8.46	1.15
2011	16,099,569	112,421	16,211,990	8,218,611	880,764	7,112,615	810,940	8.77	1.15
2010	14,882,228	273,521	15,155,749	7,959,140	1,899,533	5,297,076	1,591,803	3.33	1.15

- (1) - Operating revenues includes miscellaneous revenue and gain/loss on disposal of assets.
(2) - Interest earnings excludes interest earned on development fees and construction fund.
(3) - Operating Expenses excludes depreciation and payment in lieu of taxes.
(4) - Annual Debt Service Requirements for Water & Sewer Refunding Revenue Note.
(5) - All Water & Sewer debt was paid in full in Fiscal Year 2016 with a current debt obligation of \$0.

Source: City of DeLand Finance Department

**SCHEDULE 29
CITY OF DELAND, FLORIDA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
SEPTEMBER 30, 2019**

Year	DeLand Population (1)	Volusia County Personal Income (2)	Per Capita Personal Income (3)	DeLand School Enrollment (4)	DeLand Unemployment Rate (5)
2019	35,763	23,201,619,000	42,374	9,609	3.70%
2018	34,106	21,902,076,000	40,658	9,303	3.30%
2017	32,775	20,543,253,000	38,807	9,366	4.10%
2016	31,792	20,173,036,748	38,176	9,114	5.50%
2015	29,461	19,212,415,950	36,641	8,543	6.00%
2014	29,467	18,297,539,000	35,302	8,543	6.00%
2013	28,436	17,292,604,000	35,081	8,114	7.50%
2012	27,700	17,117,508,000	34,473	8,139	10.10%
2011	27,330	16,443,696,000	33,384	8,062	10.30%
2010	27,144	16,154,665,000	32,115	8,289	12.80%

Sources:

- (1) BEBR - Bureau of Economic and Business Research 2019
- (2) The personal income information above is for Volusia County as a whole. Separate information for the City of DeLand is not available.
- (3) US Bureau of Economic Analysis, Dept. of Commerce - amount includes all of Volusia County
- (4) Volusia County Schools
- (5) Florida Department of Economic Opportunity - Unemployment Statistics

**SCHEDULE 30
CITY OF DELAND, FLORIDA
POPULATION STATISTICS
SEPTEMBER 30, 2019**

Year	DeLand Population (1)	% Change During the Period	Volusia County Population (2)	% Change During the Period
2019	35,763	4.9%	538,763	1.5%
2018	34,106	4.1%	531,062	1.5%
2017	32,775	3.1%	523,405	1.1%
2016	31,792	7.9%	517,887	2.2%
2015	29,461	0.0%	506,494	0.5%
2014	29,467	3.6%	503,851	1.0%
2013	28,436	2.7%	498,978	0.4%
2012	27,700	1.4%	497,145	-3.6%
2011	27,330	0.7%	515,563	1.3%
2010	27,144	0.1%	508,913	-1.7%
2000	18,395	10.7%	435,836	17.6%
1990	16,622	8.3%	370,712	43.3%
1980	15,354	31.9%	258,762	52.7%
1970	11,641	8.0%	169,487	35.2%

Source: (1) & (2) BEBR - Bureau of Economic and Business Research 2019

**SCHEDULE 31
CITY OF DELAND, FLORIDA
PRINCIPAL EMPLOYERS
CURRENT FISCAL YEAR AND NINE YEARS AGO
SEPTEMBER 30, 2019**

Taxpayer	Type of Business	Total City - 2019			Total City - 2010		
		Employees	Rank	Percentage of Employment	Employees	Rank	Percentage of Employment
Volusia County	Government	1,736	1	13.9%	877	2	7.5%
Volusia County Public Schools	School System	1,227	2	9.8%	400	7	3.4%
Sykes	Support Services	1,074	3	8.6%			
Advent Health	Hospital	986	4	7.9%			
Stetson University	University	900	5	7.2%	549	6	4.7%
Cardinal Health Care/ Medtronic	Medical	505	6	4.0%			
DaVita	Medical	495	7	4.0%			
Walmart	Retail	432	8	3.4%	599	5	5.1%
Department of Transportation	Government	436	9	3.5%	675	3	5.8%
City of DeLand	Government	426	10	3.4%	331	8	2.8%
Florida Hospital	Hospital				1,244	1	10.7%
Covidien	Medical				600	4	5.1%
Lowe's	Banking				300	9	2.6%
Publix Supermarkets	Retail				273	10	2.3%
Total:		<u>8,217</u>		<u>65.6%</u>	<u>5,848</u>		<u>50.0%</u>
Estimated total workforce - DeLand		12,528			11,656		

Sources: Principal employer information and employee counts obtained directly from companies contacted by DeLand Community Development Dept as well as Florida Department of Economic Opportunity (DEO), Bureau of Labor Market Statistics, Info Group Employer Database 2018, and Florida Research & Economic Information Database Application (FREIDA). Estimated total workforce for DeLand from Florida Dept. of Economic Opportunity Local Area Unemployment Statistics

Note: Employment is based on company workers only; it excludes any temporary or contracted employees.

SCHEDULE 32
CITY OF DELAND, FLORIDA
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
SEPTEMBER 30, 2019

Function/Program	Fiscal Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
General Government:										
Mayor and Commission	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
City Manager	2.00	2.00	2.90	2.90	2.90	2.90	2.90	2.90	2.90	2.75
City Clerk	3.25	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Finance	9.00	9.00	8.00	8.00	7.00	6.00	6.00	6.00	7.00	6.00
Legal	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Administration Services	7.65	7.40	5.45	5.45	4.45	4.45	1.45	1.45	1.45	3.08
Information Technology	6.23	5.00	5.00	5.00	5.00	5.00	5.00	4.63	4.63	4.00
Human Resources	4.73	4.73	4.00	4.00	4.00	4.00	4.25	3.75	4.00	3.00
Community Development:										
Economic Development	2.65	2.65	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50
Planning	6.25	6.25	6.73	6.73	6.73	6.73	6.73	6.73	6.73	6.93
Licenses and Enforcement	2.55	2.55	2.85	3.35	2.85	2.45	2.45	2.25	2.25	2.25
Building Inspection					0.00	0.00	0.00	0.00	0.00	0.00
Public Safety:										
Fire	47.23	47.23	46.60	46.60	46.13	46.13	46.25	46.25	45.00	44.00
Police-Administration	5.00	3.00	3.00	3.00	3.00	3.00	3.00	4.00	4.00	4.00
Police-Support	29.42	33.32	36.96	36.96	35.67	33.70	32.18	31.58	31.58	28.83
Police-Operations	59.13	53.73	49.73	49.73	49.50	50.00	49.73	48.69	48.69	47.60
Police-Criminal	0.00				0.00	0.00	0.00	0.00	0.00	0.00
Police-Parking Services	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Public Works:										
Administration	3.87	3.87	3.87	3.87	3.87	3.80	3.75	3.00	3.00	3.00
Streets	11.50	11.50	13.25	13.25	12.25	11.25	9.25	9.75	9.75	5.75
Trees	7.50	7.50	7.00	7.00	7.00	6.00	8.00	8.00	8.00	7.63
Urban Beautification	10.50	10.50	8.00	8.00	8.00	8.00	8.00	8.00	8.00	9.00
Vehicle Maintenance	6.00	6.00	6.00	6.00	5.00	5.00	5.00	5.00	5.00	5.00
Parks & Recreation:										
Administration	3.00	3.00	3.00	3.00	3.00	3.00	2.88	2.76	2.76	2.68
Recreation	3.50	3.50	2.50	2.50	2.50	2.50	2.50	3.50	3.50	3.15
Parks	20.84	20.84	19.97	19.84	19.97	17.23	16.49	15.76	15.76	14.76
Activities Center	5.50	5.50	5.50	5.50	4.00	2.70	2.00	2.00	2.00	2.00
Chisholm Center	5.00	5.00	5.46	5.46	5.46	5.45	5.46	5.46	5.46	5.46
Water & Sewer:										
Administration	8.00	7.37	7.37	7.37	7.37	7.50	7.25	7.00	7.00	7.00
Engineering	7.00	7.00	5.40	6.00	5.00	5.00	5.00	5.00	5.00	6.00
Water Production	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00
Water Distribution	23.00	22.00	19.00	19.00	18.00	18.00	17.00	17.00	15.00	15.00
Wastewater Treatment	14.00	14.00	15.13	15.13	14.13	15.00	14.13	13.00	14.00	14.00
Wastewater Collection	8.00	8.00	7.00	7.00	7.00	7.00	8.00	7.00	6.00	18.00
Utilities Maintenance	19.00	17.00	15.00	15.00	14.00	12.00	11.00	12.00	12.00	0.00
Facilities Maintenance	11.50	10.50	10.50	10.50	10.00	12.00	9.50	9.50	9.50	8.00
Customer Service	19.00	19.00	18.00	18.00	17.00	16.00	15.00	15.00	15.00	10.00
Municipal Airport	8.00	8.00	6.00	6.00	5.50	5.50	5.00	5.00	5.00	5.00
Refuse										
Stormwater	9.50	9.50	8.75	8.75	8.75	8.75	7.75	7.75	6.75	6.25
Permits & Inspection	16.55	14.55	12.13	12.13	10.13	10.75	10.13	11.03	10.45	10.60
Total	419.85	407.99	389.55	389.55	374.66	366.29	352.53	350.24	346.66	330.22

Source: The City of DeLand Annual Budget (as originally adopted)

SCHEDULE 33
CITY OF DELAND, FLORIDA
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
SEPTEMBER 30, 2019

Function/Program	Fiscal Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Police										
Citations Issued	2,198	2,288	2,653	2,913	4,323	3,776	4,703	6,714	5,414	6,781
Murders	2	2	3	2	2	1	3	2	1	0
Forcible Sex Offenses	1	2	1	0	3	1	1	4	6	5
Robbery	33	43	44	46	30	44	37	45	42	35
Aggravated Assaults	157	135	135	110	99	97	79	102	80	108
Burglary	162	185	189	303	210	277	223	327	300	382
Larceny (Theft)	960	993	809	1,064	1,045	1,001	992	973	1,054	943
Motor Vehicle Theft	76	78	106	87	67	50	34	50	41	65
Fire										
Residential Fires	19	20	49	38	31	31	38	40	46	41
Structure Fires	27	22	60	49	37	39	47	53	63	58
Highway Vehicles	14	25	26	17	19	21	21	17	23	18
Other Vehicles	2	2	0	2	1	3	1	1	2	1
Non-Structure/Non-Vehicle	8	3	7	9	16	13	12	24	33	8
Brush/Grass/Wildland	5	10	24	18	20	9	24	14	34	22
Rubbish/Dumpsters	50	36	52	29	27	21	30	39	37	34
Other Fires	10	3	9	9	4	5	5	6	6	5
Rescue/Emergency Medical	4,696	5,596	5,778	5,660	5,229	5,039	5,298	4,608	4,947	4,835
False Alarms	391	437	436	417	420	329	388	260	296	324
Mutual Aid (Given)	285	405	83	82	76	91	178	244	422	328
Hazmat Responses	39	39	41	83	46	24	53	29	42	34
Other Hazardous Responses	120	105	166	137	109	141	160	128	158	145
All Other Responses	1,483	1,789	1,836	1,652	1,515	1,484	1,580	1,482	1,378	1,240
Parking										
Citations Issued	2,346	2,443	2,637	2,177	2,239	2,729	3,062	2,320	2,614	3,138
Water										
Water Accounts	22,140	21,600	19,521	18,958	18,510 *	20,304 *	19,556 *	19,173	18,170	18,123
Irrigation Accounts	1,610	1,628	1,722	1,768	1,813	1,882	1,975 *	2,019	1,094	1,094
Reclaim Accounts	1,011	815	664	525	413	263	64	N/A	N/A	N/A
Average Daily Water Consumption (millions of gallons)	4.8	4.8	5.1	5.1	5.0	4.7	5.2	5.6	5.5	5.3
Wastewater										
Sewer Accounts	15,073	14,516	13,921	13,623	13,269	13,029	12,576	12,437	12,187	12,136
Average Daily Sewage Treatment (millions of gallons)	3.5	3.5	3.1	3.1	2.9	3.0	2.9	2.8	2.8	3.0
Airport										
Based Aircraft	239	240	240	240	223	221	197	196	201	201
T Hangers	94	94	94	94	94	94	94	94	93	93

N/A: Data not available

* Revised reporting to correct duplicate meter counts.

**SCHEDULE 34
CITY OF DELAND, FLORIDA
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
SEPTEMBER 30, 2019**

Function/Program	Fiscal Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
General Government										
Area in Miles	18.9	18.7	18.7	18.7	18.7	18.7	18.1	18.1	18.1	18.8
Public Safety										
Number of Fire Stations	3	3	3	3	3	3	3	3	3	3
Number of Police Stations	1	1	1	1	1	1	1	1	1	1
Number of Patrol Units										
Cars/Trucks	93	83	86	86	86	87	84	84	78	78
Motorcycles	4	4	4	4	4	4	4	4	3	4
Public Works										
Miles Paved Streets	133.5	130.5	130.5	130.5	122.0	122.0	122.0	122.0	122.0	122.0
Miles Unpaved Streets	0	0.25	0.25	0.25	0.25	0.3	0.3	0.3	0.3	0.3
Street Lights	3,454	3,479	3479	3443	3441	3,438	3,438	3,488	2,953	2,953
Water & Sewer										
Miles Primary Water Mains	281	281	264	249	233	231	226	221	212	209
Miles Primary Sewer Mains	211	211	201	191	186	184	179	179	179	178
Miles Reclaimed Water Lines	58	58	47	42	32	29	27	24	24	24
Parks & Recreation										
Football Stadium	1	1	1	1	1	1	1	1	1	1
Baseball Stadium	1	1	1	1	1	1	1	1	1	1
Ball Fields	8	8	8	8	8	8	8	8	8	8
Tennis Courts	8	8	8	8	8	8	8	8	8	7
Shuffleboard Courts	20	20	20	20	20	20	20	20	20	20
Recreation Centers	3	2	2	2	2	2	2	2	2	2
Gymnasiums	1	1	1	1	1	1	1	1	1	2
Parks & Playgrounds	9	9	9	9	9	9	9	9	9	9
Swimming Pools	1	1	1	1	1	1	1	1	1	1
Soccer/Football Fields	5	5	5	5	5	5	5	5	5	4
Outdoor Basketball Courts	7	7	7	7	7	7	7	7	7	5
Acres of Recreation Land	114	114	114	114	114	114	114	114	114	133

Source: City of DeLand Departments

**SCHEDULE 35
CITY OF DELAND, FLORIDA
GENERAL EMPLOYEES' PENSION
REVENUES BY SOURCE AND EXPENSES BY TYPE
LAST TEN FISCAL YEARS
SEPTEMBER 30, 2019**

Revenues by Source				
Fiscal Year	Employee Contributions	Employer Contributions	Investment Income	Total
2019	\$ 108,158	\$ 619,990	\$ 678,552	\$ 1,406,700
2018	123,455	626,403	2,355,834	3,105,692
2017	139,754	665,870	3,089,508	3,895,132
2016	147,864	633,943	2,271,104	3,052,911
2015	163,219	608,582	458,818	1,230,619
2014	171,079	676,540	2,078,490	2,926,109
2013	176,820	918,821	2,789,678	3,885,319
2012	184,156	918,881	3,374,314	4,477,351
2011	226,924	991,107	374,000	1,592,031
2010	275,016	1,082,747	2,117,963	3,475,726

Expenses by Type				
Fiscal Year	Benefits	Refunds	Administrative Expenses	Total
2019	\$ 2,035,492	\$ 644,276	\$ 50,301	\$ 2,730,069
2018	1,962,490	310,156	36,887	2,309,533
2017	1,873,688	328,536	44,155	2,246,379
2016	2,353,562	213,509	36,804	2,603,875
2015	2,190,073	5,013	31,250	2,226,336
2014	1,498,197	348,475	39,287	1,885,959
2013	1,423,064	379,412	27,971	1,830,447
2012	1,221,678	223,043	49,319	1,494,040
2011	1,247,149	245,456	53,025	1,545,630
2010	1,153,071	550,047	54,980	1,758,098

Source: City of DeLand Finance Department

**SCHEDULE 36
CITY OF DELAND, FLORIDA
MUNICIPAL POLICE OFFICERS' RETIREMENT TRUST
REVENUES BY SOURCE AND EXPENSES BY TYPE
LAST TEN FISCAL YEARS
SEPTEMBER 30, 2019**

Revenues by Source					
Fiscal Year	Employee Contributions	Employer Contributions	State Contributions	Investment Income	Total
2019	\$ 319,772	\$ 1,134,320	\$ 278,528	\$ 1,319,602	\$ 3,052,222
2018	289,045	1,064,184	252,492	2,560,887	4,166,608
2017	240,502	1,006,060	217,535	2,722,829	4,186,926
2016	230,475	981,365	212,226	2,248,723	3,672,789
2015	222,582	920,335	180,302	(103,002)	1,220,217
2014	209,027	1,061,626	167,254	2,079,946	3,517,853
2013	210,013	929,933	167,056	2,341,384	3,648,386
2012	222,575	641,876	166,258	2,345,951	3,376,660
2011	208,467	643,421	174,141	(414,143)	611,886
2010	228,430	621,182	173,132	1,313,979	2,336,723

Expenses by Type				
Fiscal Year	Benefits	Refunds	Administrative Services	Total
2019	\$ 1,704,861	\$ 65,541	\$ 100,345	\$ 1,870,747
2018	1,462,236	1,276,959	87,090	2,826,285
2017	1,294,741	613,372	61,209	1,969,322
2016	1,191,112	436,611	51,495	1,679,218
2015	1,103,799	273,241	65,616	1,442,656
2014	1,044,098	318,311	74,437	1,436,846
2013	1,168,658	64,914	38,110	1,271,682
2012	936,121	139,967	54,635	1,130,723
2011	870,057	10,646	50,831	931,534
2010	830,984	43,630	36,245	910,859

Source: City of DeLand Finance Department

**SCHEDULE 37
CITY OF DELAND, FLORIDA
MUNICIPAL FIREFIGHTERS' RETIREMENT TRUST
REVENUES BY SOURCE AND EXPENSES BY TYPE
LAST TEN FISCAL YEARS
SEPTEMBER 30, 2019**

Revenues by Source					
Fiscal Year	Employee Contributions	Employer Contributions	State Contributions	Investment Income	Total
2019	\$ 173,401	\$ 981,571	\$ 183,517	\$ 441,342	\$ 1,779,831
2018	130,263	838,197	182,754	1,180,920	2,332,134
2017	121,179	828,703	170,857	1,546,166	2,666,905
2016	117,490	664,829	186,330	842,453	1,811,102
2015	112,343	652,166	185,435	(12,463)	937,481
2014	107,978	685,846	185,269	871,006	1,850,099
2013	99,038	603,793	180,246	1,155,700	2,038,777
2012	94,025	476,984	186,963	1,385,755	2,143,727
2011	92,144	454,390	193,027	(9,563)	729,998
2010	90,482	422,745	186,890	599,610	1,299,727
2009	93,530	325,367	511,942	457,237	1,388,076

Expenses by Type				
Fiscal Year	Benefits	Refunds	Administrative Expenses	Total
2019	\$ 804,172	\$ -	\$ 9,126	\$ 813,298
2018	798,769	26,615	34,597	859,981
2017	704,671	122,849	36,740	864,260
2016	690,259	206	33,896	724,361
2015	697,798	-	30,835	728,633
2014	624,429	63	33,219	657,711
2013	515,604	4,021	26,061	545,686
2012	489,925	-	17,848	507,773
2011	532,437	47,971	18,595	599,003
2010	490,129	-	22,645	512,774

Source: City of DeLand Finance Department

SCHEDULE 38
CITY OF DELAND, FLORIDA
OTHER POST EMPLOYMENT BENEFITS (OPEB)
STATISTICAL INFORMATION
CURRENT FISCAL YEAR
SEPTEMBER 30, 2019

Participant Data

Census Date	October 2019
Participants	
Active Employees	369
Inactive Employees Entitled to But Not Receiving Benefits	-
Inactive Employees Currently Receiving Benefits	21
Total	390
Average Ages	
Active Employees	42.3
Inactive Employees Entitled to But Not Receiving Benefits	N/A
Inactive Employees Currently Receiving Benefits	58.2
Average Service	
Active Employees	7.1

Source: Based on 10/1/2017 OPEB Actuarial Valuation Report.

CITY OF DELAND, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2019

Federal / State Agency Pass-Through Entity Federal Program / State Project	CFDA/ CSFA Number	Contract / Grant Number	Expenditures
FEDERAL AWARDS			
<u>U.S. Department of Housing and Urban Development</u>			
Passed through County of Volusia, Florida			
Community Development Block Grant	14.218	2019	\$ 110,930
Community Development Block Grant	14.218	2018	139,229
Community Development Block Grant	14.218	2017	40,965
Total CDBG - Entitlement Grants Cluster			<u>291,124</u>
Passed through County of Volusia, Florida			
Home Investment Partnership Program	14.239	M-16-UC-12-0221	25,027
Total U.S. Department of Housing and Urban Development			<u>316,151</u>
<u>U.S. Federal Environmental Protection Agency</u>			
Direct Programs:			
Brownfields Assessment and Cleanup Cooperative Agreements	66.818	00D58917	68,517
Total U.S. Federal Environmental Protection Agency			<u>68,517</u>
<u>U.S. Department of Justice</u>			
Direct Programs:			
Edward Bryne Memorial Justice Assistance Grant Program	16.738	2017-DJ-BX-0770	11,005
Bulletproof Vest Partnership	16.607	2018	7,597
Public Safety Partnership & Community Policing Grant	16.710	2014UMWX0168	165,282
Passed-through State of Florida Office of the Attorney General			
Crime Victim Assistance	16.575	DEP-00218	46,209
Total U.S. Department of Justice			<u>230,093</u>
<u>U.S. Office of National Drug Control Policy</u>			
Passed through County of Volusia, Florida			
High Intensity Drug Trafficking Areas Program	95.001	G17CF0003A	2,710
High Intensity Drug Trafficking Areas Program	95.001	G18CF0003A	2,650
High Intensity Drug Trafficking Areas Program	95.001	G19CF0003A	13,089
Total U.S. Office of National Drug Control Policy			<u>18,449</u>
<u>U.S. Department of Transportation</u>			
Passed-through Florida Department of Transportation			
Airport Improvement Program	20.106	3-12-0019-022-2018	685,884
Total U.S. Department of Transportation			<u>685,884</u>
<u>U.S. Department of Homeland Security</u>			
Passed-through Florida Division of Emergency Management			
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	FEMA-DR-4333-FL	1,325,756
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	FEMA-DR-4399-FL	56,593
			<u>1,382,349</u>
Passed-through Florida Division of Emergency Management			
Hazard Mitigation Grant	97.039	FEMA-DR-4283-FL	82,818
Total U.S. Department of Homeland Security			<u>1,465,167</u>
Total Federal Awards			<u><u>\$ 2,784,261</u></u>
STATE FINANCIAL ASSISTANCE			
<u>State of Florida Department of Transportation</u>			
Direct Programs:			
Aviation Grant Programs	55.004	431545-1-94-01	\$ 328,816
Aviation Grant Programs	55.004	431544-3-94-01	60,967
Aviation Grant Programs	55.004	431544-2-94-01	993,210
Total State of Florida Department of Transportation			<u>1,382,993</u>
<u>State of Florida Department of Environmental Protection</u>			
Direct Programs:			
Florida Springs Grant Program	37.052	32298	300,000
Florida Springs Grant Program	37.052	32299	283,988
Total State of Florida Department of Environmental Protection			<u>583,988</u>
<u>State of Florida Division of Historical Resources</u>			
Direct Programs:			
Acquisition, Restoration or Historical Properties	45.032	MP707	4,670
Total State Financial Assistance			<u><u>\$ 1,971,651</u></u>

The accompanying notes to the schedule of expenditures of federal awards and state financial assistance are an integral part of this statement.

CITY OF DELAND, FLORIDA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2019

(1) **Basis of Presentation:**

The accompanying schedule of expenditures of federal awards and state financial assistance includes the state grant activity of the City of DeLand, Florida (the City), and is presented on the modified accrual basis of accounting. 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 for Federal Awards* (Uniform Guidance) and Section 215.97, Florida Statutes, *Florida Single Audit Act*. 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 cash flows of the City.

(2) **Summary of Significant Accounting Policies:**

Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and Section 215, Florida Statutes, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

(3) **De Minimis Indirect Cost Rate Election:**

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

(4) **Deferred FEMA Expenditures:**

During the fiscal year ended September 30, 2019, the City incurred substantial costs related to Hurricanes Irma and Michael. Per the OMB Compliance Supplement, any reimbursements from the Federal Emergency Management Agency (FEMA) under CFDA 97.036 are not to be recognized as expenditures for purposes of the Schedule of Expenditures of Federal Awards and State Financial Assistance until the respective Project Worksheets (PW) have been approved. At September 30, 2019, only some of the City's PWs from these storms had been approved by FEMA. As a result, there are \$498,115 of expenditures and the related revenues which have been recorded for financial statement purposes and not on the Schedule of Expenditures of Federal Awards and State Financial Assistance; these expenditures will be recognized on the Schedule of Expenditures of Federal Awards and State Financial Assistance in future years once approved by FEMA.

(5) **Contingency:**

Project expenditures are subject to audit and adjustment. If any expenditures were to be disallowed by the grantor agency as a result of such an audit, any claim for reimbursement to the grantor agency would become a liability of the City. In the opinion of management, all project expenditures included on the accompanying schedule are in compliance with the terms of the project agreements and applicable federal and state laws and regulations.

Any audit findings disclosed that are required to be reported for state financial assistance projects in accordance with Chapter 10.550? _____ yes X none reported

Dollar threshold used to distinguish between type A and type B programs: \$591,495

Identification of major State programs:

<u>CSFA Number</u>	<u>Program Name</u>
55.004	Aviation Grant Programs

- B. **Financial Statement Findings:** None.
- C. **Federal Awards Program Findings and Questioned Costs:** None.
- D. **State Financial Assistance Projects Findings and Questioned Costs:** None.
- E. **Prior Audit Findings:** Not applicable as no prior year findings have been reported.
- F. **Corrective Action Plan:** Not applicable as there are not current year findings.

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND STATE PROJECT AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH UNIFORM GUIDANCE AND CHAPTER 10.550, RULES OF THE AUDITOR GENERAL

To the Honorable Mayor, City Commission, and City Manager,
City of DeLand, Florida:

Report on Compliance for Each Major Federal Program and State Project

We have audited the City of DeLand, Florida's (the City) compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Compliance Supplement and *Florida Department of Financial Services State Projects Compliance Supplement*, that could have a direct and material effect on each of the City's major federal programs and state projects for the year ended September 30, 2019. The City's major federal programs and state projects are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal and state statutes, regulations, and the terms and conditions of its federal awards and state projects applicable to its federal programs and state projects.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the City's major federal programs and state projects based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. Code of Federal Regulations, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.550, Rules of the Florida Auditor General. Those standards 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 and state project occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program and state project. However, our audit does not provide a legal determination of the City's compliance.

Opinion on Each Major Federal Program and State Project

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state project for the year ended September 30, 2019.

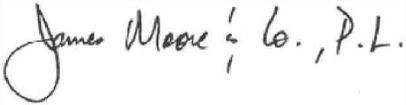
Report on Internal Control over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs and state projects. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the requirements that could have a direct and material effect on a major federal program and state project to determine the auditing procedures for the purpose of expressing our opinion on compliance 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 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 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 a 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.



Daytona Beach, Florida
March 3, 2020

INDEPENDENT AUDITORS' 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*

To the Honorable Mayor, City Commission, and City Manager,
City of DeLand, Florida:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of DeLand, Florida, (the City) as of and for the year ended September 30, 2019, 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 3, 2020.

Internal Control over Financial Reporting

In planning and performing our audit, 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 a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

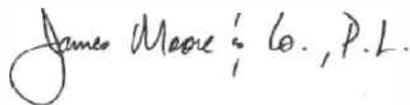
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies, and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

Compliance and Other Matters

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

Purpose of this Report

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

A handwritten signature in black ink that reads "James Moore & Co., P.L." The signature is written in a cursive style with a large initial 'J'.

Daytona Beach, Florida
March 3, 2020

**INDEPENDENT AUDITORS' MANAGEMENT LETTER REQUIRED
BY CHAPTER 10.550, RULES OF THE STATE OF FLORIDA
OFFICE OF THE AUDITOR GENERAL**

To the Honorable Mayor, City Commission, and City Manager,
City of DeLand, Florida:

Report on the Financial Statements

We have audited the basic financial statements of City of DeLand, Florida (the City), as of and for the fiscal year ended September 30, 2019, and have issued our report thereon dated March 3, 2020.

Auditors' Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards* (Uniform Guidance); and Chapter 10.550, Rules of the Florida Auditor General.

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditors' Report on Compliance for Each Major Federal Program and State Project and Report on Internal Control over Compliance in Accordance with the Uniform Guidance and Chapter 10.550, Rules of the Auditor General; Schedule of Findings and Questioned Costs; and Independent Accountants' Examination Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated March 3, 2020, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

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

Financial Condition and Management

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

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

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

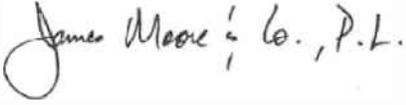
Additional Matters

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

Purpose of this Letter

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

Daytona Beach, Florida
March 3, 2020

A handwritten signature in black ink that reads "James Moore & Co., P.L." The signature is written in a cursive style with a large initial 'J'.

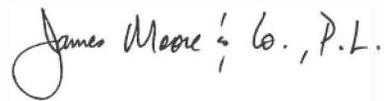
INDEPENDENT ACCOUNTANTS' EXAMINATION REPORT

To the Honorable Mayor, City Commission, and City Manager,
City of DeLand, Florida

We have examined the City of DeLand, Florida's (the City) compliance with Section 218.415, Florida Statutes, *Local Government Investment Policies*, for the year ended September 30, 2019. Management is responsible for the City's compliance with those requirements. Our responsibility is to express an opinion on the City's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the City complied with Section 218.415, Florida Statutes, *Local Government Investment Policies*, for the year ended September 30, 2019, in all material respects. An examination involves performing procedures to obtain evidence about the City's compliance with those requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of risks of material noncompliance with those requirements, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

In our opinion, the City of DeLand, Florida complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2019.



Daytona Beach, Florida
March 3, 2020



City of DeLand

www.DeLand.org

120 South Florida Avenue
DeLand, Florida 32720-5481
Telephone: (386) 626-7000
Fax: (386) 626-7138

AFFIDAVIT

BEFORE ME, the undersigned authority, personally appeared, Daniel A. Stauffer, Jr., who being duly sworn, deposes and says on oath that:

1. I am the Chief Financial Officer of the City of DeLand which is a local governmental entity of the State of Florida;
2. The City of DeLand adopted Ordinance No. 2019-30 implementing an impact fee; and
3. The City of DeLand has complied and, as of the date of this Affidavit, remains in compliance with Section 163.31801, Florida Statutes.

FURTHER AFFIANT SAYETH NAUGHT.

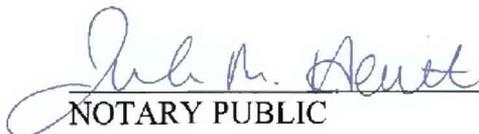


 Daniel A. Stauffer, Jr., Finance Director

STATE OF FLORIDA

COUNTY OF VOLUSIA

SWORN TO AND SUBSCRIBED before me by means of physical presence or online notarization, this 2nd day of March, 2020 by Dan Stauffer as Finance Director for the City of DeLand, who is personally known to me or who has produced _____ as identification.

 NOTARY PUBLIC

Print Name Julia M. Hewitt

My Commission Expires:

December 29, 2023