Comprehensive Annual Financial Report

Collier County, Florida

Year ended September 30, 2016

Cover photo courtesy of Raymond Milum, Jr.

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR FISCAL YEAR ENDED
SEPTEMBER 30, 2016

COLLIER COUNTY, FLORIDA

BOARD OF COUNTY COMMISSIONERS

DONNA FIALA, CHAIRMAN – DISTRICT 1
TIM NANCE, VICE-CHAIRMAN – DISTRICT 5
GEORGIA A. HILLER, ESQ. – DISTRICT 2
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COUNTY MANAGER
LEO E. OCHS, Jr.

COUNTY ATTORNEY
JEFFREY A. KLATZKOW

CLERK OF THE CIRCUIT COURT AND COMPTROLLER
CHIEF FINANCIAL OFFICER
DWIGHT E. BROCK

CHIEF DEPUTY CLERK AND DIRECTOR OF FINANCE AND ACCOUNTING
CRYSTAL K. KINZEL

Prepared by the Office of the Clerk of the Circuit Court,
Finance and Accounting Department

COLLIER COUNTY, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED SEPTEMBER 30, 2016
TABLE OF CONTENTS

INTRODUCTORY SECTION

Page

Transmittal Letter i
Certificate of Achievement vii
Organizational Chart viii

FINANCIAL SECTION

Independent Auditors' Report 1

Management's Discussion and Analysis (Unaudited) 4

Basic Financial Statements:
- Statement of Net Position 16
- Statement of Activities 18
- Balance Sheet – Governmental Funds 20
- Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position 21
- Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds 22
- Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Net Position 23
- General Fund - Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual (Budgetary Basis) 24
- Bayshore Gateway Community Redevelopment Agency - Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual (Budgetary Basis) 27
- Immokalee Community Redevelopment Agency - Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual (Budgetary Basis) 28
- Statement of Net Position – Proprietary Funds 29
- Statement of Revenues, Expenses and Changes in Fund Net Position – Proprietary Funds 31
- Statement of Cash Flows – Proprietary Funds 32
- Statement of Fiduciary Net Position – Agency Funds 34
- Notes to the Financial Statements 35

Required Supplemental Information 81

Combining and Individual Fund Financial Statements and Other Supplemental Information:

Nonmajor Governmental Funds
- Combining Balance Sheet 90
- Combining Statement of Revenues, Expenditures and Changes in Fund Balances 98
- Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Non-GAAP) 106

Nonmajor Enterprise Funds
- Combining Statement of Net Position 130
- Combining Statement of Revenues, Expenses and Changes in Net Position 131
- Combining Statement of Cash Flows 132

Internal Service Funds
- Combining Statement of Net Position 134
- Combining Statement of Revenues, Expenses and Changes Net Position 135
- Combining Statement of Cash Flows 136

Fiduciary Funds
- Combining Statement of Fiduciary Net Position 138
- Combining Statement of Changes in Fiduciary Net Position 139

COLLIER COUNTY, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED SEPTEMBER 30, 2016
TABLE OF CONTENTS - CONTINUED

Component Units
Combining Statement of Net Position 143
Combining Statement of Activities 144

Other Supplemental Information
Schedule of Receipts and Expenditures of Funds Related to the Deepwater Horizon Oil Spill 146

STATISTICAL SECTION (UNAUDITED)

Net Position by Component 148
Change in Net Position 149
Governmental Activities Tax Revenues by Source 152
Fund Balances of Governmental Funds 153
Changes in Fund Balances of Governmental Funds 154
Assessed Value and Estimated Actual Value of Taxable Property 156
Property Tax Rates – All Direct and Overlapping Governments 157
Principal Tax Payers County-Wide 158
Property Tax Levies and Collections 159
Ratios of Outstanding Debt by Type 160
Legal Debt Margin Information 161
Direct, Overlapping and Underlapping Governmental Activities Debt 161
Pledged-Revenue Coverage 162
Demographic and Economic Statistics 163
Principal Employers 164
Budgeted Full-Time Equivalent County Employees by Function 165
Operating Indicators by Function 166
Capital Asset Statistics by Function 167

SINGLE AUDIT/SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE PROJECTS

Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards* 171
Independent Auditors' Report on Compliance for Each Major Federal Program and State Project and Report on Internal Control Over Compliance Required by the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General of the State of Florida* 173
Schedule of Expenditures of Federal Awards and State Financial Assistance 176
Notes to the Schedule of Expenditures of Federal Awards and State Financial Assistance 181
Schedule of Findings and Questioned Costs 182
Summary Schedule of Prior Audit Findings 187
Corrective Action Plan 188

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County of Collier
CLERK OF THE CIRCUIT COURT
COLLIER COUNTY COURTHOUSE

Dwight E. Brock - Clerk of Circuit Court

3315 TAMIAMI TRL E STE 102
NAPLES, FL 34112-5324

P.O. BOX 413044
NAPLES, FL 34101-3044

Clerk of Courts • Comptroller • Auditor • Custodian of County Funds

April 11, 2017

To the Citizens and
Members of the Board of County Commissioners,
Collier County, Florida:

It is with extreme pleasure that we present to you, the citizens of Collier County and members of the Board of County Commissioners, the Comprehensive Annual Financial Report (CAFR) for the fiscal year ended September 30, 2016. Responsibility for the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the Board of County Commissioners and County management.

The Clerk of the Circuit Court and Comptroller's Finance and Accounting Department, as well as County management, is responsible for establishing and maintaining internal controls to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition, the reliability of financial records for preparing financial statements and maintaining accountability of assets. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived, and the evaluation of costs and benefits requires estimates and judgments by management.

Chapter 218.39 of the Florida Statutes requires an independent certified public accountant's financial audit of counties in the State. For the fiscal year ended September 30, 2016 the independent auditor, CliftonLarsonAllen LLP, issued an unmodified opinion on the financial statements. Their report is included in the Financial Section of this report. In addition to meeting the requirements set forth in State statutes, the audit was also designed to meet the requirements of the *Government Auditing Standards*, the Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and the Rules of the Auditor General, Chapter 10.550 *Local Governmental Entity Audits*. Information relating to the Single Audits, including the schedule of expenditures of federal awards and state financial assistance and the independent auditors' report on compliance and internal control over compliance with requirements applicable to each major federal program and state project, are included in the Federal and State Single Audit Section of this report.

Governmental accounting and auditing principles require that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of

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Website- www.collierclerk.com Email- collierclerk@collierclerk.com

Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and the two should be read in concert. Collier County's MD&A can be found in the Financial Section immediately following the independent auditors' report.

PROFILE OF THE GOVERNMENT

Collier County is a Constitutional form of government and was established in 1923 under the Constitution and the laws of the State of Florida. The Board of County Commissioners is the legislative body for Collier County and is made up of five residents elected by voters. In addition to the County Commissioners, voters elect the following five constitutional officers: the Clerk of the Circuit Court and Comptroller, Property Appraiser, Sheriff, Supervisor of Elections and Tax Collector.

The County provides its citizens with a wide range of services that include law enforcement, emergency management, fire and EMS services, animal services, library, museum and cultural services, parks and recreation operations, road maintenance and construction. Additionally, the County owns and operates a water and wastewater utility, a solid waste landfill and recycling program, a landfill gas to energy facility, three airports and a transit system.

Budgets are prepared annually. Formal budgetary integration is employed as a management control throughout the year. The Board of County Commissioners conducts budget workshops during June of each year. The Board's proposed budget is released by July 15, in accordance with Florida Statutes. The budgets of Constitutional Officers are presented to the appropriate authorizing bodies according to state statute. Public hearings are held in September to allow taxpayer input and to adopt the final budget.

ECONOMIC CONDITION AND OUTLOOK

Collier County, the state's largest county at 2,026 square miles, is on the southwest coast of Florida, directly west of Miami. With a 2016 population of 353,936 (a 6 percent increase over the last ten years), Collier County has been considered to be one of the fastest growing counties in the state over the last ten years. The resident population includes Unincorporated County (pop. 314,323) and three municipalities: the Cities of Naples (pop. 21,512), Marco Island (pop. 17,690) and Everglades (pop. 411). The County's economic base is concentrated in tourism, agriculture, fishing, ranching and forestry with a growing services economy and an emerging technology sector. Gulf of Mexico beaches and the Everglades National Park are important attractions to this area.

Taxable property market valuation for fiscal year 2016 totaled $70.1 billion, or a very high $198,027 per capita. The County's millage for General Fund operations in fiscal year 2016 remained at only 36% of the statutory 10 mill limit, or $3.56 per thousand dollars of taxable value. Unemployment levels in recent years approximate, or are slightly below, the statewide average. The 2016 annual County unemployment rate stood at 4.9%, while the statewide average is 5.0%. Income levels are high, with a per capita personal income of $78,473.

LONG TERM FINANCIAL PLANNING

The County annually performs a three-year projection of major ad valorem supported funds (General Fund and the Unincorporated Area Municipal Services Taxing District Fund) prior to developing annual budget policy. On an annual basis the County prepares and adopts a five-year Capital Improvement Element (CIE). The CIE is a planning document that identifies public facilities that will be required during the next five or more years. The Capital Improvement Element is the foundation of Collier County's annual Capital Improvement Program (CIP). The total CIP projects planned for fiscal years 2017-2021 is $764.6 million. Included in the County's current CIP for fiscal years 2017-2021 are approximately $283.7 million in water and wastewater projects, $281.6 million in transportation projects, $32.2 million in stormwater projects and $35.6 million in government facilities projects. In addition, parks and recreation projects of approximately $44.8 million are planned, as well as $43.8 million for tourist development funded projects, $19.9 million in solid waste projects, $10.1 million in library projects, $9.5 million in public safety projects and miscellaneous projects totaling $3.4 million. None of the fiscal year 2017 – 2021 Capital Improvement Program is currently planned to be funded by bond or loan proceeds.

RELEVANT FINANCIAL POLICIES

Relevant financial policies include the appropriation of carryforward as revenue in the following year, maintaining a recommended General Fund unassigned fund balance of between 8% and 16% of actual expenditures and net operating transfers, the assessment of impact fees at such levels as allowed by law and supported by studies, and the earmarking of gas taxes for payment of debt service on the Series 2012 and 2014 Gas Tax Revenue and Refunding Bonds.

Debt administration policies include the limitation of the debt repayment period to the useful life of the underlying assets and the establishment of a 5% benchmark for net present value savings generated by refinancing. The Collier County Debt Management Policy provides that a smaller net present value savings may be considered, but only on a case-by-case basis. In addition, the debt policy establishes a maximum ratio of total general governmental debt service to bondable revenues from current sources of 13%.

Consistent with Collier County's Debt Management Policy, outstanding debt is continually monitored in relation to existing conditions in the debt market. When sufficient cost savings can be realized debt will be refinanced. During fiscal year 2016, the County Water and Sewer District refunded its remaining Series 2006 Water and Sewer Revenue Bonds. This refinancing achieved a net present value savings of over 5% and is further described in Note 6 to the financial statements.

The Clerk's Finance and Accounting Department monitors the daily cash needs of the County and invests the County's portfolio in accordance with the Collier County Investment Policy. The primary objective of the investment policy is the preservation of capital and the protection of investment principal. Authorized investments include certificates of deposit, the Local Government Funds Surplus Trust Fund, U.S. treasury securities, U.S. agency securities, commercial paper and bankers' acceptances. The weighted average maturity of the total managed portfolio, to first call or maturity, was .76 years as of September 30, 2016. The average yield for fiscal year 2016 was .94%, which constitutes a reduction from historical rates, but an

increase over recent years. Changes in the fair value of investments are recorded as part of interest income in the financial statements.

AWARDS

GFOA Certificate of Achievement:

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Collier County, Florida for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended September 30, 2015. The Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report whose contents conform to program standards. The CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. Collier County has received this award for the past thirty years, from fiscal year 1986 to 2015. We believe our current report conforms to the Certificate of Achievement program requirements, and we are submitting it to the GFOA for consideration for an award again this year.

Distinguished Budget Presentation Awards:

The Government Finance Officers Association of the United States and Canada presented an award for Distinguished Presentation to Collier County for its annual budget for the fiscal year beginning October 1, 2015. In order to receive this award, a government unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device. The Distinguished Budget Presentation Award is valid for a period of one year only. Collier County has received this award for the last thirty consecutive years.

The Government Finance Officers Association of the United States and Canada presented an award for Distinguished Presentation to the Office of the Collier County Clerk of the Circuit Court and Comptroller for its annual budget for the fiscal year beginning October 1, 2015. In order to receive this award, a government unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device. The Distinguished Budget Presentation Award is valid for a period of one year only. The Clerk's Office has received this award for the last fourteen consecutive years.

ACKNOWLEDGEMENTS

The preparation and publication of this Comprehensive Annual Financial Report represents a significant effort by the Finance and Accounting Department as well as numerous County

personnel who contribute to its production. In particular, we would like to express our appreciation to Kelly Jones, Finance Manager, Robin Sheley, Operations Manager, Raymond Milum, Jr., Accounting Manager and all of the staff of the Finance and Accounting Department.

Sincere appreciation is also expressed to CliftonLarsonAllen, the Board of County Commissioners, the Constitutional Officers, the County Manager, Division Administrators and the Department Directors for their assistance throughout the year in matters pertaining to the financial affairs of the County.

We hope you find this report informative, accurate and easily readable. If you should have any questions related to this report or if additional information is desired, do not hesitate to contact Crystal K. Kinzel, Chief Deputy Clerk and Director of Finance and Accounting, at (239) 252-6299.

Respectfully,

Dwight E. Brock
Clerk of the Circuit Court and Comptroller

Crystal K. Kinzel
Chief Deputy Clerk
Director of Finance and Accounting

Derek M. Johnssen, CPA
Deputy Clerk
Assistant Finance Director

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 Collier County, Florida for its comprehensive annual financial report for the fiscal year ended September 30, 2015. This was the thirtieth consecutive year that the government 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.

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

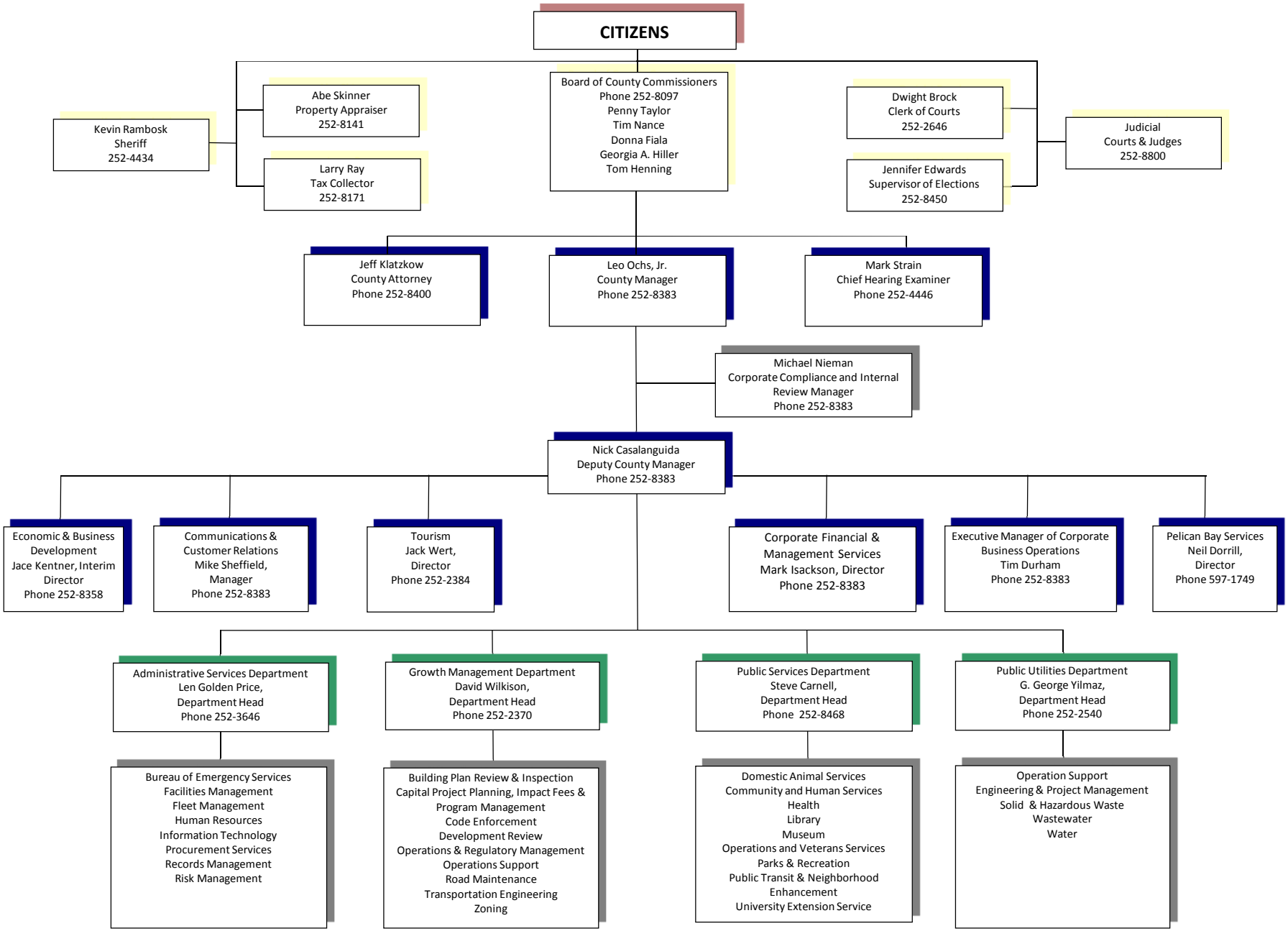
Collier County Clerk of the Circuit Court, Florida

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2015

Executive Director/CEO

Collier County



FINANCIAL SECTION

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CliftonLarsonAllen LLP
CLAconnect.com

INDEPENDENT AUDITORS' REPORT

Honorable Board of County Commissioners
Collier County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Collier County, Florida (County), as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the entity's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County as of September 30, 2016, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparison for the General Fund, the Bayshore Gateway Redevelopment Agency special revenue fund, and the Immokalee Redevelopment Agency special revenue fund for the year then ended in conformity 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 management's discussion and analysis (MD&A) on pages 4 – 15, the schedules of the county's proportionate share of the net pension liability and of county contributions on page 81, and the other postemployment benefits schedule of funding progress for the retiree health plan on page 82 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 County's basic financial statements. The combining and individual fund financial statements and other supplemental information, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and Chapter 10.550, *Local Governmental Entity Audits,* Rules of the Auditor General of the State of Florida, is also presented for purposes of additional analysis and is also not a required part of the basic financial statements.

Other Matters (Continued)

Other Information (Continued)

The combining and individual fund financial statements and other supplemental information and the schedule of expenditures of federal awards and state financial assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 22, 2017, on our consideration of the County'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 result of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Naples, Florida
March 22, 2017

MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)

As Clerk of the Circuit Court and Comptroller of Collier County, Florida, I present the readers of the County's financial statements this narrative overview and analysis of the financial activities of Collier County for the fiscal year ended September 30, 2016. Readers are encouraged to consider the information presented in this narrative in conjunction with additional information offered in the letter of transmittal, found on pages i-v of this report.

Financial Highlights

- Collier County's assets and deferred outflows exceeded its liabilities and deferred inflows as of September 30, 2016 by $2,484,013,381. Of this amount, $171,764,839 represents unrestricted net position and may be used to meet future County obligations.

- The County's total net position increased by $44,490,810 when compared to fiscal year 2015, with a $27,322,069 increase from governmental activities and a $17,168,741 increase resulting from business-type activities.

- As of September 30, 2016 Collier County's governmental fund financial statements showed combined ending fund balances of $441,586,665, an increase of $29,052,786 over the previous fiscal year. Of the total combined ending governmental fund balance, $53,872,028 is reported as unassigned.

- The General Fund reported an unassigned fund balance of $53,960,944 at September 30, 2016, a decrease in unassigned General Fund balance of $1,041,240 when compared to September 30, 2015.

- Total face value of bonded debt, notes, outstanding loans and capital leases owed by Collier County decreased by $45,380,286 during fiscal year 2016, with a decrease in governmental activities debt of $20,743,470 and a decrease in the business-type activities debt of $24,636,816. In May of 2016, the Collier County Water and Sewer District issued the Series 2016A County Water and Sewer Bonds to current refund the remaining Series 2006 Collier County Water and Sewer Revenue Bonds. Additional information on debt activity can be found in Note 6 to the financial statements beginning on page 54.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction and explanation of Collier County's basic financial statements. Collier County's basic financial statements include government-wide and fund financial statements, as well as notes to the basic financial statements. This report also contains a statistical section, single audit and other supplementary information in addition to the basic financial statements.

Government-Wide Financial Statements

Government-wide financial statements are designed to provide the reader an overview of the financial position of the County and are similar to private sector financial statements. These statements are comprised of a Statement of Net Position and a Statement of Activities and are found on pages 16 to 19 of this report.

The Statement of Net Position shows the financial position of Collier County as of September 30, 2016. The statement shows the County's assets plus deferred outflows of resources less its liabilities plus deferred inflows of resources, with the difference being reported as net position. Changes in net position are useful indicators of financial condition.

The Statement of Activities follows the Statement of Net Position and reports the changes in net position over the fiscal period. All changes in net position are reported as soon as the underlying events that gave rise to the change occur, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported for some items, such as accounts receivable, notes receivable or accrued unused vacation and sick leave, that will manifest themselves in cash inflows and outflows, respectively, in future fiscal periods.

These statements distinguish Collier County functions that are supported by taxes and intergovernmental revenues (governmental activities), from business-type activities, which are intended to have their costs primarily recovered through user fees and charges.

Governmental activities reported in the financial statements are general government, public safety, physical environment, transportation, economic environment, human services and culture and recreation. Business-type activities in Collier County include water and sewer, solid waste collections, airport operations, transit operations and emergency medical services.

Fund Financial Statements

A fund is a group of related accounts used to maintain control over resources that have been segregated to meet specific objectives. As dictated by generally accepted accounting principles, Collier County uses fund accounting to ensure and demonstrate compliance with financial legal requirements. The funds of the County can be divided into the following three categories: governmental, proprietary and fiduciary.

Governmental funds

Governmental funds, presented on pages 20 to 28, account for substantially the same functions as governmental activities reported under the government-wide Statement of Net Position and Statement of Activities. The difference is that the governmental fund financial statements focus on inflows and outflows of expendable resources, as well as balances of expendable resources available at the end of the fiscal year, on a near term basis. As such, these statements present a narrower view of financial condition, but are nonetheless useful in evaluating Collier County's near term financing requirements and available resources.

Comparison between the two sets of financial statements allows the reader to better assess the future impact of the government's near term financial decisions. Both the governmental fund balance sheet and the statement of revenues, expenditures and changes in fund balances provide a reconciliation to the respective government-wide financial statements to facilitate comparison.

Governmental funds presented individually in Collier County's statements include three major funds, the General Fund and the Bayshore Gateway and Immokalee Community Redevelopment Agencies. While there are many smaller governmental funds under Collier County management, they are aggregated in a total column named "other governmental funds". Combining statements for these other governmental funds have been presented elsewhere in this report.

Collier County adopts an annual budget as described in Note 1 to the financial statements. A budgetary comparison statement has been provided for the General Fund and each major special revenue fund to demonstrate compliance with this budget. Budgetary comparison schedules for any non-major governmental fund required to adopt an annual budget is presented in the combining statements presented elsewhere in this report.

Proprietary funds

Collier County maintains two different types of proprietary funds, enterprise and internal service, which are reflected on pages 29 to 33 of this report.

Enterprise funds report, with more detail, the same functions presented as business-type activities in the government-wide financial statements for water and sewer, solid waste disposal, emergency medical services, transit and the airport authority. The Collier County Water and Sewer District Fund, the Solid Waste Disposal Fund and the Emergency Medical Services Fund are presented individually as major funds.

Internal service funds are primarily maintained to allocate and accumulate costs internally for Collier County. The County uses internal service funds to account for health insurance, worker's compensation insurance, property and casualty insurance, fleet operations and information technology. The internal service funds are presented in total in the proprietary fund financial statements, but may be viewed on a combining basis elsewhere in the report.

Fiduciary funds

Fiduciary funds are used to account for resources held for the benefit of parties outside of Collier County government. These funds are not presented in the government-wide financial statements as they do not represent resources available to support Collier County functions. The fiduciary funds are presented on page 34 of this report. All of the County's fiduciary funds are agency funds. The accounting used for agency funds is based on the concept that assets equal liabilities when the government is acting in a fiduciary capacity.

Notes to the Financial Statements

The notes provide additional information essential to a full understanding of the data provided in both the government-wide and fund financial statements. The notes appear on pages 35 to 79 of this report.

Other Information

The combining and individual nonmajor fund financial statements and schedules mentioned above present more detailed views of nonmajor governmental and enterprise funds and begin on page 85. This section contains combining balance sheets and statements of revenues, expenditures and changes in fund balance for governmental funds, including budgetary comparisons, and combining statements of net position and statements of revenues, expenses and changes in fund net position for enterprise funds. Also included are combining financial statements for internal service and agency funds.

Additional information about the County, which may be of interest to the reader, can be found under the Statistical and Single Audit sections of this report. The statistical section has been prepared in accordance with Governmental Accounting Standards Board Statement No. 44, *Economic Condition Reporting: The Statistical Section.* This section contains data regarding financial trends, revenue capacity, debt capacity, demographic and economic conditions and operating indicators of the County. The Single Audit grants compliance section lists the expenditures of Federal Awards and State Financial Assistance during the fiscal year and presents grant compliance information as well as auditor reports.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. Assets and deferred outflows exceeded liabilities and deferred inflows by $2,484,013,381 as of the fiscal year ending September 30, 2016 for Collier County. Positive balances were reported in all categories of net position in the governmental and business-type activities for fiscal year 2016, as well as fiscal year 2015. Collier County's net position at September 30, 2016 decreased by $6,449,867 for unrestricted net position and increased $33,835,875 for restricted net position. Restricted net position consists of resources subject to external restriction on how they may be used while unrestricted net position may be used to meet the County's ongoing obligations. Increases in restricted net position were mainly due to a 40.0% increase in restricted net position related to transportation capital projects and a 29.3% increase in total impact fee collections, which are restricted for growth related capital expansion.

The fiscal year 2015 implementation of GASB Statements No. 68 and 71, related to pensions, had a significant impact on the reporting of the County's long term liabilities and net position for both governmental and business-type activities. These statements require the County to record its proportionate share of the long term liability and deferred inflows and outflows associated with the Florida Retirement System's defined pension benefit plan and the retiree health insurance subsidy program.

Collier County's investment in capital assets such as land, roads, buildings, parks and machinery and equipment, net of depreciation or any outstanding debt related to the asset, amounts to 78.4% of net position as of September 30, 2016, compared to 79.2% as of September 30, 2015. During fiscal year 2016, the County's net investment in capital assets increased by $17,104,802. Capital assets are used to provide services to the citizens and consequently do not represent spendable resources and cannot be used to liquidate the debt incurred to purchase or construct capital assets.

The following are Collier County's net position and changes in net position for the fiscal years ended September 30, 2015 and 2016, shown in condensed form:

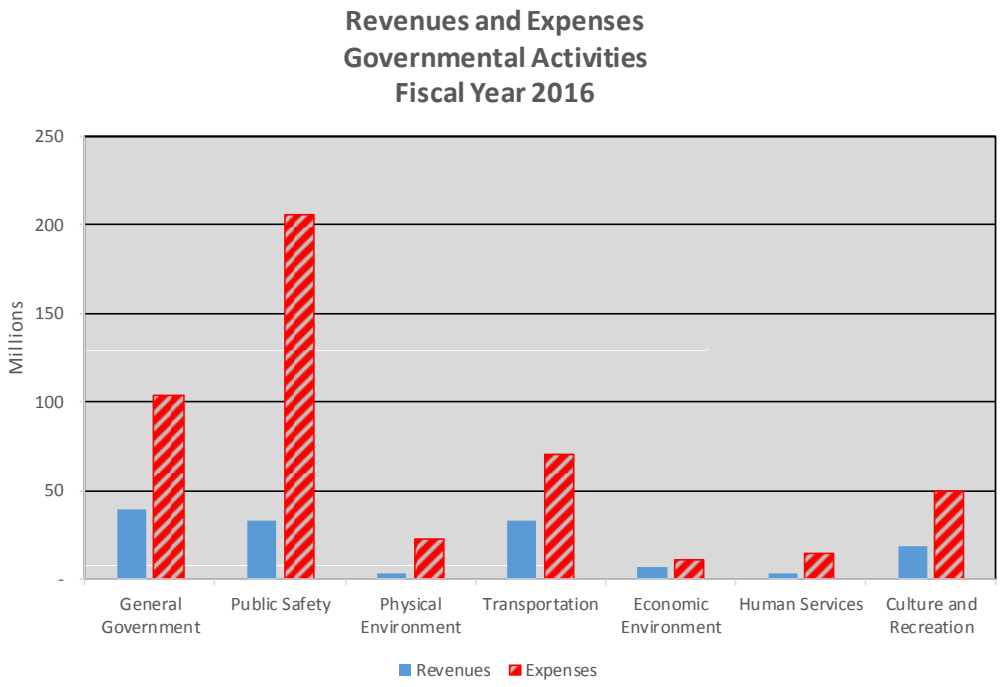
Collier County's Schedule of Net Position
(in millions)

	Governmental Activities		Business-type Activities		Total		Total Percentage Change
	2016	2015	2016	2015	2016	2015	2015-2016
Current and other assets	$ 546.8	$ 509.9	$ 250.4	$ 239.4	$ 797.2	$ 749.3	6.4%
Capital assets, net	1,565.0	1,571.2	904.8	910.3	2,469.8	2,481.5	(0.5%)
Total assets	2,111.8	2,081.1	1,155.2	1,149.7	3,267.0	3,230.8	1.1%
Deferred outflows of resources	102.0	41.7	23.2	10.8	125.2	52.5	138.5%
Long-term liabilities	562.0	490.9	215.5	211.0	777.5	701.9	10.8%
Current liabilities	91.7	81.1	34.4	34.1	126.1	115.2	9.2%
Total liabilities	653.7	572.0	249.9	245.1	903.6	817.1	10.6%
Deferred inflows of resources	4.1	22.2	0.4	4.5	4.5	26.7	(83.1%)
Net position:							
Net investment in capital assets	1,225.5	1,217.2	723.0	714.2	1,948.5	1,931.4	0.9%
Restricted	328.0	298.3	35.8	31.6	363.8	329.9	9.2%
Unrestricted	2.5	13.1	169.3	165.1	171.8	178.2	(1.6%)
Total net position	$ 1,556.0	$ 1,528.6	$ 928.1	$ 910.9	$ 2,484.1	$ 2,439.5	1.8%

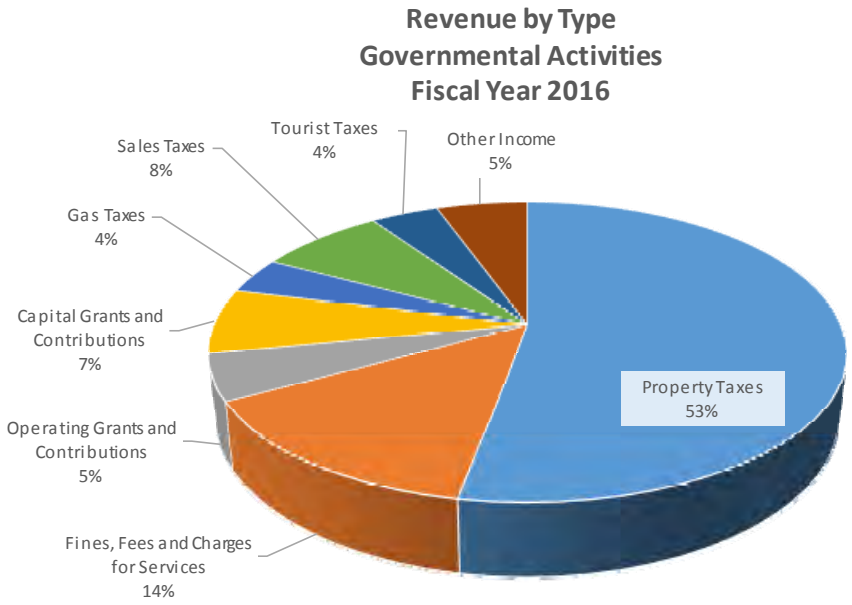
Collier County's Schedule of Changes in Net Position
(in millions)

	Governmental Activities		Business-type Activities		Total		Total Percentage Change
	2016	2015	2016	2015	2016	2015	2015-2016
Revenues							
Program revenues:							
Fines, fees and charges for services	$ 75.0	$ 73.5	$183.2	$173.2	$ 258.2	$ 246.7	4.7%
Operating grants and contributions	26.4	35.5	4.4	5.1	30.8	40.6	(24.1%)
Capital grants and contributions	36.8	30.0	25.4	21.2	62.2	51.2	21.5%
General revenues:							
Property taxes	281.1	259.8	-	-	281.1	259.8	8.2%
Other taxes and shared revenues	101.4	97.2	-	-	101.4	97.2	4.3%
Interest income	4.9	5.1	2.0	2.2	6.9	7.3	(5.5%)
Miscellaneous	6.0	17.5	0.2	0.1	6.2	17.6	(64.8%)
Total revenues	531.6	518.6	215.2	201.8	746.8	720.4	3.7%
Expenses							
General government	104.2	93.7	-	-	104.2	93.7	11.2%
Public safety	205.3	174.9	-	-	205.3	174.9	17.4%
Physical environment	22.5	22.8	-	-	22.5	22.8	(1.3%)
Transportation	70.6	70.3	-	-	70.6	70.3	0.4%
Economic environment	11.3	9.3	-	-	11.3	9.3	21.5%
Human services	14.4	13.5	-	-	14.4	13.5	6.7%
Culture and recreation	49.5	45.1	-	-	49.5	45.1	9.8%
Interest on long-term debt	12.1	12.9	-	-	12.1	12.9	(6.2%)
Water and sewer	-	-	130.8	122.8	130.8	122.8	6.5%
Solid waste	-	-	39.3	36.4	39.3	36.4	8.0%
Emergency medical services	-	-	26.5	24.1	26.5	24.1	10.0%
Airport authority	-	-	4.4	4.8	4.4	4.8	(8.3%)
Mass transit	-	-	11.3	10.4	11.3	10.4	8.7%
Total expenses	489.9	442.5	212.3	198.5	702.2	641.0	9.5%
Increase in net position before net transfers	41.7	76.1	2.9	3.3	44.6	79.4	(43.8%)
Transfers, net	(14.3)	(14.2)	14.3	14.2	-	-	-
Change in net position	27.4	61.9	17.2	17.5	44.6	79.4	(43.8%)
Net position – beginning	1,528.6	1,600.9	910.9	920.2	2,439.5	2,521.1	(3.2%)
Restatement of net position	-	(134.2)	-	(26.8)	-	(161.0)	-
Net position – ending	$1,556.0	$1,528.6	$928.1	$910.9	$2,484.1	$2,439.5	1.8%

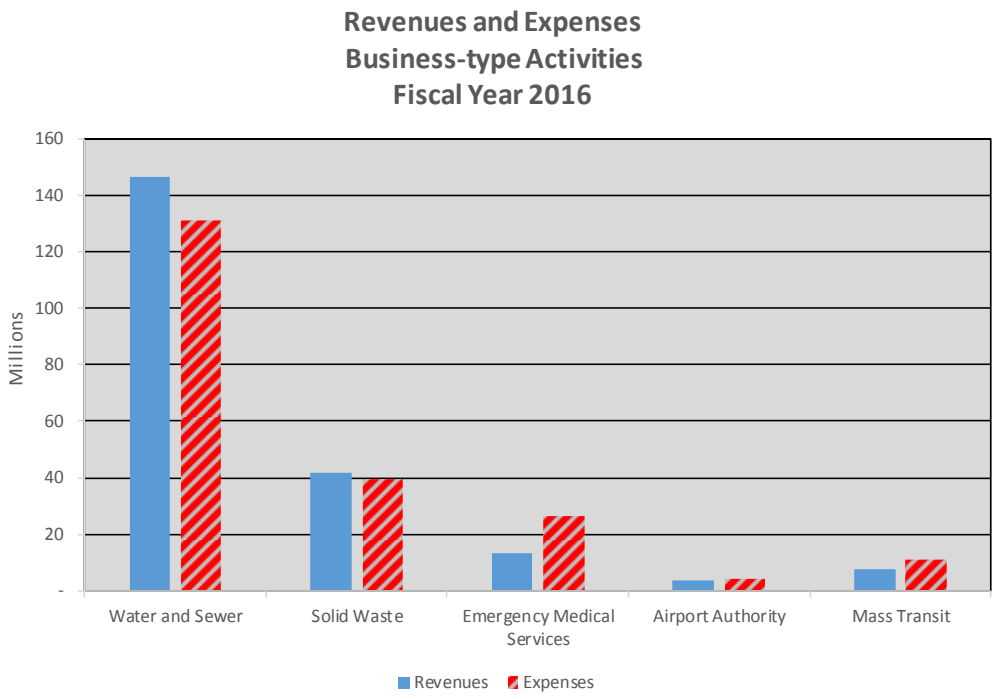
Expenses and revenues, in the form of fees, fines, grants and contributions, for governmental activities are shown graphically by function. General revenues, such as property taxes, must be used to the extent that the fee, fines, grants and contributions do not cover the cost of the governmental function. Public safety is the largest category of expenses followed by general government.



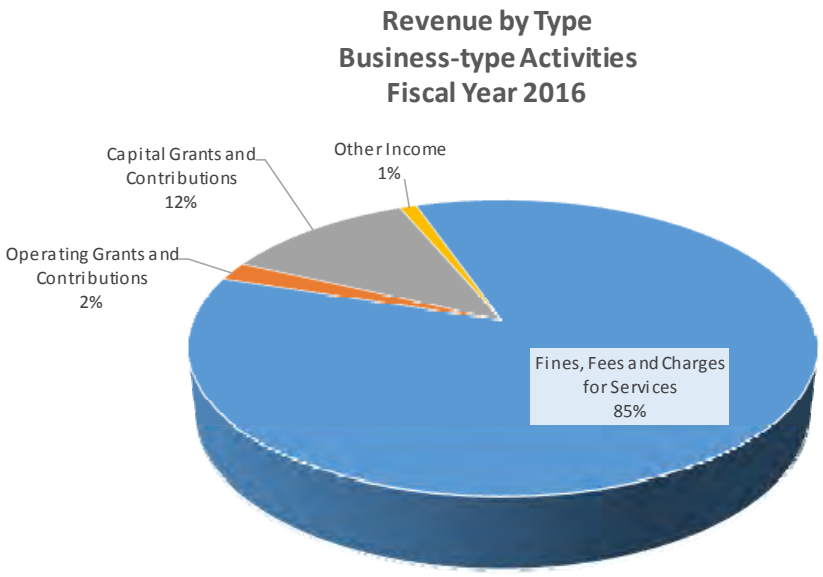
Revenues for governmental activities are shown graphically by type. The largest type of revenue for governmental activities is property taxes followed by fines, fees and charges for services.



Revenues and expenses are shown by business-type activity. The Water and Sewer system is the largest business-type activity followed by the Solid Waste system.



Revenues for business-type activities are shown graphically by type. The largest type of revenue is fines, fees and charges for services followed by capital grants and contributions.



Governmental Activities

The current year increase in the net position of governmental activities amounted to $27,322,069, an increase of 1.8% when compared to the previous year's net position. The previous fiscal years' increase in net position was 4.2%. The current years' increase is mainly due to the following:

- Overall, revenues related to governmental activities increased by 2.5%, or $12,960,436 while expenses increased by 10.7%, or $47,490,517.

- Governmental activities revenues increased primarily due to an increase in total ad valorem taxes collected in fiscal year 2016 of $21,356,784 when compared to fiscal year 2015. In addition, Half Cent Sales Tax and Gas Tax collections increased a combined 5.2% over fiscal year 2015, or $3,017,685.

- Governmental activities expenses increased primarily due to increases in the public safety and general government functional areas. Public safety expenses increased predominately due to an increase in pension expense over the amount recognized in fiscal year 2015. General government expenses increased due to increases in pension expense, salaries and maintenance expense related to facilities.

Business-type Activities

The increase in net position related to business-type activities amounted to $17,168,741 in the aggregate, representing a 1.9% increase over the previous year's net position. The previous fiscal years' increase in net position was also 1.9%. The current years' increase is mainly due to the following:

- The majority of the increase, or $11,902,262, can be attributed to the Collier County Water and Sewer District (District). The increase in the District's net position is largely due to a 5.0% rate increase that went in to effect October 1, 2015. In addition, water and sewer impact fee collections, charged to new construction, increased by 7.9% when compared to fiscal year 2015.

- Solid waste contributed $2,534,151 to the overall increase in business-type activities net position. User charges increased by $2,821,006, or 7.2% over fiscal year 2015, primarily as a result of a 6.9% increase in residential and commercial municipal waste tonnage and construction and demolition waste being accepted into the Naples landfill during fiscal year 2016. Operating costs increased primarily due to an increase in landfill operating costs.

- Emergency Medical Services contributed $2,751,781 to the overall increase in business-type activities net position. User charges increased by $866,066 over fiscal year 2015 as a result of a 3.5% increase in ambulance calls over the same interval. Operating transfers from the governmental activities exceeded the operating loss generated by the operation of Emergency Medical Services.

Fund Financial Statement Analysis

As mentioned above, Collier County utilizes fund accounting to ensure compliance with finance related legal requirements.

Governmental Funds

Governmental funds provide information on near term inflows, outflows and balances of spendable resources. Unassigned fund balance is a useful measure of net resources available to be spent at the end of the fiscal year. Governmental funds consist of the General Fund, Special Revenue Funds, Permanent Fund, Debt Service Funds and Capital Project Funds.

As of September 30, 2016, Collier County governmental funds reported combined fund balances of $441,586,665, an increase of $29,052,786 when compared to prior year combined fund balances. The governmental funds had non-spendable fund balances of $6,730,508 consisting of inventory, prepaid items, notes receivable and General Fund and Other Governmental Fund advances to other funds. The restricted fund balance was $324,597,817 and consists of monies whose expenditure is externally constrained by grantors, creditors, binding law or enabling legislation. Of the remaining $110,258,340 in fund

balance, $26,069,145 is classified as committed, $30,317,167 is recorded as assigned and $53,872,028 is recorded as unassigned.

The following were noteworthy activities and changes relating to the major governmental funds for fiscal year 2016:

- The General Fund is the primary operating fund of Collier County. At September 30, 2016, total fund balance in the General Fund was $59,573,533, of which $53,960,944 was unassigned. As a percentage of total general fund expenditures and net transfers, the unassigned portion is 17.1%. The total fund balance decreased by $618,110 or 1.0%, compared to the September 30, 2015 total fund balance.

- The Bayshore Gateway Community Redevelopment Agency was created to benefit blighted areas in the Bayshore Gateway Triangle. During fiscal year 2016, the Bayshore Gateway Community Redevelopment Agency collected $1,124,200 in tax increment revenues and was reimbursed $81,037 for stormwater improvements. In addition, the agency received $122,246 in miscellaneous revenues for rents. Operating expenditures of $2,612,209 were associated with the Bayshore Gateway Triangle Community Redevelopment Agency, including a $2,155,231 write down of land held for resale. In addition, capital expenditures of $90,042 were made for stormwater improvements.

- The Immokalee Community Redevelopment Agency was created to benefit blighted areas in Immokalee. During fiscal year 2016, the Immokalee Community Redevelopment Agency collected $440,300 in tax increment revenues. Operating expenditures of $381,889 were associated with the Immokalee Community Redevelopment Agency.

Proprietary Funds

Proprietary fund statements provide the same information as the business-type activities in the government-wide financial statements, but in greater detail, and on a fund basis for enterprise funds.

At September 30, 2016, total net position amounted to $926,808,495 for enterprise funds, as compared to $909,442,595, as of September 30, 2015, an increase of $17,365,900. Net position changes as a result of operations, non-operating revenues and expenses, capital contributions and grants and donations. The Collier County Water and Sewer District's activities represent the largest share of the increase in the business-type net position.

For the year ended September 30, 2016, the Collier County Water and Sewer District reported capital grants and contributions of $22,737,854, which consists of water and sewer impact fees of $13,643,674, $8,941,251 in developer infrastructure contributions and other capital contributions of $152,929.

Net Operating Income/(Loss)

	2016	2015
County Water and Sewer	$ (2,710,740)	$ 1,698,445
Solid Waste Disposal	2,550,706	2,659,868
Emergency Medical Services	(13,307,366)	(11,464,061)
Non-major enterprise funds	(11,419,753)	(10,078,334)
Total	$ (24,887,153)	$ (17,184,082)

The Collier County Water and Sewer District's net operating income decreased by $4,409,185 when compared to fiscal year 2015. The decrease in net operating income was primarily the result of a 10.1% increase in total operating expenses. The District added eighteen (18) full time equivalent positions during fiscal year 2016. In addition, several substantial repair and maintenance projects were performed during fiscal year 2016. County Water and Sewer payments in lieu of taxes paid to the General Fund of $5,351,100 were reclassified from operating expense to operating transfers for financial statement purposes. These payments are reclassified pursuant to generally accepted accounting principles as the amount charged is not an approximation of services rendered.

The Solid Waste Disposal fund's net operating income decreased by $109,162 when compared to fiscal year 2015. The marginal change in net operating income was the result of a 6.9% increase in residential and commercial municipal waste tonnage and construction and demolition waste offset by an increase in landfill operating costs during fiscal year 2016. Total operating expenses, including depreciation, increased by $2,906,764, or 8.0%, when compared to fiscal year 2015. The Solid Waste Disposal payments in lieu of taxes paid to the General Fund of $220,600 were reclassified from operating expense to operating transfers for financial statement purposes. These payments are reclassified pursuant to generally accepted accounting principles as the amount charged is not an approximation of services rendered.

The Emergency Medical Services fund's net operating income decreased by $1,843,305 when compared to fiscal year 2015. The decrease in net operating income was the result of an 11.3% increase in total operating cost, offset by an $866,066 increase in charges for services. Operating expenses increased mainly due to increased personal services costs, including pension expense.

Capital Assets

Collier County's financial statements present capital assets in two distinct groups, those that are depreciated and those not subject to depreciation. Buildings and equipment are examples of assets that are depreciated and land and construction in progress are examples of assets not depreciated. Collier County's investment in capital assets for the governmental and business-type activities amounted to $2,469,722,865, net of accumulated depreciation. This investment in capital assets, both purchased and donated, includes land, buildings and improvements, water and wastewater plants, machinery and equipment, parks, roads, beach renourishment and drainage structures. Investment in capital assets for the current fiscal year, net of depreciation, decreased by $11,784,789 when compared to the previous year. There was a decrease in the governmental activities net capital assets of $6,250,938, or .4%, while the business-type activities capital assets decreased by $5,533,851, or .6%. The major capital asset activities during the current and previous fiscal years are as follows:

- Capitalization as construction in process of $46,544,228 for governmental activity related costs including $7,068,344 related to county wide 800 MHz system upgrades, $7,990,179 for improvements to Collier Boulevard from Golden Gate Boulevard to Green Boulevard and $8,326,663 for improvements to Golden Gate Boulevard from Wilson Boulevard to Everglades Boulevard. A total of $4,503,944 was spent on the acquisition and renovation of a new Supervisor of Election's building, new Sheriff's substation and renovation of the Collier Jail's heating, ventilation and air conditioning system. The remaining $18,655,098 is related to $9,848,841 in other transportation projects, $2,384,641 in other physical environment projects, $2,568,488 in culture and recreation projects and $3,853,128 in other capital projects.

- The business-type activities capitalized $27,041,589 of construction in process during fiscal year 2016 including $4,693,000 for utility force main transmission system improvements, $2,144,513 for master pump systems improvements and $5,797,929 for distribution system improvements. In addition, $1,299,872 was related to the solid waste fund's ongoing project to construct hammerheads (turnarounds) on rural roads to facilitate trash pickup. The remaining $13,106,275 was made up of $10,701,579 in other County Water and Sewer projects, $11,021 in other airport projects, $743,522 in other solid waste projects and $1,650,153 in Mass Transit.

- Total purchases of land and non-depreciable assets were $5,908,695 for fiscal year 2016, compared to $5,025,821 for fiscal year 2015.

Additional information regarding Collier County's capital assets can be found in Note 5 beginning on page 53 of this report.

Debt Administration

At September 30, 2016, Collier County had total bonded debt, notes and loans, net of premiums, of $516,823,410, a decrease of $35,389,275 from the previous year. The following table illustrates the balances of all bonds, notes and loans, net, for the fiscal years ended September 30, 2016 and 2015:

Outstanding Debt

	2016	2015
Limited General Obligation Bonds, net	$ 2,941,353	$ 3,368,515
Revenue Bonds, net	412,330,561	437,967,928
State Revolving Fund Loans	95,642,438	104,410,895
Miscellaneous Notes	5,909,058	6,465,347
Total	$ 516,823,410	$ 552,212,685

On May 26, 2016 the Collier County Water and Sewer District issued the Series 2016A Water and Sewer Refunding Revenue Bonds in the par amount of $48,105,000 for the purpose of currently refunding the District's remaining Series 2006 Revenue Bonds.

The Constitution of the State of Florida, Florida Statute 200.181 and Collier County set no legal debt limit. Further information regarding Collier County's long-term debt can be found in Note 6 beginning on page 54 of this report.

General Fund Budgetary Highlights

During the current fiscal year, the General Fund expenditure appropriations increased by $3,184,406. Significant variances between the original budget and the final amended budget are listed below:

- $338,200 increase in charges for services and Clerk's overall budget to recognize additional revenues received and provide for additional data processing software and minor computer equipment.
- $346,032 increase in County Attorney operating due to re-budgeting of lapsed appropriations from the previous fiscal year.
- $637,160 increase in charges for services and Facilities Management operating related to an increase in maintenance requests.
- $1,233,000 increase in charges for services and Sheriff's agency personal services related to special detail duties.
- $421,600 increase in Economic Development operating due to re-budgeting of lapsed appropriations from the previous fiscal year as well as additional funding for a Soft Landing Accelerator project.

Significant variances between actual results and final budget amounts in the General Fund occurred during fiscal year 2016. Tax revenues were under budget by $9,232,643 primarily due to the early payment discount allowed for property taxes. The discount ranges from a maximum 4% to 1%, depending on the date of payment. General Fund general government expenditures were under budget primarily due to $1,673,668 in unspent budget related to goods and services contracted for in 2016 that had not been received as of September 30, 2016 as well as an effort to reduce spending in all departments.

Economic Factors and Year 2017 Budgets and Rates

The following factors were taken into account in preparing the fiscal year 2017 budget:

- A 7% increase in countywide taxable property values.
- Millage neutral General Fund and Unincorporated Area General Fund tax rates.
- Expected year on year increases in sales tax and state shared revenues of 2.7% and 3.3%, respectively.
- No new fees or service charges to Collier County residents.
- Expected expanded position requests to meet the increase in service expectations.
- Maintain health care program contributions at 80% employer and 20% employee across all agencies (excluding Sheriff and Tax Collector).

During fiscal year 2016, the General Fund unassigned fund balance decreased by $1,041,240 to $53,960,944. As of December 20, 2016, $48,199,500 of the fiscal year 2016 unassigned fund balance has been appropriated as carryforward for fiscal year 2017, with $35,907,900 budgeted in reserves.

Contact Information

This financial report is intended to give the user a general overview of Collier County Government's finances. Any questions resulting from review of this information may be addressed to:

Collier County Clerk of the Circuit Court
Department of Finance and Accounting
3299 Tamiami Trail East, Suite #403
Naples, Florida 34112-5746

Our office may also be contacted via the internet at ***www.collierclerk.com.***

COLLIER COUNTY, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2016

	Primary Government			
	Governmental Activities	Business-type Activities	Total	Component Units
ASSETS				
Current assets:				
Cash and investments	$ 187,998,460	$ 184,696,473	$ 372,694,933	$ 292,288
Cash with fiscal agent	11,887,225	-	11,887,225	-
Trade receivables, net	1,123,921	13,684,759	14,808,680	-
Special assessments receivable	-	31,435	31,435	-
Interest receivable	279,016	405,267	684,283	-
Due from other governments	3,471,443	424,064	3,895,507	-
Internal balances	(2,683,492)	2,683,492	-	-
Deposits	55,736	-	55,736	-
Inventory	2,879,141	5,719,060	8,598,201	-
Prepaid costs	70,508	110,363	180,871	-
Restricted assets:				
Cash and investments	19,485,205	6,481,112	25,966,317	-
Trade receivables, net	1,211,795	48,571	1,260,366	-
Notes receivable	54,611	-	54,611	-
Interest receivable	455,393	33,958	489,351	-
Due from other governments	20,898,854	4,267,562	25,166,416	-
Deposits	1,875	-	1,875	-
Inventory for resale	9,796,692	-	9,796,692	-
Total current assets	256,986,383	218,586,116	475,572,499	292,288
Noncurrent assets:				
Restricted assets:				
Cash and investments	282,803,893	31,845,588	314,649,481	-
Notes receivable	484,896	-	484,896	-
Impact fee receivable	4,926,021	-	4,926,021	-
Special assessments receivable	4,154	10,419	14,573	-
Notes receivable	1,597,726	-	1,597,726	-
Unamortized bond insurance	13,079	-	13,079	-
Capital assets:				
Land and non-depreciable capital assets	475,133,997	85,861,683	560,995,680	-
Depreciable capital assets, net	1,089,790,702	818,936,483	1,908,727,185	-
Total noncurrent assets	1,854,754,468	936,654,173	2,791,408,641	-
Total assets	2,111,740,851	1,155,240,289	3,266,981,140	292,288
DEFERRED OUTFLOWS OF RESOURCES				
Deferred charges on debt refundings	12,447,091	4,977,541	17,424,632	-
Deferred outflows of resources related to pensions	89,580,431	18,199,822	107,780,253	-
Total deferred outflows of resources	$ 102,027,522	$ 23,177,363	$ 125,204,885	$ -

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

	Primary Government			
	Governmental Activities	Business-type Activities	Total	Component Units
LIABILITIES				
Current liabilities:				
Accounts payable	$ 15,840,476	$ 11,851,906	$ 27,692,382	$ -
Wages payable	8,129,664	1,630,949	9,760,613	-
Retainage payable	829,492	1,101,269	1,930,761	-
Due to other governments	4,043,437	3,874	4,047,311	-
Self-insurance claims payable	6,283,371	-	6,283,371	-
Compensated absences	9,342,255	2,225,263	11,567,518	-
Capital lease obligations	621,513	382,180	1,003,693	-
Notes payable	558,121	-	558,121	-
Unearned revenue	424,133	52,983	477,116	-
Net pension liability	1,962,146	356,541	2,318,687	-
Interest payable	4,896,544	1,530,753	6,427,297	-
Bonds and loans payable	20,340,000	7,085,210	27,425,210	-
Liabilities payable from restricted assets:				
Accounts payable	8,387,772	1,993,430	10,381,202	-
Wages payable	1,231,150	2,039	1,233,189	-
Retainage payable	3,045,725	127,662	3,173,387	-
Refundable deposits	1,078,103	78,851	1,156,954	-
Notes payable	-	64,255	64,255	-
Due to other governments	4,706,408	38,011	4,744,419	-
Unearned revenue	-	93,305	93,305	-
Bonds and loans payable	-	5,827,937	5,827,937	-
Total current liabilities	91,720,310	34,446,418	126,166,728	-
Noncurrent liabilities:				
Self-insurance claims payable	1,618,799	-	1,618,799	-
Compensated absences	17,321,005	556,315	17,877,320	-
Capital lease obligations	315,801	864,848	1,180,649	-
Notes payable	5,286,682	-	5,286,682	-
Landfill post-closure liability	-	1,883,503	1,883,503	-
Net OPEB obligation	3,875,092	-	3,875,092	-
Net pension liability	223,315,901	44,777,387	268,093,288	-
Bonds and loans payable, net	310,251,339	167,409,866	477,661,205	-
Total noncurrent liabilities	561,984,619	215,491,919	777,476,538	-
Total liabilities	653,704,929	249,938,337	903,643,266	-
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources related to pensions	4,097,008	432,370	4,529,378	-
NET POSITION				
Net investment in capital assets	1,225,519,574	723,000,077	1,948,519,651	-
Restricted for:				
Growth related capital expansion	97,368,645	23,507,009	120,875,654	-
Transportation capital projects	44,659,573	-	44,659,573	-
Tourist development	65,047,351	-	65,047,351	-
Conservation	33,253,360	-	33,253,360	-
Community redevelopment	10,449,604	-	10,449,604	-
Grants	6,159,788	3,896,465	10,056,253	-
Debt service	266,760	8,056,609	8,323,369	-
Nonexpendable purposes - other	1,582,800	-	1,582,800	-
Special revenues - other	69,180,927	-	69,180,927	-
Renewal and replacement	-	300,000	300,000	-
Unrestricted	2,478,054	169,286,785	171,764,839	292,288
Total net position	$ 1,555,966,436	$ 928,046,945	$ 2,484,013,381	$ 292,288

COLLIER COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

		Program Revenues		
FUNCTIONS/PROGRAMS	**Expenses**	**Fees, Fines and Charges for Services**	**Operating Grants and Contributions**	**Capital Grants and Contributions**
Primary Government:				
Governmental Activities:				
General government	$ 104,187,990	$ 35,184,120	$ 1,043,509	$ 2,940,047
Public safety	205,347,062	25,276,222	4,465,612	3,880,657
Physical environment	22,500,001	586,745	1,465,908	1,192,931
Transportation	70,560,064	4,879,501	9,959,877	18,515,473
Economic environment	11,323,170	104,487	6,771,076	20,170
Human services	14,433,560	539,044	2,461,019	116,443
Culture and recreation	49,525,583	8,392,929	220,248	10,152,508
Interest and fiscal charges	12,077,226	-	-	-
Total governmental activities	489,954,656	74,963,048	26,387,249	36,818,229
Business-type Activities:				
Water and sewer	130,791,857	123,856,151	-	22,608,100
Solid waste	39,270,697	41,918,294	112,552	-
Emergency medical services	26,529,274	13,161,018	65,176	-
Airport authority	4,402,169	3,072,836	-	529,329
Mass transit	11,332,459	1,224,647	4,256,647	2,229,804
Total business-type activities	212,326,456	183,232,946	4,434,375	25,367,233
Total primary government	702,281,112	258,195,994	30,821,624	62,185,462
Component Units:				
Industrial Development Authority	$ 35,555	$ 2,550	$ -	$ -
Health Facilities Authority	3,466	50	-	-
Housing Finance Authority	2,636	75	-	-
Educational Facilities Authority	12,563	50	-	-
Total component units	$ 54,220	$ 2,725	$ -	$ -

General revenues:
- Property taxes
- Gas taxes
- Sales taxes
- Tourist taxes
- Communications services tax
- State revenue sharing
- Other taxes
- Interest income
- Miscellaneous

Transfers, net

Total general revenues and transfers

Change in pet position

Net position - beginning

Net position - ending

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

Net (Expense) Revenue and Changes in Net Position

Primary Government			
Governmental Activities	Business-type Activities	Total	Component Units
$ (65,020,314)	$ -	$ (65,020,314)	$ -
(171,724,571)	-	(171,724,571)	-
(19,254,417)	-	(19,254,417)	-
(37,205,213)	-	(37,205,213)	-
(4,427,437)	-	(4,427,437)	-
(11,317,054)	-	(11,317,054)	-
(30,759,898)	-	(30,759,898)	-
(12,077,226)	-	(12,077,226)	-
(351,786,130)	-	(351,786,130)	-
-	15,672,394	15,672,394	-
-	2,760,149	2,760,149	-
-	(13,303,080)	(13,303,080)	-
-	(800,004)	(800,004)	-
-	(3,621,361)	(3,621,361)	-
-	708,098	708,098	-
(351,786,130)	708,098	(351,078,032)	-
			$ (33,005)
			(3,416)
			(2,561)
			(12,513)
			$ (51,495)
281,135,706	-	281,135,706	-
20,478,239	-	20,478,239	-
40,658,974	-	40,658,974	-
21,838,332	-	21,838,332	-
4,702,746	-	4,702,746	-
11,099,695	-	11,099,695	-
2,577,194	-	2,577,194	-
4,891,181	2,010,391	6,901,572	108
5,976,442	199,942	6,176,384	-
(14,250,310)	14,250,310	-	-
379,108,199	16,460,643	395,568,842	108
27,322,069	17,168,741	44,490,810	(51,387)
1,528,644,367	910,878,204	2,439,522,571	343,675
$ 1,555,966,436	$ 928,046,945	$ 2,484,013,381	$ 292,288

COLLIER COUNTY, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2016

	General Funds	Bayshore Gateway Community Redevelopment Agency	Immokalee Community Redevelopment Agency	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash and investments	$ 67,854,846	$ 957,371	$ 337,697	$ 363,069,357	$ 432,219,271
Cash with fiscal agent	-	-	-	11,887,225	11,887,225
Receivables:					
Interest	90,287	1,553	536	557,174	649,550
Trade, net	548,279	-	-	1,782,657	2,330,936
Notes	1,597,726	-	-	539,507	2,137,233
Impact Fee	-	-	-	4,926,021	4,926,021
Special assessments	-	-	-	4,154	4,154
Due from other funds	4,496,930	14,876	-	13,978,579	18,490,385
Due from other governments	2,966,499	-	-	21,380,025	24,346,524
Deposits	4,628	-	625	1,250	6,503
Inventory for resale	-	9,566,959	-	229,733	9,796,692
Inventory	1,487,018	-	-	1,024,567	2,511,585
Advances to other funds	563,900	-	-	447,701	1,011,601
Prepaid costs	26,796	-	-	-	26,796
Total assets	$ 79,636,909	$ 10,540,759	$ 338,858	$ 419,827,950	$ 510,344,476
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts payable	$ 9,099,141	$ 2,489	$ 5,561	$ 13,910,285	$ 23,017,476
Wages payable	6,943,186	5,890	7,192	2,164,788	9,121,056
Due to other funds	721,324	168,480	-	13,605,511	14,495,315
Due to other governments	2,210,075	-	-	6,539,756	8,749,831
Unearned revenues	315	-	-	413,345	413,660
Refundable deposits	1,014,768	1,500	-	61,835	1,078,103
Retainage payable	-	-	-	3,875,217	3,875,217
Advances from other funds	-	-	238,901	2,728,250	2,967,151
Total liabilities	19,988,809	178,359	251,654	43,298,987	63,717,809
Deferred inflows of resources:					
Unavailable revenue	74,567	-	-	4,965,435	5,040,002
Fund balances:					
Nonspendable	3,675,440	-	-	3,055,068	6,730,508
Restricted	263,481	10,362,400	87,204	313,884,732	324,597,817
Committed	-	-	-	26,069,145	26,069,145
Assigned	1,673,668	-	-	28,643,499	30,317,167
Unassigned	53,960,944	-	-	(88,916)	53,872,028
Total fund balances	59,573,533	10,362,400	87,204	371,563,528	441,586,665
Total liabilities, deferred inflows of resources and fund balances	$ 79,636,909	$ 10,540,759	$ 338,858	$ 419,827,950	$ 510,344,476

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

COLLIER COUNTY, FLORIDA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2016

Differences in amounts reported for governmental activities in the statement of net position on pages 16-17

Fund balances - total governmental funds		$ 441,586,665
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. Those assets consist of:		
Land and other non-depreciable assets	$ 417,017,620	
Construction in progress	58,116,377	
Depreciable assets, net of $884,120,065 in accumulated depreciation	1,073,355,847	1,548,489,844
Certain long-term assets are not financial resources and therefore are not reported in the governmental funds - unamortized bond insurance premium.		13,079
Certain revenues will be collected after year-end, but are not available to pay for the current period's expenditures, and therefore are reported as deferred inflows in the funds.		5,040,002
Certain liabilities applicable to the County's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. Interest on long-temr debt is not accrued in the governmental funds, but is recognized as an expenditure when due. All liabilities are reported in the statement of net position. Balances at September 30, 2016 are:		
Accrued interest on bonds	$ (4,896,544)	
Bonds and notes payable	(321,114,803)	
Capital lease obligations	(937,314)	
Compensated absences	(26,142,844)	
Pension liability	(220,714,819)	
Unamortized premium	(15,321,339)	(589,127,663)
Unamortized deferred charges on refunding		12,447,091
Pension deferred outflows		87,741,555
Pension deferred inflows		(4,055,083)
Internal service funds are used by the County to charge self-insurance, fleet management and information technology services to individual funds. The assets, deferred outflows, liabilities and deferred inflows of the internal service funds are included in governmental activities in the statement of net position. Internal service fund net position is:		53,830,946
Total net position - governmental activities		$ 1,555,966,436

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

COLLIER COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

	General Funds	Bayshore Gateway Community Redevelopment Agency	Immokalee Community Redevelopment Agency	Other Governmental Funds	Total Governmental Funds
Revenues:					
Taxes	$ 239,815,402	$ 1,124,200	$ 440,300	$ 81,534,977	$ 322,914,879
Licenses, permits and impact fees	310,727	-	-	60,722,128	61,032,855
Intergovernmental	53,717,345	-	-	30,232,089	83,949,434
Charges for services	16,844,531	81,037	-	21,436,036	38,361,604
Fines and forfeitures	402,238	-	-	2,305,766	2,708,004
Interest income	1,078,792	10,129	3,032	3,347,672	4,439,625
Special assessments	-	-	-	3,745,804	3,745,804
Miscellaneous	2,742,134	122,246	186	3,735,910	6,600,476
Total revenues	314,911,169	1,337,612	443,518	207,060,382	523,752,681
Expenditures:					
Current:					
General government	58,770,288	-	-	25,828,643	84,598,931
Public safety	147,803,650	-	-	29,571,568	177,375,218
Physical environment	849,319	-	-	14,433,746	15,283,065
Transportation	267,847	-	-	35,743,254	36,011,101
Economic environment	1,650,968	2,612,209	381,889	6,415,980	11,061,046
Human services	10,896,535	-	-	3,140,974	14,037,509
Culture and recreation	15,754,220	-	-	25,131,239	40,885,459
Debt service					
Principal	560,283	-	-	20,183,187	20,743,470
Interest	57,429	-	-	12,655,969	12,713,398
Fiscal charges	-	-	-	18,580	18,580
Capital outlay	11,681,119	90,042	-	55,427,111	67,198,272
Total expenditures	248,291,658	2,702,251	381,889	228,550,251	479,926,049
Excess (deficit) of revenues over (under) expenditures	66,619,511	(1,364,639)	61,629	(21,489,869)	43,826,632
Other financing sources (uses):					
Sale of capital assets	286,858	-	-	19,531	306,389
Insurance proceeds	437,506	-	-	358,504	796,010
Transfers in	10,455,705	136,800	85,000	110,976,073	121,653,578
Transfers out	(78,417,690)	(858,500)	-	(58,253,633)	(137,529,823)
Total other financing sources (uses)	(67,237,621)	(721,700)	85,000	53,100,475	(14,773,846)
Net change in fund balances	(618,110)	(2,086,339)	146,629	31,610,606	29,052,786
Fund balances at beginning of year	60,191,643	12,448,739	(59,425)	339,952,922	412,533,879
Fund balances (deficit) at end of year	$ 59,573,533	$ 10,362,400	$ 87,204	$ 371,563,528	$ 441,586,665

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

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

Differences in amounts reported for governmental activities in the statement of activities on pages 18-19:

Net change in fund balances - total governmental funds		$ 29,052,786
Governmental funds report capital outlays as expenditures. However, in the statement of net position the cost of these assets is allocated over their estimate useful lives and reported as depreciation expense.		
Capital outlay	$ 67,198,272	
Depreciation expense	(74,600,143)	(7,401,871)
Donations of capital assets are not financial resources to governmental funds, but receiving donated assets increases net position in the statement of net position.		706,694
Capital assets transferred to and from proprietary funds are not recorded in the governmental funds as there is no flow of current financial resources.		(195,465)
In the statement of net position, the gain or loss on the sale of capital assets is reported. However, in the governmental funds the proceeds from the sale of capital assets increase financial resources. The change in net position differs from the change in fund balances by the net book value of assets disposed.		(567,716)
Certain revenues not considered available are not recognized in the governmental funds but are included in the statement of activities.		(2,122,162)
Repayment of principal on long-term debt is an expenditure in governmental funds, but a reduction of long-term liabilities in the statement of net position.		
Bond and loan principal payments	$ 20,161,289	
Payments on capital lease obligations	582,181	20,743,470
Certain amounts reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.		
Compensated absences	$ (4,854,220)	
Pension expense	(11,319,628)	
Accrued interest on bonds and loans	305,357	
Amortization of bond insurance premium	(2,491)	
Amortization of deferred charges on refunding	(1,098,049)	
Amortization of premium	1,449,935	(15,519,096)
The net revenues of internal service funds are reported with governmental activities.		2,625,429
Change in net position - governmental activities		$ 27,322,069

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

COLLIER COUNTY, FLORIDA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

	Original Budget	Final Budget	Actual	Variance
Revenues:				
Taxes	$ 249,066,300	$ 249,066,300	$ 239,833,657	$ (9,232,643)
Licenses, permits and impact fees	303,300	303,300	310,727	7,427
Intergovernmental	47,835,000	47,835,000	53,717,345	5,882,345
Charges for services	18,727,116	20,641,728	16,844,531	(3,797,197)
Fines and forfeitures	508,400	508,400	402,238	(106,162)
Interest income	588,100	588,100	1,109,161	521,061
Miscellaneous	7,654,457	7,720,395	9,611,765	1,891,370
Total revenues	324,682,673	326,663,223	321,829,424	(4,833,799)
Expenditures:				
Current:				
General government				
Board of County Commissioners personal services	1,103,200	1,108,200	1,065,965	42,235
Board of County Commissioners operating	85,200	85,200	60,014	25,186
County manager administrative personal services	862,400	892,400	875,837	16,563
County manager administrative operating	42,100	42,100	33,231	8,869
County manager administrative capital outlay	-	1,300	1,270	30
Corporate planning and performance improvements operating	-	40,000	36,175	3,825
Budget and management personal services	681,400	681,400	656,366	25,034
Budget and management operating	69,300	94,450	77,150	17,300
Administrative services personal services	2,477,600	2,477,600	2,378,244	99,356
Administrative services operating	191,200	199,200	183,459	15,741
Administrative services capital outlay	17,900	11,450	11,193	257
Human resources administration personal services	1,318,100	1,318,100	1,267,894	50,206
Human resources administration operating	309,800	306,377	283,245	23,132
Human resources administration capital outlay	-	3,423	2,282	1,141
Clerk of the Circuit Court personal services	7,129,200	6,644,000	6,630,979	13,021
Clerk of the Circuit Court operating	2,090,500	2,610,000	2,413,387	196,613
Clerk of the Circuit Court capital outlay	119,300	423,200	345,030	78,170
Property Appraiser personal services	5,271,569	5,271,569	5,349,372	(77,803)
Property Appraiser operating	1,648,533	1,648,533	1,715,890	(67,357)
Property Appraiser capital outlay	25,000	25,000	9,204	15,796
Tax Collector personal services	10,603,138	10,603,138	10,126,106	477,032
Tax Collector operating	2,770,517	2,795,270	2,700,549	94,721
Tax Collector capital outlay	296,600	346,930	326,313	20,617
County attorney personal services	2,244,100	2,244,100	2,213,623	30,477
County attorney operating	384,500	730,532	349,696	380,836
County attorney capital outlay	3,000	3,000	-	3,000
Natural resource planning operating	101,100	101,100	101,036	64
Circuit court operating	34,700	34,700	32,140	2,560
County court operating	22,800	22,800	21,611	1,189
State Attorney operating	271,800	271,800	257,502	14,298
Public Defender operating	225,100	226,800	226,799	1
Other general administrative personal services	200,000	170,000	26,215	143,785
Other general administrative operating	6,946,500	6,827,105	5,293,033	1,534,072
Facilities management personal services	4,252,100	4,105,530	4,097,080	8,450
Facilities management operating	8,317,100	8,954,260	8,769,393	184,867
Facilities management capital outlay	78,300	93,519	39,795	53,724
Sheriff personal services	3,689,800	3,689,800	3,837,585	(147,785)
Sheriff operating	167,400	167,400	105,749	61,651
Sheriff capital outlay	-	-	24,969	(24,969)

COLLIER COUNTY, FLORIDA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

	Original Budget	Final Budget	Actual	Variance
Supervisor of Elections personal services	2,209,400	2,104,400	2,078,651	25,749
Supervisor of Elections operating	1,737,900	1,825,037	1,788,946	36,091
Supervisor of Elections capital outlay	106,000	119,136	119,009	127
Public services operations personal services	274,500	278,100	277,906	194
Public services operations operating	9,800	7,300	4,147	3,153
Real property management personal services	647,900	647,900	631,981	15,919
Real property management operating	35,500	35,500	30,065	5,435
Total general government	69,071,857	70,288,659	66,876,086	3,412,573
Public safety				
Sheriff personal services	122,420,600	123,653,600	119,108,878	4,544,722
Sheriff operating	26,901,800	27,010,157	24,908,139	2,102,018
Sheriff capital outlay	2,716,900	2,716,900	9,025,540	(6,308,640)
Emergency management administration personal services	862,900	862,900	832,113	30,787
Emergency management administration operating	682,700	682,700	629,802	52,898
Helicopter operations personal services	835,900	792,900	784,410	8,490
Helicopter operations operating	686,500	729,637	684,320	45,317
Helicopter operations capital outlay	-	4,098	1,254	2,844
Medical examiner services operating	1,244,800	1,244,800	1,242,008	2,792
Total public safety	156,352,100	157,697,692	157,216,464	481,228
Physical environment				
Conservation and resource management personal services	686,100	694,500	685,112	9,388
Conservation and resource management operating	172,900	192,900	160,153	32,747
Conservation and resource management capital outlay	22,800	2,800	1,378	1,422
Immokalee cemetery operating	5,100	5,100	4,054	1,046
Total physical environment	886,900	895,300	850,697	44,603
Transportation				
Alternative transportation modes personal services	243,400	245,875	245,401	474
Alternative transportation modes operating	25,700	23,725	22,446	1,279
Total transportation	269,100	269,600	267,847	1,753
Economic environment				
Veterans services personal services	320,200	312,400	301,736	10,664
Veterans services operating	49,700	48,250	34,184	14,066
Veterans services capital outlay	-	1,450	1,141	309
Economic development personal services	354,800	354,800	308,326	46,474
Economic development operating	1,107,900	1,529,500	1,006,722	522,778
Economic development capital outlay	-	3,200	2,779	421
Total economic environment	1,832,600	2,249,600	1,654,888	594,712
Human services				
Health Care Responsibility Act operating	46,100	46,100	10,131	35,969
Domestic animal services personal services	2,067,700	2,066,700	2,004,514	62,186
Domestic animal services operating	831,500	867,500	827,940	39,560
Domestic animal services capital outlay	175,500	187,348	118,155	69,193
Health department operating	1,728,700	1,978,000	1,963,419	14,581
Mental health operating	1,385,000	1,385,000	1,384,800	200
Client assistance personal services	799,500	791,156	718,070	73,086
Client assistance operating	4,529,300	4,381,662	3,697,877	683,785
Client assistance capital outlay	3,200	3,200	-	3,200
Public services division office personal services	279,800	281,800	281,138	662
Public services division office operating	29,700	29,700	22,533	7,167
Public services division office capital outlay	1,500	4,000	2,840	1,160
Total human services	11,877,500	12,022,166	11,031,417	990,749

(continued)

COLLIER COUNTY, FLORIDA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

	Original Budget	Final Budget	Actual	Variance
Culture and recreation				
Library administration personal services	5,387,200	5,389,900	5,136,497	253,403
Library administration operating	2,185,700	2,199,847	2,103,843	96,004
Library administration capital outlay	50,000	83,194	83,134	60
Beach and water park operations personal services	3,278,500	3,290,600	3,080,300	210,300
Beach and water park operations operating	2,701,600	2,658,311	2,257,199	401,112
Beach and water park operations capital outlay	29,400	62,392	59,874	2,518
Parks maintenance personal service	1,217,500	1,207,500	1,192,977	14,523
Parks maintenance operating	2,208,900	2,093,067	1,973,606	119,461
Parks maintenance capital outlay	127,000	242,996	241,928	1,068
Total culture and recreation	17,185,800	17,227,807	16,129,358	1,098,449
Total expenditures	257,475,857	260,650,824	254,026,757	6,624,067
Excess of revenues over expenditures	67,206,816	66,012,399	67,802,667	1,790,268
Other financing sources (uses):				
Sale of capital assets	250,000	250,000	73,126	(176,874)
Insurance proceeds	-	26,787	41,459	14,672
Transfers in	5,230,284	5,350,859	10,603,605	5,252,746
Transfers out	(77,435,300)	(78,052,193)	(78,417,690)	(365,497)
Total other financing sources (uses)	(71,955,016)	(72,424,547)	(67,699,500)	4,725,047
Net change in fund balance	(4,748,200)	(6,412,148)	103,167	6,515,315
Fund balance at beginning of year	50,131,500	51,774,574	51,774,574	-
Fund balance at end of year	$ 45,383,300	$ 45,362,426	$ 51,877,741	$ 6,515,315

Reconciliation:	
Net change in fund balance, budgetary basis	$ 103,167
Ad valorem tax refunds not budgeted	(18,255)
Net change in fair value of investments	(30,369)
Miscellaneous revenue related to indirect cost	(7,124,000)
Miscellaneous revenue related to Sheriff assets not budgeted	254,369
Change in inventory	342,382
General government expenditures related to indirect cost	7,124,000
Public safety expenditures for multi-period projects not budgeted	(867,135)
Public safety capital outlay funded by outside sources not budgeted	(864,148)
Insurance proceeds related to Sheriff assets not budgeted	396,047
Proceeds from sale of Sheriff assets not budgeted	213,732
Advances budgeted as transfers	(147,900)
Net change in fund balance, GAAP basis	$ (618,110)

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

COLLIER COUNTY, FLORIDA
BAYSHORE GATEWAY COMMUNITY REDEVELOPMENT AGENCY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

	Original Budget	Final Budget	Actual	Variance
Revenues:				
Taxes	$ 1,124,200	$ 1,124,200	$ 1,124,200	$ -
Charges for services	-	103,050	81,037	(22,013)
Interest income	2,200	2,200	10,540	8,340
Miscellaneous	150,000	150,000	122,246	(27,754)
Total revenues	1,276,400	1,379,450	1,338,023	(41,427)
Expenditures:				
Economic environment				
Personal services	273,700	308,700	292,981	15,719
Operating	243,100	248,835	163,997	84,838
Capital outlay	-	103,050	90,042	13,008
Total expenditures	516,800	660,585	547,020	113,565
Excess of revenues over expenditures	759,600	718,865	791,003	72,138
Other financing sources (uses):				
Transfers in	136,800	136,800	136,800	-
Transfers out	(858,500)	(858,500)	(858,500)	-
Total other financing sources (uses)	(721,700)	(721,700)	(721,700)	-
Net change in fund balances	37,900	(2,835)	69,303	72,138
Fund balances at beginning of year	431,700	447,435	447,435	-
Fund balances at end of year	$ 469,600	$ 444,600	$ 516,738	$ 72,138

Reconciliation:	
Net change in fund balance, budgetary basis	$ 69,303
Net change in fair value of investments	(411)
Change in fair value of inventory for resale	(2,155,231)
Net change in fund balance, GAAP basis	$ (2,086,339)

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

COLLIER COUNTY, FLORIDA
IMMOKALEE COMMUNITY REDEVELOPMENT AGENCY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

	Original Budget	Final Budget	Actual	Variance
Revenues:				
Taxes	$ 440,300	$ 440,300	$ 440,300	$ -
Interest income	800	800	3,170	2,370
Miscellaneous	-	-	186	186
Total revenues	441,100	441,100	443,656	2,556
Expenditures:				
Economic environment				
Personal services	261,200	261,200	229,817	31,383
Operating	264,900	264,900	152,072	112,828
Total expenditures	526,100	526,100	381,889	144,211
Excess (deficit) of revenues over (under) expenditures	(85,000)	(85,000)	61,767	146,767
Other financing sources (uses):				
Transfers in	85,000	85,000	85,000	-
Transfers out	(30,000)	(222,708)	(30,000)	192,708
Total other financing sources (uses)	55,000	(137,708)	55,000	192,708
Net change in fund balances	(30,000)	(222,708)	116,767	339,475
Fund balances at beginning of year	227,600	420,308	420,308	-
Fund balances at end of year	$ 197,600	$ 197,600	$ 537,075	$ 339,475

Reconciliation:	
Net change in fund balance, budgetary basis	$ 116,767
Net change in fair value of investments	(138)
Advances budgeted as transfers	30,000
Net change in fund balance, GAAP basis	$ 146,629

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

COLLIER COUNTY, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2016

	Business-type Activities Enterprise Funds					Governmental Activities - Internal Service Funds
	County Water and Sewer	Solid Waste Disposal	Emergency Medical Services	Other Funds	Total	
ASSETS						
Current assets:						
Cash and investments	$ 145,146,827	$ 26,023,911	$ 11,214,985	$ 2,310,750	$ 184,696,473	$ 58,068,287
Receivables:						
Trade, net	10,420,279	861,341	2,364,835	38,304	13,684,759	4,780
Special assessments	31,435	-	-	-	31,435	-
Interest	236,864	145,052	18,567	4,784	405,267	84,859
Due from other funds	-	42,499	-	39,295	81,794	69,730
Due from other governments	376,002	17,744	29,270	1,048	424,064	23,773
Deposits	-	-	-	-	-	51,108
Inventory	5,601,051	-	46,312	71,697	5,719,060	367,556
Prepaid costs	-	-	110,363	-	110,363	43,712
Restricted assets:						
Cash and investments	5,907,020	72,703	143,558	357,831	6,481,112	-
Trade, net	48,571	-	-	-	48,571	-
Interest receivable	33,714	-	244	-	33,958	-
Due from other governments	-	-	-	4,267,562	4,267,562	-
Total current assets	167,801,763	27,163,250	13,928,134	7,091,271	215,984,418	58,713,805
Noncurrent assets:						
Restricted assets:						
Cash and investments	31,845,588	-	-	-	31,845,588	-
Receivables:						
Special assessments	10,419	-	-	-	10,419	-
Advances to other funds	1,006,761	948,789	-	-	1,955,550	-
Capital assets:						
Land and nondepreciable capital assets	68,363,678	8,274,776	-	9,223,229	85,861,683	-
Depreciable capital assets, net	740,451,861	22,969,104	6,963,025	48,552,493	818,936,483	16,434,855
Total noncurrent assets	841,678,307	32,192,669	6,963,025	57,775,722	938,609,723	16,434,855
Total assets	1,009,480,070	59,355,919	20,891,159	64,866,993	1,154,594,141	75,148,660
DEFERRED OUTFLOWS OF RESOURCES						
Deferred charges on debt refundings	4,977,541	-	-	-	4,977,541	-
Deferred outflows of resources related to pensions	7,011,433	559,638	10,336,288	292,463	18,199,822	1,838,876
Total deferred outflows of resources	11,988,974	559,638	10,336,288	292,463	23,177,363	1,838,876

(Continued)

COLLIER COUNTY, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2016

	Business-type Activities Enterprise Funds					Governmental Activities - Internal Service Funds
	County Water and Sewer	Solid Waste Disposal	Emergency Medical Services	Other Funds	Total	
LIABILITIES						
Current liabilities:						
Accounts payable	8,589,928	2,375,921	426,816	459,241	11,851,906	1,210,772
Wages payable	884,037	74,541	639,622	32,749	1,630,949	239,758
Retainage payable	1,097,148	4,121	-	-	1,101,269	-
Due to other funds	-	500	-	591,802	592,302	3,554,292
Due to other governments	278	113	-	3,483	3,874	14
Unearned revenues	-	-	-	52,983	52,983	10,473
Self-insurance claims payable	-	-	-	-	-	6,283,371
Compensated absences	1,523,844	133,793	532,764	34,862	2,225,263	416,332
Capital lease obligations	-	-	382,180	-	382,180	-
Interest payable	1,530,753	-	-	-	1,530,753	-
Net pension liability	218,773	17,738	109,387	10,643	356,541	51,442
Bonds and loans payable	7,085,210	-	-	-	7,085,210	-
Liabilities payable from restricted assets:						
Accounts payable	-	-	115,397	1,878,033	1,993,430	-
Wages payable	-	-	-	2,039	2,039	-
Retainage payable	-	-	-	127,662	127,662	-
Due to other governments	-	-	-	38,011	38,011	-
Refundable deposits	69,025	-	-	9,826	78,851	-
Unearned revenue	-	72,703	-	20,602	93,305	-
Notes payable	64,255	-	-	-	64,255	-
Bonds and loans payable	5,827,937	-	-	-	5,827,937	-
Total current liabilities	26,891,188	2,679,430	2,206,166	3,261,936	35,038,720	11,766,454
Noncurrent liabilities:						
Self-insurance claims payable	-	-	-	-	-	1,618,799
Compensated absences	380,961	33,448	133,191	8,715	556,315	104,084
Capital lease obligations	-	-	864,848	-	864,848	-
Net OPEB obligation	-	-	-	-	-	3,875,092
Net pension liability	18,326,087	1,523,878	24,142,675	784,747	44,777,387	4,511,786
Landfill post-closure liability	-	1,883,503	-	-	1,883,503	-
Bonds and loans payable, net	167,409,866	-	-	-	167,409,866	-
Total noncurrent liabilities	186,116,914	3,440,829	25,140,714	793,462	215,491,919	10,109,761
Total liabilities	213,008,102	6,120,259	27,346,880	4,055,398	250,530,639	21,876,215
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows of resources related to pensions	157,330	12,524	256,125	6,391	432,370	41,925
NET POSITION						
Net investment in capital assets	630,093,025	30,965,458	5,500,423	56,441,171	723,000,077	16,299,166
Restricted for grants and other purposes	-	-	28,405	3,868,060	3,896,465	-
Restricted for growth related capital expansion	23,507,009	-	-	-	23,507,009	-
Restricted for renewal and replacement	300,000	-	-	-	300,000	-
Restricted for debt service	8,056,609	-	-	-	8,056,609	-
Unrestricted	146,346,969	22,817,316	(1,904,386)	788,436	168,048,335	38,770,230
Total net position	$ 808,303,612	$ 53,782,774	$ 3,624,442	$ 61,097,667	926,808,495	$ 55,069,396
Cumulative consolidation adjustment for internal service fund activities related to enterprise funds					1,238,450	
Net position of Business-type Activities					$ 928,046,945	

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

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

	Business-type Activities Enterprise Funds					Governmental Activities - Internal Service Funds
	County Water and Sewer	Solid Waste Disposal	Emergency Medical Services	Other Funds	Total	
Operating revenues:						
Charges for services	$ 123,481,745	$ 41,765,715	$ 13,079,506	$ 4,238,118	$ 182,565,084	$ 82,556,667
Miscellaneous	374,406	152,579	81,512	59,365	667,862	296,456
Total operating revenues	123,856,151	41,918,294	13,161,018	4,297,483	183,232,946	82,853,123
Operating expenses:						
Personal services	29,612,893	2,507,503	21,815,500	1,285,850	55,221,746	7,905,317
Operating	54,860,727	35,530,396	3,510,255	11,243,548	105,144,926	73,541,015
Depreciation and amortization	42,093,271	1,329,689	1,142,629	3,187,838	47,753,427	2,189,294
Total operating expenses	126,566,891	39,367,588	26,468,384	15,717,236	208,120,099	83,635,626
Operating income (loss)	(2,710,740)	2,550,706	(13,307,366)	(11,419,753)	(24,887,153)	(782,503)
Non-operating revenues (expenses):						
Operating grants and contributions	-	112,552	65,176	4,256,647	4,434,375	-
Interest income	1,614,522	277,154	95,032	23,683	2,010,391	451,556
Insurance reimbursement	185,229	9,202	5,511	-	199,942	579,550
Interest expense	(3,205,541)	-	(18,158)	-	(3,223,699)	-
Gain (loss) on disposal of capital assets	(977,109)	45,913	125,586	20,111	(785,499)	358,267
Total non-operating revenues (expenses)	(2,382,899)	444,821	273,147	4,300,441	2,635,510	1,389,373
Income (loss) before contributions and transfers	(5,093,639)	2,995,527	(13,034,219)	(7,119,312)	(22,251,643)	606,870
Capital grants and contributions	22,737,854	158	-	2,824,686	25,562,698	-
Transfers in	14,200	180,900	15,786,000	4,507,153	20,488,253	3,098,000
Transfers out	(5,756,153)	(642,434)	-	(34,821)	(6,433,408)	(1,276,600)
Total transfers and contributions	16,995,901	(461,376)	15,786,000	7,297,018	39,617,543	1,821,400
Changes in net position	11,902,262	2,534,151	2,751,781	177,706	17,365,900	2,428,270
Net position - beginning	796,401,350	51,248,623	872,661	60,919,961		52,641,126
Net position - ending	$ 808,303,612	$ 53,782,774	$ 3,624,442	$ 61,097,667		$ 55,069,396

Consolidation adjustment for internal service fund activities related to enterprise funds	(197,159)
Change in net position of Business-type Activities	$ 17,168,741

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

COLLIER COUNTY, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

	Business-type Activities Enterprise Funds					Governmental Activities - Internal Service Funds
	County Water and Sewer	Solid Waste Disposal	Emergency Medical Services	Other Funds	Total	
Cash flows from operating activities:						
Cash received for services	$ 123,416,206	$ 41,909,040	$ 12,242,706	$ 4,286,186	$ 181,854,138	$ -
Cash received from other funds for services	-	-	-	-	-	77,534,297
Cash received from employees for services	-	-	-	-	-	7,129,276
Cash received from other governments for services	-	-	-	-	-	246,199
Cash received from refundable deposits	90,000	825,694	-	2,500	918,194	-
Cash received from retirees for services	-	-	-	-	-	1,504,942
Cash payments on behalf of retirees	-	-	-	-	-	(1,071,796)
Cash payments for goods and services	(50,768,172)	(33,897,807)	(2,253,157)	(8,102,923)	(95,022,059)	(69,476,073)
Cash payments to employees	(29,066,706)	(2,476,649)	(21,039,194)	(1,271,074)	(53,853,623)	(7,809,628)
Cash payments for interfund services	(6,860,971)	(1,588,857)	(1,210,379)	(2,616,089)	(12,276,296)	(747,785)
Cash payments on refundable deposits	(94,000)	(819,918)	-	(2,121)	(916,039)	-
Net cash provided by (used for) operating activities	36,716,357	3,951,503	(12,260,024)	(7,703,521)	20,704,315	7,309,432
Cash flows from non-capital financing activities:						
Cash received from operating grants	-	108,773	65,176	3,758,262	3,932,211	-
Cash transfers from other funds	511,571	3,339,400	15,786,000	7,281,249	26,918,220	3,098,000
Cash transfers to other funds	(5,756,153)	(3,172,082)	-	(3,260,483)	(12,188,718)	(1,276,600)
Net cash provided by (used for) non-capital financing activities	(5,244,582)	276,091	15,851,176	7,779,028	18,661,713	1,821,400
Cash flows from capital and related financing activities:						
System development charges	13,664,329	-	-	-	13,664,329	-
Special assessment collections	98	-	-	-	98	-
Receipts from insurance reimbursements	185,229	9,202	5,511	-	199,942	1,813,569
Proceeds from loans	500,000	-	-	-	500,000	-
Proceeds from disposal of capital assets	202,448	54,600	21,932	26,537	305,517	358,997
Proceeds from capital grants	21,795	-	-	2,514,710	2,536,505	-
Payments for capital acquisitions	(22,727,890)	(2,232,945)	(255,609)	(2,751,274)	(27,967,718)	(3,261,755)
Principal payments on state revolving loans	(8,768,456)	-	-	-	(8,768,456)	-
Principal payments on bonds	(3,986,420)	-	-	-	(3,986,420)	-
Payments to escrow agents	(1,939,376)	-	-	-	(1,939,376)	-
Principal payments on leases	-	-	(299,097)	-	(299,097)	-
Interest and fiscal agent fees paid	(4,970,362)	-	(18,158)	-	(4,988,520)	-
Net cash used for capital and related financing activities	(27,818,605)	(2,169,143)	(545,421)	(210,027)	(30,743,196)	(1,089,189)
Cash flows from investing activities:						
Interest on investments	1,776,561	296,638	97,002	25,656	2,195,857	477,279
Net cash provided by investing activities	1,776,561	296,638	97,002	25,656	2,195,857	477,279
Net increase (decrease) in cash and investments	5,429,731	2,355,089	3,142,733	(108,864)	10,818,689	8,518,922
Cash and investments, October 1, 2015	177,469,704	23,741,525	8,215,810	2,777,445	212,204,484	49,549,365
Cash and investments, September 30, 2016	$ 182,899,435	$ 26,096,614	$ 11,358,543	$ 2,668,581	$ 223,023,173	$ 58,068,287
Current cash and investments	$ 145,146,827	$ 26,023,911	$ 11,214,985	$ 2,310,750	184,696,473	$ 58,068,287
Current cash and investments-restricted	5,907,020	72,703	143,558	357,831	6,481,112	-
Noncurrent cash and investments-restricted	31,845,588	-	-	-	31,845,588	-
Cash and investments, September 30, 2016	$ 182,899,435	$ 26,096,614	$ 11,358,543	$ 2,668,581	$ 223,023,173	$ 58,068,287

(Continued)

COLLIER COUNTY, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

	Business-type Activities Enterprise Funds					Governmental Activities - Internal Service Funds
	County Water and Sewer	Solid Waste Disposal	Emergency Medical Services	Other Funds	Total	
Operating income (loss)	$ (2,710,740)	$ 2,550,706	$ (13,307,366)	$ (11,419,753)	(24,887,153)	$ (782,503)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:						
Depreciation expense	41,583,299	1,329,689	1,142,629	3,187,838	47,243,455	2,189,294
Amortization of bond insurance costs	4,289	-	-	-	4,289	-
Amortization of deferred charges on debt refundings	505,683	-	-	-	505,683	-
Net changes in assets and liabilities:						
Trade receivable	(316,391)	42,990	(887,956)	(1,967)	(1,163,324)	51,145
Due from other funds	15,400	(406)	2,743	1,377	19,114	4,228
Due from other governments	(127,131)	(13,965)	-	(776)	(141,872)	4,073
Inventory	113,432	-	(11,094)	19,097	121,435	21,929
Prepaid costs	-	-	49,050	101,375	150,425	(43,712)
Accounts payable	(2,683,318)	12,956	(21,593)	400,814	(2,291,141)	237,045
Retainage payable	(210,128)	-	-	-	(210,128)	-
Wages payable	(567,959)	(56,720)	(546,900)	(26,682)	(1,198,261)	(153,421)
Due to other funds	-	15,880	-	(6,395)	9,485	3,735,848
Due to other governments	(225)	(504)	-	93	(636)	(30,809)
Compensated absences	163,846	5,451	14,816	2,645	186,758	18,715
Refundable deposits	(4,000)	-	-	(5,927)	(9,927)	-
Unearned revenue	-	5,776	-	5,927	11,703	3,529
Self-insurance claims payable	-	-	-	-	-	942,736
Net OPEB obligation	-	-	-	-	-	880,940
Net pension liability and related deferred outflows/inflows	950,300	82,123	1,305,647	38,813	2,376,883	230,395
Landfill post closure liability	-	(22,473)	-	-	(22,473)	-
Total adjustments	39,427,097	1,400,797	1,047,342	3,716,232	45,591,468	8,091,935
Net cash provided by (used for) operating activities	$ 36,716,357	$ 3,951,503	$ (12,260,024)	$ (7,703,521)	$ 20,704,315	$ 7,309,432
Non-cash investing, capital and financing activities:						
Change in fair value of investments	$ (59,622)	$ (9,606)	$ (2,752)	$ 45	$ (71,935)	$ 30,749
Developer infrastructure contributions	8,941,251	-	-	-	8,941,251	-
Contributed capital assets	129,754	158	104,500	681,603	916,015	-
New capital lease obligations	-	-	(472,158)	-	(472,158)	-
Change in capital related grant receivable	-	-	-	371,629	371,629	-
Change in special assessment receivable	1,282	-	-	-	1,282	-
Bond proceeds	59,653,146	-	-	-	59,653,146	-
Payment to escrow agent	(59,521,338)	-	-	-	(59,521,338)	-
Underwriters discount	(131,808)	-	-	-	(131,808)	-
Capital related accounts payable	2,812,036	274,301	215,574	1,192,637	4,494,548	135,689

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

COLLIER COUNTY, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION
AGENCY FUNDS
SEPTEMBER 30, 2016

	Agency Funds
ASSETS	
Cash and investments	$ 38,655,974
Receivables:	
Interest	9,393
Other	28,888
Total assets	$ 38,694,255
LIABILITIES	
Due to other governments	$ 7,787,297
Due to individuals	621,816
Refundable deposits	30,120,466
Due to special assessment holders	164,676
Total liabilities	$ 38,694,255

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

COLLIER COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2016

INDEX

NOTE		PAGE NUMBER
1	Summary of Significant Accounting Policies	36
2	Cash and Investments	48
3	Trade Receivables	51
4	Interfund Payables and Receivables	52
5	Capital Assets	53
6	Long-Term Debt	54
7	Conduit Debt Obligations	61
8	Defined Benefit Pension Plans	61
9	Defined Contribution Plan	68
10	Transfers	69
11	Net Position/Fund Balances	69
12	Risk Management	72
13	Other Postemployment Benefits	73
14	Landfill Liability	76
15	Significant Contingencies	77
16	Significant Commitments	78
17	Fund Deficits	79
18	Subsequent Event	79

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Collier County, Florida (County) have been prepared in accordance with accounting principles generally accepted in the United States of America for governmental entities (GAAP). The more significant of the County's accounting policies are described below.

THE REPORTING ENTITY

Entity status for financial reporting purposes is governed by Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, as amended. The GASB is the standard setting body for the establishment of GAAP in governmental entities. Determination of the financial reporting entity of the County is founded upon the objective of accountability. These financial statements include the County government (the primary government) and two types of legally separate component units (blended and discrete). Component units are legally separate agencies that the primary government is financially accountable for or organizations which should be included in the reporting entity because of the nature and significance of their relationship with the primary government.

Financial accountability is determined by the primary government's ability to appoint the voting majority of the entity's board and impose its will on the organization or there is a potential specific financial benefit/burden relationship. Financial accountability also exists if an organization is fiscally dependent and there is potential specific financial benefit/burden relationship.

The primary government consists of Collier County, a political subdivision of the State of Florida that was established in 1923 by the Florida State Legislature. The County is governed by a Board of County Commissioners which consists of five members elected within single member districts. In addition, there are five separately elected Constitutional Officers: the Tax Collector, Property Appraiser, Sheriff, Clerk of the Circuit Court and Comptroller and Supervisor of Elections. The Constitutional Officers are elected county wide. Under the direction of the Clerk of the Circuit Court and Comptroller, the Finance and Accounting Department maintains the accounting system for the operations of the Board of County Commissioners, Supervisor of Elections and the Clerk of the Circuit Court and Comptroller. The Tax Collector, Property Appraiser and Sheriff each maintain their own accounting systems. For financial reporting purposes, the operations of the Board of County Commissioners and the Constitutional Officers are combined and presented as the primary government.

The County's blended component units consist of organizations whose respective governing Boards are composed entirely of the Board of County Commissioners serving ex-officio. These entities are legally separate, however the County has the financial and operational responsibility for these component units. In accordance with GASB Statement No. 14, as amended, these organizations are reported as if they were part of the County's operations.

Collier County Water and Sewer District (District) - The District was established by Chapter 88-499, Laws of Florida, as amended by Chapter 03-353, to provide water, sewer and effluent services to portions of the unincorporated area of Collier County.

Collier County Community Redevelopment Agency (CRA) - The CRA was established by Resolution 2000-82 to benefit blighted areas in both the Immokalee Redevelopment and Bayshore/Gateway Triangle Redevelopment Areas. These two redevelopment areas are geographically separate and distinct.

Collier County Airport Authority - The Board of County Commissioners was established as the governing body of the Airport Authority by Ordinance 2010-10. The Airport Authority is responsible for construction, improvement, equipment, development, regulation, operation and maintenance of the Marco Island, Immokalee and Everglades Airports and all related airport facilities.

Collier County Metropolitan Planning Organization (MPO) - The Authority was created in 1981 by Collier County Resolution 81-222 pursuant to Section 334.215, Florida Statutes, as amended by Section 339.175, Florida Statutes. The purpose of the MPO is to provide planning for all modes of travel in order to benefit the citizens of Collier County. The MPO is reported as part of the Grants and Shared Revenues fund.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

The County's discretely presented component units consist of organizations whose board members are appointed by the Board of County Commissioners. The County is able to impose its will on these entities because of its ability to remove appointed members from the component units' Boards. The Authorities maintain their own financial records, but do not issue separate financial statements. GASB No. 14, as amended, requires that the financial data of the following organizations be reported in separate columns to emphasize that they are legally separate from the County.

Collier County Housing Finance Authority - The Authority was formed in 1980 by Collier County Ordinance 80-66 for the purpose of stimulating the construction of residential housing for low and moderate income families through the use of public financing. Their financial position and results of operations are reported in the accompanying financial statements and the outstanding conduit debt issued by the Authority is disclosed in Note 7, "Conduit Debt Obligations".

Collier County Health Facilities Authority - The Authority was established in 1979 by Collier County Ordinance 79-95 for the purpose of assisting health facilities in the acquisition, construction and financing of projects within the County. Their financial position and results of operations are reported in the accompanying financial statements and the outstanding conduit debt issued by the Authority is disclosed in Note 7, "Conduit Debt Obligations".

Collier County Industrial Development Authority - The Authority was created in 1978 by Collier County Resolution 78-94, rescinded and replaced by Resolution 79-34, to facilitate the financing of projects that promote economic growth and increase opportunities for employment in the County. Their financial position and results of operations are reported in the accompanying financial statements and the outstanding conduit debt issued by the Authority is disclosed in Note 7, "Conduit Debt Obligations".

Collier County Educational Facilities Authority - The Authority was created in 1999 by Collier County Resolution 99-17 to assist institutions for higher education in the construction, financing and refinancing of projects. Their financial position and results of operations are reported in the accompanying financial statements and the outstanding conduit debt issued by the Authority is disclosed in Note 7, "Conduit Debt Obligations".

Financial information on the individual component units can be obtained from their respective administrative offices or from the Finance and Accounting Department of the Clerk of the Circuit Court and Comptroller.

Administrative Offices

Collier Water and Sewer District
3339 East Tamiami Trail, Suite #302
Naples, Florida 34112

Collier County Metropolitan Planning Organization
2885 South Horseshoe Drive
Naples, Florida 34104

Bayshore Gateway Community Redevelopment Agency
3570 Bayshore Drive, Unit #102
Naples, Florida 34112

Collier County Airport Authority
2005 Mainsail Drive, Suite #1
Naples, Florida 34114

Immokalee Community Redevelopment Agency
750 South 5th Street
Immokalee, Florida 34142

Collier County Health Facilities Authority
Collier County Housing Finance Authority
Collier County Industrial Development Authority
Collier County Educational Facilities Authority
5100 Tamiami Trail North, #103
Naples, Florida 34103

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Certain separate legal entities within the County are autonomous organizations with their own governmental powers and constituencies. These entities, which are not included in these financial statements, are as follows:

The Cities of Naples, Marco Island and Everglades - The Cities of Naples, Marco Island and Everglades are in the boundaries of Collier County. Each of these entities has a separately elected board and separate budgeting, accounting and reporting requirements.

Collier County School Board - The Collier County School Board operates countywide and is completely separate and autonomous. The School Board has five elected board members and a superintendent of schools and operates under regulations prescribed by the State Board of Education and the Florida Statutes. It levies its own taxes and receives part of its income from the State of Florida.

GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The basic financial statements are made up of the government-wide financial statements and fund financial statements. Both of these sets of financial statements distinguish between the governmental and business-type activities of Collier County. The government-wide financial statements consist of a Statement of Net Position and a Statement of Activities. These statements report on the financial condition of Collier County, at the reporting entity level. Internal balances represent net amounts due between the governmental and business-type activities. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements with the exception of interfund services provided and used. The internal service activity has also been eliminated from the government-wide financial statements. Aggregate internal service fund activity is reported in full as a single column in the proprietary fund financial statements. Fiduciary funds are not included in these presentations as their assets do not represent amounts that are available for Collier County government operations. The Statement of Net Position reports all financial and capital resources of Collier County's governmental and business-type activities. Net position equals assets plus deferred outflows of resources minus liabilities plus deferred inflows of resources, and is shown in three categories: net investment in capital assets; restricted net position and unrestricted net position. The Statement of Activities reports results of operations on a functional activity (program) basis and demonstrates to what degree the particular program has been self-supporting.

Direct expenses are those that are specifically associated with a service, program or department and, thus are clearly identifiable to a particular function. The effect of indirect expense allocations has been eliminated in the government-wide financial statements. Depreciation expense for capital assets that can specifically be identified with a function is recorded as a direct expense of that function. Depreciation for capital assets that serve all functions is recorded as a direct expense of the general government function on the government-wide Statement of Activities. All interest on general long term debt is considered indirect and is reported separately in the government-wide Statement of Activities.

Program revenues are reported in the following three categories: charges for services, operating grants and contributions and capital grants and contributions. Charges for services are amounts charged to customers for a particular service, and are netted against the cost of the relevant program. Internal charges for indirect services are allocated across functions as direct expenses. Grants and contributions refer to revenues restricted for capital or operational use in a particular program. The general revenue category encompasses all other revenue types and represents revenue collected to support all functions of Collier County government.

The fund financial statements follow the government-wide statements and report more detailed information about operations of major funds on an individual basis and nonmajor funds on an aggregate basis for the governmental and proprietary funds. Following the governmental fund balance sheet and statement of revenues, expenditures and changes in fund balances are reconciliations explaining the differences between the governmental fund presentation and the government-wide presentation.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

BASIS OF PRESENTATION

The following are reported as major governmental funds:

General Fund – the General Fund is the general operating fund of the County. All general tax revenues and other receipts that are not accounted for in other funds are accounted for in the General Fund. The general operating funds of the Clerk of the Circuit Court and Comptroller, Property Appraiser, Sheriff, Supervisor of Elections and Tax Collector are presented together with the Board of County Commissioners' general operating fund in the County's consolidated General Fund.

Bayshore/Gateway and Immokalee Community Redevelopment Area Special Revenue Funds – the Redevelopment funds are used to account for the receipt and expenditure of tax increment revenues generated by the Bayshore/Gateway and Immokalee Community Redevelopment Areas.

The following are reported as major enterprise funds:

County Water and Sewer Fund – the County Water and Sewer fund is used to account for the provision of water, wastewater and effluent services to certain portions of the County's unincorporated area.

Solid Waste Disposal Fund – the Solid Waste Disposal fund is used to account for the provision of solid waste disposal services to users throughout the County.

Emergency Medical Services – the Emergency Medical Services fund is used to account for the provision of emergency ambulance and paramedical services to users throughout the County.

Collier County also maintains the following nonmajor fund types:

Special Revenue Funds – Special revenue funds are used to account for the proceeds of specific revenue sources that are restricted or committed to expenditure for specific purposes other than debt service or capital projects.

Permanent Fund – Permanent funds are used to account for resources that were legally restricted to the extent that only earnings and not principal may be spent. Collier County operates a permanent fund to defray costs associated with the maintenance and management of conservation land.

Debt Service Funds – Debt service funds are used to account for the accumulation of resources that are restricted, committed or assigned to expenditure for principal and interest related to long-term obligations.

Capital Project Funds – Capital project funds are used to account for the accumulation of resources that are restricted, committed or assigned to expenditure for capital outlays including the acquisition or construction of capital facilities and other capital assets.

Enterprise Funds – Enterprise funds are used to account for activities for which a fee is charged to external users for goods or services.

Internal Service Funds – Internal service funds are used to account for the provision of goods and services by one department to other departments within the County or to other governmental units on a cost reimbursement basis. Collier County currently reports the following Internal Service Funds: Self Insurance, Sheriff's Self Insurance, Fleet Management, Motor Pool Capital Recovery and Information Technology.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Agency Funds – Agency funds are custodial in nature and do not report the results of operations (assets equal liabilities). Agency funds are clearing accounts for assets held by the government as an agent for individuals, private organizations or other governments. The Board of County Commissioners, Sheriff, Clerk of the Circuit Court and Comptroller and Tax Collector all maintain agency funds.

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Measurement focus indicates the type of resources being measured such as current financial resources (current assets less current liabilities) or economic resources (all assets and liabilities). Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. The basis of accounting relates to the timing of the measurements made regardless of the measurement focus applied

The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. With this measurement focus, all assets and liabilities associated with the operation of these funds are included on the Statement of Net Position and the operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned and measurable, and expenses are recognized in the period incurred. Grant and similar revenues are recognized when eligibility requirements are met. 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. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in fund balance. Under the modified accrual basis of accounting, revenues are recognized when they become measurable and available to finance expenditures of the fiscal period. Generally, revenues are considered available when they are collected within the current period or within 60 days after the end of the fiscal year. Grant revenues are an exception and are considered available when eligibility requirements are met. Primary revenues which have been treated as susceptible to accrual include, where material, charges for services, interest earnings and certain taxes and intergovernmental revenues. Property taxes are discussed later in Note 1. Expenditures are recorded when the related fund liability is incurred. Exceptions to this general rule include accrued compensated absences and principal and interest on long-term debt.

When both restricted and unrestricted resources are available, restricted resources will be used first for incurred expenses, and then unrestricted as needed. When using the unrestricted resources, committed amounts would be reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

BUDGETS AND BUDGETARY DATA

The following are the statutory procedures followed by the Board of County Commissioners in establishing the budgets for the County:

1) Within fifteen days after certification of the ad valorem tax roll by the Property Appraiser, the County budget officer prepares and presents to the Board a tentative budget for the ensuing fiscal year. The budget includes all estimated receipts and all estimated expenditures, reserves and balances to be carried forward at the end of the year as specified in Section 129.03, Florida Statutes.

2) Within eighty days of the certification of value, but not earlier than sixty-five days after certification, the Board holds a public hearing on the tentative budget and proposed millage rate. At this hearing the Board amends and adopts the tentative budget, recomputes the proposed millage rate, and announces publicly the percentage, if any, by which the recomputed proposed millage rate exceeds the rolled-back rate. If the millage rate tentatively adopted exceeds that proposed, each taxpayer within the jurisdiction is notified of the increase by first class mail, at the expense of the Board.

3) Within fifteen days of the meeting adopting the tentative budget, the Board advertises the County's intent to adopt a final budget and millage rate.

4) A public hearing is held by the Board to finalize the budget and adopt a millage rate. This hearing is held not less than two days and not more than five days after the day that the advertisement is first published. Prior to September 30, the millage levy is adopted by a separate vote. The millage rate adopted is not allowed to exceed the tentatively adopted millage rate, except as allowed for by emergency provision with strict public notice requirements. This is followed by the approval and ratification of the final budget.

5) The resolution approved at the final hearing is forwarded to the Property Appraiser, Tax Collector and Florida Department of Revenue, not later than thirty days following the adoption of the Resolution, the Board certifies to the State of Florida, Department of Revenue, Division of Ad Valorem Tax, that it has complied with the provisions of Chapter 200, Florida Statutes.

6) The County Manager approves interdepartmental budget changes within the same fund and division of $50,000 or less that do not impact reserves or recognize revenue. All other budgetary changes must be approved by the Board of County Commissioners as matter of policy. The initial adopted budget was amended in accordance with Florida Statutes.

7) Florida State Section 129.07, as amended in 1978, provides that expenditures in excess of total fund budgets are unlawful. However, because the Board approves all budgetary changes between departments, except those approved by the County Manager, the departmental budget becomes the level of control.

Formal budgetary integration is employed as a management control device during the fiscal year for all funds. Budgets have been legally adopted by the Board for all Board departments except for the agency funds and the Impact Fees Escrow special revenue fund. The Property Appraiser and the Tax Collector adopt budgets for their general funds independently of the Board. The Clerk of Courts operates as a fee officer, and as such, prepares its budget in accordance with Section 218.35, Florida Statutes.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

The Sheriff and Supervisor of Elections prepare budgets for their general funds, which are submitted to and approved by the Board. The Clerk of Court's budget for court related functions is prepared according to Section 28.36 Florida Statutes and submitted to the Clerks of Court Operations Corporation for approval by the Legislative Budget Commission.

Budgets are adopted for all governmental departments except as described in the previous paragraph. These budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) except for certain non-budgeted revenues and expenditures and mark to market activity on investments. All unencumbered appropriations lapse at the end of the current year. For further information regarding encumbrances, refer to Note 16 on page 78.

Capital project costs are budgeted in the year they are anticipated to be obligated. In subsequent years, the unused budget is reappropriated until the project is completed. Proprietary funds are budgeted on a basis consistent with generally accepted accounting principles, except that capital related and debt transactions are based upon cash receipts and disbursements. Estimated beginning fund balances are considered in the budgetary process.

For purposes of the budgetary presentation, certain transactions that have been accounted for in the governmental funds statements of revenues, expenditures and changes in fund balances have not been reflected in the budgetary financial statements. Specifically, bad debt expense and the net change in fair value of investments are not presented in the budget to actual statements.

CASH AND INVESTMENTS

Florida Statutes Section 218.415 establishes guidelines for Florida local government investment policies. The County's current investment policy, as amended, was adopted December 9, 2014 by Resolution 2014-260 and is consistent with the requirements of that statute. This investment policy authorized the following investments:

1) U.S. Treasury and Government Guaranteed – U.S. Treasury obligations and obligations the principal and interest of which are backed or guaranteed by the full faith and credit of the U.S. Government;

2) Federal Agency/Government Sponsored Enterprise – Debt obligations, participations or other instruments issued or fully guaranteed by any U.S. Federal agency, instrumentality or government sponsored enterprise;

3) Corporates – U.S. dollar denominated corporate notes, bonds or other debt obligations issued or guaranteed by a domestic corporation, financial institution, non-profit or other entity;

4) Municipals – Obligations, including both taxable and tax-exempt, issued or guaranteed by any State, territory or possession of the United States, political subdivision, public corporation, authority, agency board, instrumentality or other unit of local government of any State or territory;

5) Agency Mortgage Backed Securities – Mortgage backed securities, backed by residential, multi-family or commercial mortgages, that are issued or fully guaranteed as to principal and interest by a U.S. Federal agency or government sponsored enterprise, including but not limited to pass-throughs, collateralized mortgage obligations and real estate mortgage investment conduits;

6) Non-Negotiable Certificates of Deposit - Non-negotiable interest bearing time certificates of deposit or savings accounts in banks organized under the laws of this state or in national banks organized under the laws of the United States and doing business in this state, provided that any such deposits are secured by the Florida Security for Public Deposits Act, Chapter 280, Florida Statutes;

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

7) Depository Bank Account – Negotiated Order of Withdrawal accounts in banks organized under the laws of this state or in national banks organized under the laws of the United States and doing business in this state, provided that any such deposits are secured by the Florida Security for Public Deposits Act, Chapter 280, Florida Statutes;

8) Commercial Paper – U.S. dollar denominated commercial paper issued or guaranteed by a domestic corporation, company, financial institution, trust or other entity, including both unsecured debt and asset backed programs;

9) Repurchase Agreements – Repurchase agreements must be governed by written agreement, counterparty must be a Federal Reserve Bank, a Primary Dealer or a nationally chartered commercial bank. Acceptable underlying securities must be direct obligations of, or that are fully guaranteed by, the United States or any agency of the United States, or U.S. Agency backed mortgage related securities with an aggregate current market value of at least 102% (or 100% if the counterparty is a Federal Reserve Bank) of the purchase price plus current accrued price differential;

10) Money Market Funds – Shares in open end and no load money market mutual funds, provided such funds are registered under the Investment Company Act of 1940 and operate in accordance with Security and Exchange Commission Rule 2a-7;

11) Fixed-Income Mutual Funds – Shares on open end and no load fixed income mutual funds whose underlying investments would be permitted for purchase under the investment policy and all its restrictions;

12) Local Government Investment Pools – State, local government or privately sponsored investment pools that are authorized pursuant to state law;

13) The Florida Local Government Surplus Funds Trust Funds (Florida Prime).

The County maintains a cash and investment pool that is available for use by all funds. Investment income is allocated to individual funds based upon their average daily balance in the cash and investment pool. Each fund's individual equity in the County's cash and investment pool is considered to be a cash equivalent as the funds can deposit or withdraw cash at any time without notice or penalty. The statement of cash flows for the proprietary funds also uses this methodology.

Investments in debt securities are recorded at fair value based upon values obtained from an independent pricing service. Investments in the Local Government Surplus Funds Trust Fund (Florida Prime) are stated at fair value. The County categorizes its fair value measurements within the fair value hierarchy established in Governmental Accounting Standards Board Statement No. 72, "*Fair Value Measurements and Application*".

Florida PRIME is considered a qualifying external investment pool that meets all of the necessary criteria to elect to measure all of the investments at amortized cost. Therefore, the fair value of the County's position in the pool is the same as the value of the pool shares. The Florida PRIME investments are not categorized because they are not evidenced by securities that exist in physical or book entry form. Throughout the year, and as of September 30, 2016, Florida PRIME contained certain floating and adjustable rate securities. These investments represented 27.6 percent of Florida PRIME's portfolio at September 30, 2016.

In accordance with Governmental Accounting Standards Board Statement No. 79, "*Certain External Investment Pools and Pool Participants"*, as a participant in a qualifying external investment pool, the County should disclose the presence of any limitations or restrictions on withdrawals (such as redemption notice periods, maximum transaction amounts, and the qualifying external investment pool's authority to impose liquidity fees or redemption gates) in notes to the financial statements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

With regard to redemption gates, Chapter 218.409(8)(a), Florida Statutes, states that "The principal, and any part thereof, of each account constituting the trust fund is subject to payment at any time from the moneys in the trust fund. However, the Executive Director may, in good faith, on the occurrence of an event that has a material impact on liquidity or operations of the trust fund, for 48 hours limit contributions to or withdrawals from the trust fund to ensure that the Board can invest moneys entrusted to it in exercising its fiduciary responsibility. Such action must be immediately disclosed to all participants, the Trustees, the Joint Legislative Auditing Committee, the Investment Advisory Council, and the Participant Local Government Advisory Council. The Trustees shall convene an emergency meeting as soon as practicable from the time the Executive Director has instituted such measures and review the necessity of those measures. If the Trustees are unable to convene an emergency meeting before the expiration of the 48-hour moratorium on contributions and withdrawals, the moratorium may be extended by the Executive Director until the Trustees are able to meet to review the necessity for the moratorium. If the Trustees agree with such measures, the Trustees shall vote to continue the measures for up to an additional 15 days. The Trustees must convene and vote to continue any such measures before the expiration of the time limit set, but in no case may the time limit set by the Trustees exceed 15 days."

With regard to liquidity fees, Florida Statute 218.409(4) provides authority for the SBA to impose penalties for early withdrawal, subject to disclosure in the enrollment materials of the amount and purpose of such fees. At present, no such disclosure has been made.

As of September 30, 2016, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100 percent of their account value.

RECEIVABLES

All trade receivables are reported net of an allowance for uncollectibles, which is generally a year except for Emergency Medical Services receivable which uses an estimated uncollectible percentage.

INVENTORIES AND PREPAID COSTS

Inventory is valued at cost using the first-in, first-out method. Inventory in the governmental funds consists of supplies held for consumption. The cost is recorded as an expenditure at the time inventory items are consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. Inventories and prepaid costs reported within governmental funds are classified as non-spendable, which indicates that they do not constitute available resources. Inventories and prepaid costs in the government-wide and proprietary fund financial statements are reported as an expense when consumed.

Inventory held for resale consists of real estate holdings, acquired through various programs, which the County intends to sell. The value of these properties includes the original purchase price plus the cost of any rehabilitation. Inventory held for resale of $9,796,692 is classified as restricted, which indicates that they do not constitute available resources.

CAPITAL ASSETS

Capital assets, which include property, plant, equipment and infrastructure (e.g., roads and bridges, water and wastewater systems, drainage systems and similar items), are reported in the proprietary fund financial statements and in the governmental or business-type activities columns in the government-wide financial statements. Capital assets are reported at cost where historical records are available and at estimated fair value in the absence of historical cost records. Capital contributions are recorded at their estimated fair value on the date donated.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

The County capitalizes expenditures with a cost of $1,000 or more and with a useful life in excess of one year. Betterments and major improvements which significantly increase value, change capacity or extend useful lives are also capitalized. Expenditures for maintenance and repairs are charged to operating expenses. The cost of capital assets retired or sold, together with the related accumulated depreciation, is removed from the respective accounts and any gain or loss on disposition is credited or charged to earnings in the government-wide financial statements and proprietary fund financial statements.

Depreciation is calculated using the straight-line method. The estimated useful life of the various classes of depreciable capital assets is as follows:

Capital Asset Class	Estimated Useful Life
Buildings	20-45 years
Infrastructure	3-30 years
Improvements other than buildings	4-45 years
Machinery and equipment	3-20 years

CAPITAL LEASE OBLIGATIONS

In the government-wide financial statements and proprietary fund financial statements capital lease obligations and the related cost of assets acquired are reflected in the Statement of Net Position. For capital lease obligations originating in governmental funds, an expenditure for the asset and the offsetting other financing source is reflected in the fund financial statements in the year of inception.

DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the statement of financial position reports 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. The deferred outflows of resources reported in the County's statement of net position represent changes in actuarial assumptions, the net difference between projected and actual earnings on investments, changes in the proportion and differences between the County's contributions and proportionate share of contributions and the County's contributions subsequent to the measurement date, relating to the Florida Retirement System Pension Plan and the Retiree Health Insurance Subsidy Program. In addition, deferred outflows related to the difference between expected and actual economic experience relating to the Florida Retirement System Pension were reported. These amounts will be recognized as increases in pension expense in future years. The County also reports the deferred charge on refunding as a deferred outflow in the proprietary and government wide statements of net position. A deferred charge results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of financial position reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The deferred inflows of resources reported in the County's statement of net position represent the difference between expected and actual economic experience and changes in the proportion and differences between the County's contributions and proportionate share of contributions relating to the Florida Retirement System Pension Plan and the Retiree Health Insurance Subsidy Program. These amounts will be recognized as reductions in pension expense in future years. The County has also recorded amounts associated with long term receivables, primarily related to deferred impact fee agreements, as deferred inflows.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

BOND PREMIUMS, LOSS ON DEFEASANCE AND ISSUANCE COSTS

Bond premiums and bond insurance costs for the governmental activities and the business-type activities are deferred and amortized over the term of the bonds using the straight-line method which approximates the effective interest method. Bond premiums are presented as an increase to the face amount of bonds payable, while bond insurance costs are recorded as deferred charges and shown on the face of the Statement of Net Position as a component of noncurrent assets.

Pursuant to GASB No. 65, *Items Previously Reported as Assets and Liabilities*, the gain or loss on defeasance of debt is reported as a deferred inflow or outflow of resources. The gain or loss is calculated as the difference between the reacquisition price of the refunded debt and the net carrying amount at the time of the refunding. The gain or loss is amortized on a straight line basis over the shorter of the life of the new debt or the remaining life of the old debt as a component of interest expense.

In the governmental fund financials, bond premiums and issuance costs, including bond insurance costs, are recognized in the current period. The face amount of debt is reported as other financing sources. Premiums received on debt issuances are also reported as other financing sources. Issuance costs, including bond insurance costs, whether or not they have been paid from debt proceeds are reported as debt service expenditures.

INTEREST COST

In the proprietary funds, interest costs are expensed or capitalized as required by GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*.

PROPERTY TAXES

Property taxes become due and payable on November 1st of each year and become delinquent on April 1st of the following year. Property taxes receivable and a corresponding allowance for uncollectible property taxes are not included in the financial statements, as delinquent taxes as of September 30, 2016 are not significant. Discounts on property taxes are allowed for payments made prior to the April 1st delinquent date as follows: November - 4%, December - 3%, January - 2%, and February - 1%. Tax certificates for the full amount of any unpaid taxes must be sold no later than June 1st of each year.

No accrual for the property tax levy becoming due in November 2016 is included in the accompanying financial statements, since such taxes are collected to finance expenditures of the subsequent period.

Key dates in the property tax cycle for the fiscal year ended September 30, 2016 are as follows:

Property Tax Cycle	Date	
Assessment roll compiled	January 1, 2015	
Assessment roll certified	July 1, 2015	
Millage resolution approved	Within 35 days of the certification of the assessment roll	
Beginning of fiscal year for tax levy	October 1, 2015	
Taxes due and payable (levy date)	November 1, 2015	
Collection dates	By November 30:	4% discount
	By December 31:	3% discount
	By January 31:	2% discount
	By February 29:	1% discount
Due date	March 31, 2016	
Delinquent (lien date)	April 1, 2016	
Tax certificates sold	Prior to June 1, 2016	

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

ACCOUNTING ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimated.

UNEARNED REVENUE

In instances where assets have been received by the County for services to be rendered in future periods, asset balances are offset by an unearned revenue liability account in the financial statements. Unearned revenues of the County as of September 30, 2016 are gift certificates issued and prepayments on accounts.

ACCRUED COMPENSATED ABSENCES

The County follows the provisions of GASB Statement No. 16, *Accounting for Compensated Absences*. This statement provides for the measurement of accrued vacation leave and other compensated absences using the pay or salary rates in effect at the balance sheet date. It also requires additional amounts to be accrued for certain salary related payments associated with the payment of compensated absences.

It is the Board of County Commissioners' policy to allow employees of record on August 2, 1996 a sick leave payment upon termination for any service period earned prior to August 2, 1996 and a payout of unused vacation up to 440 hours for all employees. The Sheriff's policy allows for a percentage of unused sick leave payout based upon years of service, not to exceed 1,000 hours, and up to 500 hours of unused vacation time. Both the Clerk of the Circuit Court and Comptroller's and Tax Collector's policies allow for a percentage of unused sick leave payout based upon years of service, and up to 240 hours of unused vacation hours. The Property Appraiser's policy allows for a percentage of unused sick leave payout based upon years of service, not to exceed 1,040 hours, and up to 200 hours of unused vacation hours. The Supervisor of Election's policy allows for a percentage of unused sick leave payout based upon years of service, and up to 440 hours of unused vacation.

Payments for compensated absences are made by the respective fund. Accrued compensated absences are recorded as liabilities in the government-wide financial statements and the proprietary fund financials. A liability is reported in governmental funds only if they have matured, for example, as a result of employee resignations or retirements, and are considered due and payable as of year end.

PENSIONS

In the government-wide and proprietary funds statements of net position, liabilities are recognized for the County's proportionate share of each pension plan's net pension liability. For purposes of measuring the net pension liability, deferred outflows/inflows of resources, and pension expense, information about the fiduciary net position of the Florida Retirement System (FRS) defined benefit plan and the Health Insurance Subsidy (HIS) and additions to/deductions from FRS's and HIS's fiduciary net position have been determined on the same basis as they are reported by the FRS and HIS plans. For this purpose, plan contributions are recognized as of employer payroll paid dates and benefit payments and refunds of employee contributions are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 2 – CASH AND INVESTMENTS

The County maintains a cash and investment pool that is available for use by all funds. Each fund's portion of this pool is displayed on the balance sheet under the heading of *Cash and Investments*. Investment income is allocated monthly to participating funds based on the percentage of each fund's average daily balance in the total pool.

As of September 30, 2016, the County had the following cash and investments:

Investment	Final Maturities	Fair Value	First Call Date	Call Frequency	Rating *
Cash on hand	N/A	$ 82,691	N/A	N/A	N/A
Cash with fiscal agent	N/A	11,887,225	N/A	N/A	N/A
Demand deposits	N/A	195,836,371	N/A	N/A	N/A
State Board of Administration Pool:					
Florida PRIME	N/A	746,297	N/A	N/A	AAAm
Federal Home Loan Mortgage Corporation	10/18/2016	500,990	N/A	N/A	AA+
Federal National Mortgage Association	12/14/2016	200,895	N/A	N/A	AA+
Federal Home Loan Mortgage Corporation	1/11/2017	1,698,725	N/A	N/A	AA+
US Treasury Note	1/15/2017	10,012,130	N/A	N/A	AA+
US Treasury Note	2/2/2017	899,001	N/A	N/A	AA+
Federal Home Loan Bank	2/21/2017	998,710	N/A	N/A	AA+
US Treasury Note	3/2/2017	998,480	N/A	N/A	AA+
US Treasury Note	3/15/2017	10,013,280	N/A	N/A	AA+
US Treasury Note	4/27/2017	1,196,808	N/A	N/A	AA+
Federal Home Loan Bank	6/9/2017	10,026,380	2/13/2017	once	AA+
Federal Home Loan Mortgage Corporation	7/18/2017	497,920	N/A	N/A	AA+
Federal Home Loan Bank	7/21/2017	25,000,700	1/21/2016	quarterly	AA+
US Treasury Note	8/17/2017	895,608	N/A	N/A	AA+
Federal Home Loan Mortgage Corporation	10/27/2017	24,991,150	1/27/2016	quarterly	AA+
Federal Home Loan Mortgage Corporation	11/24/2017	25,004,225	N/A	N/A	AA+
US Treasury Note	11/30/2017	24,980,475	N/A	N/A	AA+
US Treasury Note	11/30/2017	10,019,530	2/24/2016	quarterly	AA+
Federal Home Loan Bank	12/1/2017	9,022,293	N/A	N/A	AA+
Federal Home Loan Bank	12/8/2017	20,004,460	N/A	N/A	AA+
Federal Home Loan Bank	12/8/2017	25,005,575	N/A	N/A	AA+
Federal Home Loan Bank	12/19/2017	23,067,666	N/A	N/A	AA+
Federal Farm Credit Bank	3/14/2018	25,072,475	N/A	N/A	AA+
Federal Home Loan Bank	6/8/2018	25,169,825	12/21/2016	continuously	AA+
Federal Home Loan Bank	8/23/2018	25,001,125	N/A	N/A	AA+
Federal Home Loan Mortgage Corporation	9/13/2018	25,001,675	N/A	N/A	AA+
Federal Farm Credit Bank	12/21/2018	25,031,650	N/A	N/A	AA+
Federal Farm Credit Bank	7/1/2019	40,141,520	1/12/2017	quarterly	AA+
Federal National Mortgage Association	7/12/2019	24,961,100	1/27/2017	quarterly	AA+
Federal Home Loan Mortgage Corporation	8/28/2019	25,000,925	11/23/2016	quarterly	AA+
Federal National Mortgage Association	8/28/2019	14,993,100	11/28/2016	quarterly	AA+
Federal Home Loan Mortgage Corporation	2/13/2020	25,039,000	N/A	N/A	AA+
Federal National Mortgage Association	7/27/2020	24,892,625	12/13/2016	quarterly	AA+
Federal Home Loan Bank	9/27/2021	24,953,175	12/27/2016	continuously	AA+
Federal National Mortgage Association	9/30/2021	25,008,150	3/30/2017	quarterly	AA+
Total		$ 763,853,930			

NOTE 2 – CASH AND INVESTMENTS – CONTINUED

CREDIT RISK

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The County's investment policy limits credit risk by restricting authorized investments to the Florida Local Government Surplus Trust Fund (Florida PRIME), direct obligations of, or obligations backed by the full faith and credit of the United States Government, U.S. government sponsored Corporation/Instrumentalities (except for Student Loan Marketing Association), certificates of deposit collateralized by U.S. Government Securities or Agencies, fixed income mutual funds collateralized by U.S. Government Securities or Agencies, domestic bankers' acceptances rated "AA" or higher, prime commercial paper rated "A-1" and "P-1", tax-exempt obligations rated "AA" or higher and issued by state or local governments, NOW accounts fully collateralized in accordance with Chapter 280, Florida Statutes and qualifying repurchase agreements. The policy requires that each firm involved in a repurchase agreement must execute the County's master repurchase agreement, a third party custodian must hold collateral for all repurchase agreements with a term of more than one day and the market value of the collateral shall maintain a minimum price of 101 percent on U.S. Government securities and 104 percent on Agencies and Instrumentalities with a term over five (5) years, and must be marked to market at least weekly. Florida PRIME is an investment pool administered by the State Board of Administration (SBA), under the regulatory oversight of the State of Florida. At September 30, 2016, the Sheriff had $746,297 invested in the State Board of Administration's Local Government Surplus Funds Trust Fund Investment Pool. All of these funds are held in the Florida PRIME pool. Florida PRIME is rated "AAAm" by Standard & Poor's Ratings Services.

All cash deposits are held in qualified public depositories pursuant to Florida Statutes Chapter 280, "Florida Security for Public Deposits Act". Under the Act, all qualified public depositories are required to pledge eligible collateral having a market value equal to or greater than the average daily or monthly balance of all public deposits, multiplied by the depository's collateral pledging level. The pledging level may range from 25% to 200% depending upon the depository's financial condition. Any losses to public deposits are covered by applicable deposit insurance, sale of securities pledged as collateral, and if necessary, assessments against other qualified public depositories of the same type as the depository in default.

CUSTODIAL CREDIT RISK

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. At September 30, 2016, the County had demand deposits of $195,836,371. All balances in excess of the Federal Depository Insurance Corporation (FDIC) insurance for these demand deposits are fully collateralized by the multiple financial institutions' collateral pool in accordance with Florida Statutes Section 280. The discretely presented component unit demand deposits of $292,288 are secured by the FDIC as individual entity balances do not exceed $250,000. Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of the investment or collateral securities that are in the possession of an outside party. The County's investment policy requires execution of a third-party custodial safekeeping agreement for purchased securities and collateral, and requires that securities be held in the County's name.

INTEREST RATE RISK

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. One of the primary objectives of the investment policy is to match investment cash flow and maturity with known cash needs and anticipated cash flow requirements. The County limits exposure to interest rate risk by structuring the portfolio to meet daily cash flow demands. Investments shall have an average maturity of not more than five years, except for mortgage securities. Mortgage securities will not be used to match liabilities that are reasonably definable as to amount and disbursement date and are used to invest funds associated with reserves or liabilities that are not associated with a specifically identified cash flow schedule.

NOTE 2 – CASH AND INVESTMENTS – CONTINUED

The dollar weighted average days to maturity (WAM) of Florida PRIME at September 30, 2016, is 50 days. Next interest rate reset dates for floating rate securities are used in the calculation of the WAM. The weighted average life (WAL) of Florida PRIME at September 30, 2016, is 70 days.

The portion of the County's cash and investments invested in U.S. Government Agencies is detailed as follows, at September 30, 2016:

Issuer	% of Portfolio
Federal Home Loan Bank	24.64%
Federal Farm Credit Bank	11.81%
Federal Home Loan Mortgage Corporation	16.72%
Federal National Mortgage Association	11.79%
Total U.S. Government Agencies	64.96%

Reconciliation of cash and investments to the basic financial statements:

Primary government:	
Cash and investments	$ 372,694,933
Cash with Fiscal Agent	11,887,225
Restricted cash and investments - current	25,966,317
Restricted cash and investments - noncurrent	314,649,481
Agency funds:	
Cash, cash equivalents and investments	38,655,974
Total	$ 763,853,930

FAIR VALUE MEASUREMENTS

GASB Statement No. 72, *Fair Value Measurements and Application,* sets forth the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under GASB Statement No. 72 are described as follows:

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

Level 2 – Inputs to the valuation methodology include:
- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

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

The County has the following recurring fair value measurements as of September 30, 2016:

US Treasury Notes classified as Level 1 of the fair value hierarchy were valued using prices quoted in active markets for those securities. As of September 30, 2016, the fair value of the County's US Treasury Notes was $59,015,312.

US Agency obligations classified as Level 2 of the fair value hierarchy were valued using quoted prices for similar assets in active markets for those securities. As of September 30, 2016, the fair value of the County's US Agency obligations was $496,286,034.

NOTE 3 - TRADE RECEIVABLES

Trade receivables for Governmental and Business-type Activities are net of an allowance for doubtful accounts as follows:

	Trade Receivables	Less Allowance for Doubtful Accounts	Net Trade Receivables
General Fund	$ 1,220,425	$ 672,146	$ 548,279
Bayshore Gateway Community Redevelopment Agency	12,720	12,720	-
Immokalee Community Redevelopment Agency	114,405	114,405	-
Nonmajor Governmental Funds	2,389,984	607,327	1,782,657
Total receivables reported in Governmental Funds	3,737,534	1,406,598	2,330,936
Total receivables reported in Internal Service Funds	19,299	14,519	4,780
Total Governmental Activities trade receivables	$ 3,756,833	$ 1,421,117	$ 2,335,716
County Water and Sewer	$ 10,469,692	$ 842	$ 10,468,850
Solid Waste Disposal	862,418	1,077	861,341
Emergency Medical Services	26,248,194	23,883,359	2,364,835
Nonmajor Enterprise Funds	56,325	18,021	38,304
Total Business-type Activities trade receivables	$ 37,636,629	$ 23,903,299	$ 13,733,330

The County has multi and single-family home rehabilitation and homeownership loan programs funded under the Community Development Block Grant (CDBG), HOME Investment Partnership Loan Program (HOME), Disaster Recovery Initiative (DRI), Neighborhood Stabilization Program (NSP) and the State Housing Initiative Partnership Program (SHIP). If the homeowners remain in their homes for the full term of the deferred loan, the loan is forgiven. If the property is transferred or sold before the end of the loan period, the proceeds from the repayment including interest, if any, are then repaid and returned to the appropriate grant program. A lien is placed against the property to ensure the repayment of the loan and interest, if any. As collection is uncertain on these loans, they are not recognized in the financial statements.

NOTE 4 – INTERFUND PAYABLES AND RECEIVABLES

ADVANCES

Advances are made to funds for the purposes of capital acquisitions and improvements. Reimbursements will take place over the next several years as funds are available. Advances to and advances from other funds at September 30, 2016 were as follows:

	Advance To	Advance From
Governmental Activities:		
General Fund	$ 563,900	$ -
Immokalee Community Redevelopment Agency	-	238,901
Other governmental funds:		
Unincorporated Area MSTD	447,701	-
Improvement Districts	-	208,800
Fire Control Districts	-	563,900
Government Facilities Impact Fees Fund	-	1,955,550
Total Governmental Activities	1,011,601	2,967,151
Business-type Activities:		
County Water and Sewer	1,006,761	-
Solid Waste Disposal	948,789	-
Total Business-type Activities	1,955,550	-
Total Advances	$ 2,967,151	$ 2,967,151

NOTE 4 – INTERFUND PAYABLES AND RECEIVABLES – CONTINUED

DUE FROM AND DUE TO

Interfund receivables and payables generally result from recording the excess fees associated with Tax Collector and Property Appraiser services, as excess fees are allocated from the General Fund back to the funds that paid for the collection services. Excess fees are calculated after year end, and as such are interfund receivables and payables. Other outstanding balances are the result of time delays between the provision and payment of interfund services and to cover temporary cash deficits.

Due from and due to other funds at September 30, 2016 were as follows:

	Due From	Due To
Governmental Activities:		
General Fund	$ 4,496,930	$ 721,324
Bayshore Gateway Community Redevelopment Agency	14,876	168,480
Other Governmental Funds:		
Road Districts	837,000	1,515
Unincorporated Area MSTD	309,848	3,585
Community Development	500	-
Water Management and Pollution Control	47,196	-
Grants and Shared Revenues	811,902	4,670,320
Improvement Districts	34,547	100,000
Fire Control Districts	27,064	-
Lighting Districts	10,940	-
911 Enhancement Fee	-	33,978
Tourist Development	170,668	-
Confiscated Property	-	1,893
Other Public Safety Revenue Funds	-	48,828
Radio Road Limited General Obligation Bonds	630	-
Community Redevelopment Taxable Note	144,609	-
Forest Lakes Limited General Obligation Bonds	104,175	-
Special Obligation Revenue Bonds	-	7,950,000
County-Wide Capital Improvement	-	6,200
Parks Improvements	349,437	-
Correctional Facilities Impact Fee	1,360,000	-
Water Management	158,409	398,027
Parks Impact Fee	2,511,000	-
Road Impact Districts	-	376,775
Road Construction	4,171,651	14,390
Government Facilities Impact Fee	2,405,000	-
Law Enforcement Impact Fee	523,000	-
Other Capital Projects	1,003	-
Total other governmental funds	13,978,579	13,605,511
Business-type Activities:		
Solid Waste	42,499	500
Other Business-type funds:		
Airport Authority	7,472	411,129
Collier Area Transit	31,823	180,673
Total other business-type funds	39,295	591,802
Internal Service Funds	69,730	3,554,292
Total All Funds	$ 18,641,909	$ 18,641,909

NOTE 5 – CAPITAL ASSETS

A summary of capital asset activity for the year ended September 30, 2016 is as follows:

	September 30, 2015	Additions	Deductions	Reclassifications	September 30, 2016
Governmental Activities:					
Capital assets not depreciated:					
Land and other non-depreciable assets	$ 411,580,042	$ 5,575,393	$ (123,915)	$ (13,900)	$ 417,017,620
Construction in progress	57,488,990	46,544,228	(28,122)	(45,888,719)	58,116,377
Total capital assets not depreciated	469,069,032	52,119,621	(152,037)	(45,902,619)	475,133,997
Capital assets depreciated:					
Buildings	445,292,077	151,135	(681,268)	8,914,301	453,676,245
Infrastructure	1,007,107,248	145,801	-	29,173,167	1,036,426,216
Improvements other than buildings	280,925,102	449,916	(297,968)	4,425,968	285,503,018
Machinery and equipment	190,360,329	18,435,937	(11,499,196)	3,197,512	200,494,582
Total capital assets depreciated	1,923,684,756	19,182,789	(12,478,432)	45,710,948	1,976,100,061
Less accumulated depreciation:					
Buildings	163,737,319	14,074,709	(671,662)	-	177,140,366
Infrastructure	340,496,919	33,999,645	-	-	374,496,564
Improvements other than buildings	162,102,153	14,212,229	(101,286)	-	176,213,096
Machinery and equipment	155,241,760	14,502,854	(11,289,075)	3,794	158,459,333
Total accumulated depreciation	821,578,151	76,789,437	(12,062,023)	3,794	886,309,359
Total depreciable capital assets, net	1,102,106,605	(57,606,648)	(416,409)	45,707,154	1,089,790,702
Total Governmental Activities capital assets, net	$ 1,571,175,637	$ (5,487,027)	$ (568,446)	$ (195,465)	$ 1,564,924,699
Business-type Activities:					
Capital assets not depreciated:					
Land and other non-depreciable assets	$ 31,058,890	$ 333,302	$ -	$ 18,400	$ 31,410,592
Construction in progress	46,505,569	27,041,589	(764,570)	(18,331,497)	54,451,091
Total capital assets not depreciated	77,564,459	27,374,891	(764,570)	(18,313,097)	85,861,683
Capital assets depreciated:					
Buildings	142,145,411	22,395	(22,075)	4,550,270	146,696,001
Improvements other than buildings	1,146,948,979	8,992,105	(2,223,936)	12,676,450	1,166,393,598
Machinery and equipment	57,349,115	6,357,104	(2,997,165)	1,280,453	61,989,507
Total capital assets depreciated	1,346,443,505	15,371,604	(5,243,176)	18,507,173	1,375,079,106
Less accumulated depreciation:					
Buildings	78,981,999	4,258,767	(12,536)	-	83,228,230
Improvements other than buildings	402,127,747	36,655,461	(1,829,017)	-	436,954,191
Machinery and equipment	32,566,201	6,329,227	(2,933,837)	(1,389)	35,960,202
Total accumulated depreciation	513,675,947	47,243,455	(4,775,390)	(1,389)	556,142,623
Total depreciable capital assets, net	832,767,558	(31,871,851)	(467,786)	18,508,562	818,936,483
Total Business-type Activities capital assets, net	$ 910,332,017	$ (4,496,960)	$ (1,232,356)	$ 195,465	$ 904,798,166

NOTE 5 – CAPITAL ASSETS – CONTINUED

Schedule of depreciation for fiscal year 2016:

General Government	$ 8,252,771
Public Safety	14,918,523
Physical Environment	7,459,176
Transportation	34,657,986
Economic Environment	320,605
Human Services	412,639
Culture and Recreation	8,578,443
Subtotal	74,600,143
Internal Service Funds	2,189,294
Total Governmental Activities	$ 76,789,437
Water and Sewer	$ 41,583,299
Solid Waste	1,329,689
EMS	1,142,629
Airport Authority	1,443,398
Mass Transit	1,744,440
Total Business-type Activities	$ 47,243,455

NOTE 6 – LONG-TERM DEBT

SUMMARY OF CHANGES IN LONG-TERM OBLIGATIONS

The following is a summary of changes in long-term obligations for the year ended September 30, 2016:

000's Omitted

	October 1, 2015	Additions	Reductions	Premium Amortized, net	September 30, 2016	Due within one year
Governmental Activities:						
Bonds Payable	$ 334,875	$ -	$ (19,605)	$ -	$ 315,270	$ 20,340
Premium on Bonds Payable	16,771	-	-	(1,450)	15,321	-
Notes Payable	6,401	-	(556)	-	5,845	558
Capital Lease Obligations	1,519	-	(582)	-	937	622
Self-Insurance Claims	6,959	50,785	(49,842)	-	7,902	6,283
Net Pension Liability	134,201	91,077	-	-	225,278	1,962
Net OPEB Obligation	2,994	2,072	(1,191)	-	3,875	-
Compensated Absences	21,790	13,014	(8,141)	-	26,663	9,342
Total	$ 525,510	$ 156,948	$ (79,917)	$ (1,450)	$ 601,091	$ 39,107
Business-type Activities:						
Bonds and Loans Payable	$ 193,285	$ 48,105	$ (72,915)	$ -	$ 168,475	$ 12,913
Premium on Bonds Payable	816	12,048	(790)	(226)	11,848	-
Notes Payable	64	-	-	-	64	64
Capital Lease Obligations	1,074	472	(299)	-	1,247	382
Landfill Closure Liability	1,906	-	(22)	-	1,884	-
Net Pension Liability	26,451	18,683	-	-	45,134	357
Compensated Absences	2,595	2,481	(2,294)	-	2,782	2,225
Total	$ 226,191	$ 81,789	$ (76,320)	$ (226)	$ 231,434	$ 15,941

NOTE 6 – LONG-TERM DEBT – CONTINUED

DESCRIPTIONS OF BONDS, LOANS AND NOTES PAYABLE

Bonds, loans and notes payable at September 30, 2016 were composed of the following:

GOVERNMENTAL ACTIVITIES

Governmental Activities Limited General Obligation Bonds	
$6,215,000 2007 Limited General Obligation Bonds, Forest Lakes Roadway and Drainage Municipal Service Taxing Unit, due in installments of $300,000 to $540,000 through January 1, 2022; interest at 3.75% to 4.25% and collateralized by a limited ad valorem pledge of up to 4 mils.	$ 2,930,000
Total Governmental Activities Limited General Obligation Bonds	$ 2,930,000
Governmental Activities Revenue Bonds	
$38,680,000 2012 Gas Tax Refunding Revenue Bonds, due in annual installments of $2,700,000 to $6,605,000 through June 1, 2023; interest at 3.00% to 5.00% and collateralized by a pledge on the combined gas tax proceeds.	$ 23,025,000
$89,780,000 2014 Gas Tax Refunding Revenue Bonds, due in annual installments of $1,065,000 to $13,265,000 through June 1, 2025; interest at 2.33% and collateralized by a pledge on the combined gas tax proceeds.	81,515,000
$59,895,000 2010 Special Obligation Revenue Bonds, due in annual installments of $1,545,000 to $3,860,000 through July 1, 2034; interest at 3.00% to 4.50% and collateralized by pledge on legally available non-ad valorem revenues, including but not limited to the proceeds of the local government half cent sales tax, state revenue sharing, communications services tax and charges and services generated by governmental activities.	49,365,000
$24,620,000 2010B Special Obligation Revenue Bonds, due in annual installments of $1,830,000 to $2,630,000 through October 1, 2021; interest at 3.00% to 5.00% and collateralized by pledge on legally available non-ad valorem revenues, including but not limited to the proceeds of the local government half cent sales tax, state revenue sharing, communications services tax and charges and services generated by governmental activities.	14,330,000
$92,295,000 2011 Special Obligation Revenue Bonds, due in annual installments of $1,605,000 to $8,270,000 through October 1, 2029; interest at 2.50% to 5.00% and collateralized by pledge on legally available non-ad valorem revenues, including but not limited to the proceeds of the local government half cent sales tax, state revenue sharing, communications services tax and charges and services generated by governmental activities.	70,300,000
$73,805,000 2013 Special Obligation Revenue Bonds, due in annual installments of $4,860,000 to $8,525,000 through October 1, 2035; interest at 3.50% to 4.00% and collateralized by pledge on legally available non-ad valorem revenues, including but not limited to the proceeds of the local government half cent sales tax, state revenue sharing, communications services tax and charges and services generated by governmental activities.	73,805,000
Total Governmental Activities Revenue Bonds	$ 312,340,000
Governmental Activities Notes Payable	
$7,557,900 Bayshore Gateway Community Redevelopment Agency Taxable Note, due in monthly installments of $41,988 through June 1, 2018; variable interest rate of 30-Day LIBOR plus 3.75% and collateralized by a pledge on all legally available non-ad valorem revenues of the Bayshore Gateway Community Redevelopment Agency.	$ 5,505,721

NOTE 6 – LONG-TERM DEBT – CONTINUED

$550,000 2012 Limited General Obligation Note, Radio Road East Municipal Service Taxing Unit, due in installments of $3,847 to $5,408 through June 1, 2022; interest at 3.44% and collateralized by a limited ad valorem pledge of up to .5 mils.	339,082
Total Governmental Activities Notes Payable	$ 5,844,803
Total Governmental Activities Obligations	$ 321,114,803
Unamortized Bond Premium	$ 15,321,339
Governmental Activities Obligations, Net	$ 336,436,142
Less Current Portion of Governmental Activities Obligations	$ (20,898,121)
Long-Term Portion of Governmental Activities Obligations, Net	$ 315,538,021

BUSINESS-TYPE ACTIVITIES

Business-type Activities Revenue Bonds	
$17,769,080 2013 Collier County Water and Sewer Refunding Revenue Bonds due in annual installments of $1,369,430 to $4,312,275, commencing July 1, 2014 through July 1, 2021; interest at 1.47% and collateralized by a lien on and a pledge of net revenues of the Collier County Water and Sewer District.	$ 7,040,398
$17,687,000 2015 Collier County Water and Sewer Refunding Revenue Bonds due in annual installments of $2,533,000 to $4,561,000, commencing July 1, 2017 through July 1, 2022; interest at 1.75% and collateralized by a lien on and a pledge of net revenues of the Collier County Water and Sewer District.	17,687,000
$48,105,000 2016 Collier County Water and Sewer Refunding Revenue Bonds due in annual installments of $5,035,000 to $7,090,000, commencing July 1, 2029 through July 1, 2036; interest at 5.00% and collateralized by a lien on and a pledge of net revenues of the Collier County Water and Sewer District.	48,105,000
Total Business-type Activities Revenue Bonds	$ 72,832,398

Business-type Activities Loans and Notes Payable	
$166,580 County Water and Sewer District agreement with private developer payable through use of sewer impact fee credits. Non-interest bearing agreement.	$ 64,255
$13,730,740 County Water and Sewer District State Revolving Fund Loan, interest payable at 2.65% payable in 40 semiannual payments commencing January 15, 1999 and collateralized by a subordinated pledge on the net revenues of the Collier County Water and Sewer District.	1,714,626
$21,951,544 County Water and Sewer District State Revolving Fund Loan, interest payable at 3.05% payable in 40 semiannual payments commencing November 15, 2001 and collateralized by a subordinated pledge on the net revenues of the Collier County Water and Sewer District.	6,736,021
$5,055,347 County Water and Sewer District State Revolving Fund Loan, interest payable at 3.05% payable in 40 semiannual payments commencing October 15, 2004 and collateralized by a subordinated pledge on the net revenues of the Collier County Water and Sewer District.	2,443,943
$6,560,956 County Water and Sewer District State Revolving Fund Loan, interest payable at 3.05% payable in 40 semiannual payments commencing January 15, 2005 and collateralized by a subordinated pledge on the net revenues of the Collier County Water and Sewer District.	3,104,979
$28,630,467 County Water and Sewer District State Revolving Fund Loan, interest payable at 2.95% payable in 40 semiannual payments commencing June 15, 2006 and collateralized by a subordinated pledge on the net revenues of the Collier County Water and Sewer District.	16,007,563

NOTE 6 – LONG-TERM DEBT – CONTINUED

$10,280,778 County Water and Sewer District State Revolving Fund Loan, interest payable at 2.90% payable in 40 semiannual payments commencing September 15, 2006 and collateralized by a subordinated pledge on the net revenues of the Collier County Water and Sewer District.	$ 5,514,243
$5,445,223 County Water and Sewer District State Revolving Fund Loan, interest payable at 2.92% payable in 40 semiannual payments commencing December 15, 2005 and collateralized by a subordinated pledge on the net revenues of the Collier County Water and Sewer District.	2,855,539
$4,210,716 County Water and Sewer District State Revolving Fund Loan, interest payable at 2.74% payable in 40 semiannual payments commencing November 15, 2007 and collateralized by a subordinated pledge on the net revenues of the Collier County Water and Sewer District.	2,516,161
$5,625,546 County Water and Sewer District State Revolving Fund Loan, interest payable at 2.75% and 2.64% payable in 40 semiannual payments commencing April 15, 2008 and collateralized by a subordinated pledge on the net revenues of the Collier County Water and Sewer District.	3,505,100
$21,126,718 County Water and Sewer District State Revolving Fund Loan, interest payable at 2.25%, 2.64%, 2.71% and 2.79% payable in 40 semiannual payments commencing August 15, 2008 and collateralized by a subordinated pledge on the net revenues of the Collier County Water and Sewer District.	14,622,015
$42,505,652 County Water and Sewer District State Revolving Fund Loan, interest payable at 2.25%, 2.37%, 2.64% and 2.79% payable in 40 semiannual payments commencing October 15, 2009 and collateralized by a subordinated pledge on the net revenues of the Collier County Water and Sewer District.	34,588,439
$2,864,137 County Water and Sewer District State Revolving Fund Loan, interest payable at 2.79% payable in 40 semiannual payments commencing December 15, 2009 and collateralized by a subordinated pledge on the net revenues of the Collier County Water and Sewer District.	2,033,809
Total Business-type Activities Loans and Notes Payable	$ 95,706,693
Total Business-type Activities Obligations	$ 168,539,091
Unamortized Bond Premium	$ 11,848,177
Business-type Activities Obligations, Net	$ 180,387,268
Less Current Portion of Business-type Activities Obligations Payable from Unrestricted Assets	$ (7,085,210)
Less Current Portion of Business-type Activities Obligations Payable from Restricted Assets	$ (5,892,192)
Long-Term Portion of Business-type Activities Obligations, Net	$ 167,409,866

NOTE 6 – LONG-TERM DEBT – CONTINUED

SUMMARY OF DEBT SERVICE REQUIREMENTS TO MATURITY

The total annual debt service requirements to maturity of long-term debt, excluding compensated absences, capitalized leases, premiums, discounts and arbitrage rebate liability, are as follows:

	Governmental Activities						
Fiscal Year	Limited General Obligation Bonds		Revenue Bonds		Notes Payable		Totals
	Principal	Interest	Principal	Interest	Principal	Interest	
2017	$ 440,000	$ 113,475	$ 19,900,000	$ 11,529,730	$ 558,121	$ 234,992	$ 32,776,318
2018	460,000	95,475	20,655,000	10,766,957	5,058,027	162,999	37,198,458
2019	475,000	76,181	21,440,000	9,961,048	58,124	6,955	32,017,308
2020	495,000	55,569	22,270,000	9,145,667	60,156	4,924	32,031,316
2021	520,000	34,000	23,085,000	8,307,969	62,258	2,821	32,012,048
2022-26	540,000	11,475	105,570,000	29,055,993	48,117	692	135,226,277
2027-31	-	-	50,565,000	15,616,260	-	-	66,181,260
2032-36	-	-	48,855,000	4,717,088	-	-	53,572,088
Totals	$ 2,930,000	$ 386,175	$ 312,340,000	$ 99,100,712	$ 5,844,803	$ 413,383	$ 421,015,073

	Business-type Activities				
Fiscal Year	Revenue Bonds		Loans and Notes Payable		Totals
	Principal	Interest	Principal	Interest	
2017	$ 3,902,430	$ 2,818,267	$ 9,074,972	$ 2,502,514	$ 18,298,183
2018	3,968,061	2,753,808	9,259,742	2,253,489	18,235,100
2019	4,031,480	2,688,256	8,623,257	2,003,493	17,346,486
2020	4,099,464	2,621,655	8,862,105	1,764,650	17,347,874
2021	4,164,963	2,553,914	9,107,639	1,519,112	17,345,628
2022-26	4,561,000	12,106,067	38,344,582	4,229,333	59,240,982
2027-31	15,885,000	11,258,250	12,434,396	480,348	40,057,994
2032-36	32,220,000	4,990,500	-	-	37,210,500
Totals	$ 72,832,398	$ 41,790,717	$ 95,706,693	$ 14,752,939	$ 225,082,747

CURRENT YEAR DEBT REFUNDING

On May 26, 2016, the Collier County Water and Sewer District issued the Series 2016A Water and Sewer Refunding Revenue Bonds in the par amount of $48,105,000. These bonds were issued for the purpose of currently refunding the District's remaining Series 2006 Water and Sewer Revenue Bonds. The final maturity of the refunding bonds is July 1, 2036, with an interest rate of 5.00%. The refunding achieved a net present value savings of 17.97% on the refunded bonds. The current refunding achieved an aggregate debt service savings of $15,922,828 and an economic gain of $10,737,030. The refunded Series 2006 bonds were redeemed on July 1, 2016.

NOTE 6 – LONG-TERM DEBT – CONTINUED

RESTRICTIVE COVENANTS

According to County resolutions authorizing the issuance of the Series 2010, 2010B, 2011 and 2013 Special Obligation Refunding Revenue Bonds, the County has covenanted, subject to certain restrictions and limitations, to appropriate in its annual budget, by amendment if necessary, from non-ad valorem revenues amounts sufficient to pay principal and interest on the combined Special Obligation Bonds.

According to County resolutions authorizing the issuance of the Series 2012 and 2014 Gas Tax Revenue Refunding Bonds, the issues are payable from and secured by liens on gas tax revenues.

Bayshore Gateway Community Redevelopment Agency (Agency) tax increment revenues are pledged for the repayment of the Agency's Series 2013 taxable note. The Agency has additionally covenanted to budget and appropriate from all legally available non-ad valorem revenues of the Agency to pay the Series 2013 note to the extent the tax increment revenues are insufficient. The Series 2013 note does not constitute an indebtedness of the County and is payable solely from the security provided by the Agency. The Agency is required to have a debt service reserve balance of $800,000 as of the end of fiscal year 2016. The Agency was in compliance with these covenants for the year ended September 30, 2016.

The County Water and Sewer District (District) has pledged future water and sewer customer revenues, net of certain operating expenses, to repay $72,832,398 in Series 2013, 2015 and 2016 revenue bonds. Proceeds from the bonds were used for the refinancing of bonds issued for rehabilitation or expansion of the District's water and sewer systems. Principal and interest are payable through July 1, 2036, solely from the net revenues and certain other fees and charges derived from operation of the County's Water and Sewer District (District). The pledge of net revenues by the District from the operation of the system does not constitute a lien upon the system or any other property of the County. The resolutions authorizing the revenue bonds include an obligation for the District to fix, establish and maintain such rates and collect such fees so as to provide in each year net revenues, as defined in the bond resolutions, which together with system development fees (impact fees) and special assessment proceeds (if applicable) received shall be at least 125% of the annual debt service requirements for the bonds; provided, however, that net revenues in each fiscal year shall be adequate to pay at least 100% of the annual debt service on the bonds. Fiscal year 2016 pledged revenues, net of operating expenses, were $40,982,058 and $54,625,732 when system development fees were included. Principal and interest paid on the bonds during fiscal year 2016 totaled $6,827,648, providing coverage of 600% and 800%, respectively. In addition, bond covenants require a renewal and replacement amount equal to $300,000 in the District funds. The District was in compliance with these covenants for the year ended September 30, 2016.

The District has several State Revolving Fund loans outstanding with the Florida Department of Environmental Protection. These loans are collateralized by a lien on pledged revenues consisting of net revenues from the operations of the County Water and Sewer System and system development fees. The lien is subordinate in all respects to the liens placed upon pledged revenues established by bonded indebtedness. The District must maintain rates and charges for services which together with system development fees are sufficient to pay 115% to 125%, depending upon the individual loan agreement, of the annual debt service requirements on the loans, as well as satisfy the coverage requirements of all senior debt obligations. The District's State Revolving Fund loans were in compliance with these covenants for the year ended September 30, 2016.

LEGAL DEBT MARGIN

The Constitution of the State of Florida and the Florida Statutes set no legal debt limit.

NOTE 6 – LONG-TERM DEBT – CONTINUED

INTEREST CAPITALIZED

Interest costs on the long-term debt of business-type activities, including capitalized leases, incurred and capitalized during the year ended September 30, 2016 were as follows:

	Total Interest Cost Incurred	Interest Cost Capitalized	Net Interest Expense
Business-type Activities	$ 4,761,115	$ 1,537,416	$ 3,223,699

Interest expense is shown as a direct expense of the Business-type Activities.

LEASE OBLIGATIONS

Capitalized leases payable at September 30, 2016 amounted to $2,184,342. These obligations, which are collateralized by equipment and vehicles, have total annual installments ranging from $29,702 to $1,059,053 including interest ranging from 1.83% to 4.82% and mature through 2022. As of year-end, equipment currently leased under capital leases in the governmental activities had a historical cost of $2,942,557 and accumulated depreciation of $1,648,225. Equipment currently leased under capital leases in the business-type activities had a historical cost of $2,518,891 and accumulated depreciation of $1,043,377.

Future minimum capital lease obligations as of September 30, 2016 were as follows:

	Governmental Activities	Business-type Activities	Total
2017	$ 663,212	$ 395,841	$ 1,059,053
2018	92,889	353,137	446,026
2019	92,887	352,412	445,299
2020	92,887	94,430	187,317
2021	40,233	78,693	118,926
2022	29,702	-	29,702
Total minimum lease payments	1,011,810	1,274,513	2,286,323
Less amount representing interest	(74,496)	(27,485)	(101,981)
Present value of minimum lease payments	$ 937,314	$ 1,247,028	$ 2,184,342

The County also leases office space, office equipment and storage space under operating leases. These leases expire or are cancellable within the next fiscal year. In the normal course of operations, these leases will be renewed or replaced by other leases. Total rental expenditures for all operating leases within the governmental activities for the year ended September 30, 2016 were $2,546,579. Total rental expenditures for all operating leases within business-type activities governmental activities for the year ended September 30, 2016 were $399,054.

NOTE 7 – CONDUIT DEBT OBLIGATIONS

COMPONENT UNIT CONDUIT DEBT

The Industrial Development Authority, Housing Finance Authority, Health Facilities Authority and Educational Facilities Authority, all component units of Collier County, issue debt instruments for the purpose of providing capital financing to independent third parties. Industrial development revenue bonds have been issued to provide financial assistance to public entities for the acquisition and construction of industrial and commercial facilities. Housing revenue bonds have been issued for the purpose of financing the development of multi-family residential rental communities. The health facility revenue bonds were issued to provide financing for the construction of health park facilities. The educational facility revenue bonds were used to provide financing for the construction of educational facilities. These bonds were secured by the financed property, a letter of credit or a corporate guarantee. The primary revenues pledged to pay the debt are those revenues derived from the project or facilities constructed. Neither the issuer, nor the County, is obligated in any manner for repayment of the bonds and as such they are not reported as liabilities in the accompanying financial statements.

As of September 30, 2016, the outstanding principal amount payable on all component unit conduit debt was $434,393,772 and is made up of the following:

Industrial development revenue bonds	$	214,835,000
Housing finance revenue bonds		25,378,772
Health facilities revenue bonds		104,895,000
Educational facilities revenue bonds		89,285,000
Total	$	434,393,772

NOTE 8 – DEFINED BENEFIT PENSION PLANS

BACKGROUND

The Florida Retirement System (FRS) was created by Chapter 121, Florida Statutes, to provide a defined benefit pension plan for participating public employees. The FRS was amended in 1998 to add the Deferred Retirement Option Program under the defined benefit plan and amended in 2000 to provide a defined contribution plan alternative to the defined benefit plan for FRS members effective July 1, 2002. This integrated defined contribution pension plan is the FRS Investment Plan. Chapter 112, Florida Statutes, established the Retiree Health Insurance Subsidy (HIS) Program, a cost-sharing multiple-employer defined benefit pension plan, to assist retired members of any State-administered retirement system in paying the costs of health insurance.

Essentially all regular employees of the County are eligible to enroll as members of the State-administered FRS. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions and benefits are defined and described in detail. Such provisions may be amended at any time by the Florida Legislature. The FRS is a single retirement system administered by the Florida Department of Management Services, Division of Retirement, and consists of the two cost sharing, multiple employer defined benefit plans and other nonintegrated programs. A comprehensive annual financial report of the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from the Florida Department of Management Services' web site (**www.dms.myflorida.com**).

The County's pension expense totaled $37,906,261 for both the FRS Pension Plan and HIS Plan for the year ended September 30, 2016.

NOTE 8 – DEFINED BENEFIT PENSION PLANS – CONTINUED

FLORIDA RETIREMENT SYSTEM PENSION PLAN

PLAN DESCRIPTION

The Florida Retirement System Pension Plan (FRS Plan) is a cost-sharing multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program (DROP) for eligible employees. The general classes of membership are as follows:

Regular Class – Members of the FRS who do not qualify for membership in the other classes.

Elected County Officers Class – Members who hold specified elective offices in local government.

Senior Management Service Class (SMSC) – Members in senior management level positions.

Special Risk Class – Members who are special risk employees, such as law enforcement officers, meet the criteria to qualify for this class.

Employees enrolled in the FRS Plan prior to July 1, 2011, vest at 6 years of creditable service and employees enrolled in the FRS Plan on or after July 1, 2011, vest at 8 years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62 or at any age after 30 years of service, except for members classified as special risk who are eligible for normal retirement benefits at age 55 or at any age after 25 years of service. All members enrolled in the FRS Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service, except for members classified as special risk who are eligible for normal retirement benefits at age 60 or at any age after 30 years of service. Employees enrolled in the FRS Plan may include up to 4 years of credit for military service toward creditable service. The FRS Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The FRS Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments to eligible participants.

DROP, subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the FRS Plan to defer receipt of monthly benefit payments while continuing employment with an FRS participating employer. An employee may participate in DROP for a period not to exceed 60 months after electing to participate, except that certain instructional personnel may participate for up to 96 months. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest. The net pension liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits.

BENEFITS PROVIDED

Benefits under the FRS Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the 5 highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the 8 highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement class to which the member belonged when the service credit was earned. Members are eligible for in-line-of-duty or regular disability and survivors' benefits.

NOTE 8 – DEFINED BENEFIT PENSION PLANS – CONTINUED

The following chart shows the percentage value for each year of service credit earned:

Class, Initial Enrollment and Retirement Age/Years of Service:	% Value (per year of service)
Regular Class members initially enrolled before July 1, 2011	
Retirement up to age 62 or up to 30 years of service	1.60
Retirement up to age 63 or with 31 years of service	1.63
Retirement up to age 64 or with 32 years of service	1.65
Retirement up to age 65 or with 33 or more years of service	1.68
Regular Class members initially enrolled on or after July 1, 2011	
Retirement up to age 65 or up to 33 years of service	1.60
Retirement up to age 66 or with 34 years of service	1.63
Retirement up to age 67 or with 35 years of service	1.65
Retirement up to age 68 or with 36 or more years of service	1.68
Elected County Officers	3.00
Senior Management Service Class	2.00
Special Risk Regular	
Service from December 1, 1970, through September 30, 1974	2.00
Service on and after October 1, 1974	3.00

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the FRS before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3 percent per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3 percent determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3 percent. FRS Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

CONTRIBUTIONS

The Florida Legislature establishes contribution rates for participating employers and employees. Effective July 1, 2011, all FRS Plan members (except those in DROP) are required to make 3% employee contributions on a pretax basis. The employer contribution rates by job class for the periods from October 1, 2015 through June 30, 2016 and from July 1, 2016 through September 30, 2016, respectively, were as follows: Regular employees-7.26% and 7.52%; County Elected Officials-42.27% and 42.47%; Senior Management Services-21.43% and 21.77%; and DROP participants-12.88% and 12.99%. The County's contributions to the FRS Plan were $20,563,824 for the year ended September 30, 2016.

PENSION COSTS

At September 30, 2016, the County reported a liability of $195,167,590 for its proportionate share of the FRS Plan's net pension liability. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2016. The County's proportion of the net pension liability was based on the County's contributions received by FRS during the measurement period for employer payroll paid dates from July 1, 2015, through June 30, 2016, relative to the total employer contributions received from all of FRS's participating employers. At June 30, 2016, the County's proportion was 0.772939%, which was an increase of 0.036832% from its proportion measured as of June 30, 2015.

NOTE 8 – DEFINED BENEFIT PENSION PLANS – CONTINUED

For the year ended September 30, 2016, the County recognized pension expense of $31,295,717 for its proportionate share of FRS's pension expense. In addition, the County reported its proportionate share of FRS's deferred outflows of resources and deferred inflows of resources from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Economic Experience	$ 14,943,531	$ 1,817,142
Changes in Actuarial Assumptions	11,807,054	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	50,448,442	-
Changes in Proportion and Differences Between County Contributions and Proportionate Share of Contributions	9,135,750	1,558,370
County Contributions Subsequent to the Measurement Date	5,922,271	-
Total	$ 92,257,048	$ 3,375,512

Deferred outflows of resources related to pensions of $5,922,271, resulting from County contributions to the FRS Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended September 30, 2017. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized as an increase in pension expense as follows:

Year Ended September 30	Amount
2017	$ 11,920,278
2018	11,920,278
2019	31,588,212
2020	22,157,963
2021	4,076,857
Thereafter	1,295,677

ACTUARIAL ASSUMPTIONS

The total pension liability in the July 1, 2016, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.60% per year
Salary Increases	3.25%, Average, Including Inflation
Investment Rate of Return	7.60%, Net of Pension Plan Investment Expense

Mortality rates were based on the Generational RP-2000 with Projection Scale BB. The actuarial assumptions used in the July 1, 2016, valuation were based on the results of an actuarial experience study for the period July 1, 2008, through June 30, 2013.

The long-term expected rate of return on pension plan investments was not based on historical returns, but instead is based on a forward-looking capital market economic model. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes an adjustment for the inflation assumption.

NOTE 8 – DEFINED BENEFIT PENSION PLANS – CONTINUED

The target allocation, as outlined in the FRS Plan's investment policy, and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.0%	3.0%	3.0%	1.7%
Fixed income	18.0%	4.7%	4.6%	4.6%
Global equity	53.0%	8.1%	6.8%	17.2%
Real estate (property)	10.0%	6.4%	5.8%	12.0%
Private Equity	6.0%	11.5%	7.8%	30.0%
Strategic investments	12.0%	6.1%	5.6%	11.1%
Totals	100.0%			
Assumed Inflation - Mean		2.6%		1.9%

DISCOUNT RATE

The discount rate used to measure the total pension liability was 7.60% for the FRS Plan. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rate specified in statute. Based on that assumption, each of the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

PENSION LIABILITY SENSITIVITY

The following presents the County's proportionate share of the net pension liability for the FRS Plan, calculated using the discount rate disclosed in the preceding paragraph, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate one percentage point lower or one percentage point higher than the current discount rate:

Description	1% Decrease in Discount Rate	Current Discount Rate	1% Increase in Discount Rate
FRS Plan Discount Rate	6.60%	7.60%	8.60%
County's Proportionate Share of the FRS Plan Net Pension Liability	$ 359,316,745	$ 195,167,590	$ 58,535,096

PENSION PLAN FIDUCIARY NET POSITION

Detailed information about the FRS Plan's fiduciary's net position is available in a separately-issued FRS Pension Plan and Other State-Administered Systems Comprehensive Annual Financial Report. That report may be obtained through the Florida Department of Management Services website at **www.dms.myflorida.com**.

RETIREE HEALTH INSURANCE SUBSIDY PROGRAM

PLAN DESCRIPTION

The Retiree Health Insurance Subsidy Program (HIS Plan) is a cost-sharing multiple-employer defined benefit pension plan established under Section 112.363, Florida Statutes, and may be amended by the Florida Legislature at any time. The benefit is a monthly payment to assist retirees of State-administered retirement systems in paying their health insurance costs and is administered by the Florida Department of Management Services, Division of Retirement.

NOTE 8 – DEFINED BENEFIT PENSION PLANS – CONTINUED

BENEFITS PROVIDED

For the fiscal year ended June 30, 2016, eligible retirees and beneficiaries received a monthly HIS payment of $5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of $30 and a maximum HIS payment of $150 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

CONTRIBUTIONS

The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. The FRS contribution rates include a 1.66% HIS Plan subsidy for the periods October 1, 2015 through June 30, 2016 and from July 1, 2016 through September 30, 2016, pursuant to Section 112.363, Florida Statues. The County contributed 100 percent of its statutorily required contributions for the current and preceding 3 years. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled. The County's contributions to the HIS Plan were $3,415,537 for the year ended September 30, 2016.

PENSION COSTS

At September 30, 2016, the County reported a liability of $75,244,385 for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2016. The County's proportion of the net pension liability was based on the County's contributions received during the measurement period for employer payroll paid dates from July 1, 2015, through June 30, 2016, relative to the total employer contributions received from all participating employers. At June 30, 2016, the County's proportion was 0.645620%, which was an increase of 0.002637% from its proportion measured as of June 30, 2015.

For the year ended September 30, 2016, the County recognized pension expense of $6,610,544 for its proportionate share of HIS's pension expense. In addition, the County reported its proportionate share of HIS's deferred outflows of resources and deferred inflows of resources from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Economic Experience	$ -	$ 171,379
Changes in Actuarial Assumptions	11,807,758	-
Net Difference Between Projected and Actual Earnings on HIS Program Investments	38,044	-
Changes in Proportion and Differences Between County Contributions and Proportionate Share of Contributions	2,828,235	982,487
County Contributions Subsequent to the Measurement Date	849,168	-
Total	$ 15,523,205	$ 1,153,866

NOTE 8 – DEFINED BENEFIT PENSION PLANS – CONTINUED

Deferred outflows of resources related to pensions of $849,168, resulting from County contributions to the HIS Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended September 30, 2017. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized as an increase in pension expense as follows:

Year Ended September 30	Amount
2017	$ 2,449,206
2018	2,449,206
2019	2,441,962
2020	2,438,484
2021	2,114,861
Thereafter	1,626,452

ACTUARIAL ASSUMPTIONS

The total pension liability in the July 1, 2016, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.60% per year
Salary Increases	3.25%, Average, Including Inflation
Municipal Bond Rate	2.85%

Mortality rates were based on the Generational RP-2000 with Projection Scale BB. The actuarial assumptions used in the July 1, 2016, valuation were based on the results of an actuarial experience study for the period July 1, 2008, through June 30, 2013.

DISCOUNT RATE

The discount rate used to measure the total pension liability was 2.85% for the HIS Plan. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

PENSION LIABILITY SENSITIVITY

The following presents the County's proportionate share of the net pension liability for the HIS Plan, calculated using the discount rate disclosed in the preceding paragraph, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate one percentage point lower or one percentage point higher than the current discount rate:

Description	1% Decrease in Discount Rate	Current Discount Rate	1% Increase in Discount Rate
HIS Plan Discount Rate	1.85%	2.85%	3.85%
County's Proportionate Share of the HIS Plan Net Pension Liability	$ 86,322,403	$ 75,244,385	$ 66,050,232

NOTE 8 – DEFINED BENEFIT PENSION PLANS – CONTINUED

PENSION PLAN FIDUCIARY NET POSITION

Detailed information about the HIS Plan's fiduciary's net position is available in a separately-issued FRS Pension Plan and Other State-Administered Systems Comprehensive Annual Financial Report. That report may be obtained through the Florida Department of Management Services website at **www.dms.myflorida.com**.

NOTE 9 – DEFINED CONTRIBUTION PLAN

The Florida State Board of Administration (SBA) administers the defined contribution plan officially titled the FRS Investment Plan (Investment Plan). The Investment Plan is reported in the SBA's annual financial statements and in the State of Florida Comprehensive Annual Financial Report. As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. County employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.), as the FRS defined benefit plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering the plan, including the FRS Financial Guidance Program, are funded through an employer contribution of .04% of payroll from July 1, 2015 to June 30, 2016 and .06% of payroll from July 1, 2016 to June 30, 2017 in addition to forfeited benefits of plan members. The County's Investment Plan pension expense totaled $3,589,697 for the year ended September 30, 2016.

For all membership classes, employees are immediately vested in their own contributions and are vested after 1 year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Non-vested employer contributions are placed in a suspense account for up to 5 years. If the employee returns to FRS-covered employment within the 5-year period, the employee will regain control over their account. If the employee does not return within the 5-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended June 30, 2016, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the County.

After termination and applying to receive benefits, the member may rollover vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lump-sum distribution, leave the funds invested for future distribution, or any combination of these options. Disability coverage is provided; the member may either transfer the account balance to the FRS Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the FRS Pension Plan, or remain in the Investment Plan and rely upon that account balance for retirement income.

NOTE 10 – TRANSFERS

Transfers between funds were used to (1) move revenues from the fund that statute or budget requires they be collected in to the fund that statute or budget requires they be expended from, (2) move receipts restricted to debt service to the debt service fund as payments become due and (3) use unrestricted revenues collected in the General Fund to finance operating and capital programs accounted for in other funds in accordance with budgetary authorizations.

Transfers for the year ended September 30, 2016 were as follows:

Transfers from Fund	Transfers to Fund	Amount
Governmental Activities:		
General Fund	Nonmajor Governmental Funds	$ 59,200,873
	Solid Waste Disposal	42,500
	Emergency Medical Services	15,786,000
	Nonmajor Business-type	2,737,317
	Internal Service Funds	651,000
Bayshore Gateway CRA	Nonmajor Governmental Funds	858,500
Nonmajor Governmental Funds	General Fund	3,186,554
	Bayshore Gateway CRA	136,800
	Immokalee CRA	85,000
	Nonmajor Governmental Funds	50,614,243
	County Water and Sewer	14,200
	Nonmajor Business-type	1,769,836
	Internal Service Funds	2,447,000
Business-type Activities:		
County Water and Sewer	General Fund	5,351,100
	Nonmajor Governmental Funds	266,653
	Solid Waste Disposal	138,400
Solid Waste Disposal	General Fund	641,451
	Nonmajor Governmental Funds	983
Nonmajor Business-type	Nonmajor Governmental Funds	34,821
Internal Service Funds	General Fund	1,276,600
Total Operating Transfers		$ 145,239,831

NOTE 11 – NET POSITION/FUND BALANCE CLASSIFICATION

Net position represents the difference between total assets plus deferred outflows of resources and liabilities plus deferred inflows of resources and is categorized as follows:

Net investment in capital assets: Total capital assets, net of debt issued in the acquisition of these assets and net of depreciation is reported separately in the net position section.

Restricted for growth related capital expansion: Impact fees are restricted for growth related capital expansion.

Restricted for transportation capital projects: Gas taxes and other revenues restricted for transportation capital improvements.

Restricted for tourist development: Tourist development tax proceeds are restricted for tourist related activities.

Restricted for Conservation Collier: Balances generated by the former levy of one quarter mill of ad valorem revenues restricted for the maintenance and management of environmentally sensitive land.

NOTE 11 – NET POSITION/FUND BALANCE CLASSIFICATION – CONTINUED

Restricted for community redevelopment: Tax increment revenues generated in the redevelopment areas are restricted for redevelopment purposes.

Restricted for grants: State and federal government grant monies restricted for grant related purposes.

Restricted for debt service: Balances are restricted in conjunction with the issuance of bonds and have been funded by operating transfers from the appropriate funds. The use of monies in the sinking fund is restricted to the payment of principal and interest on long-term debt.

Restricted for nonexpendable purposes – other: Balances are restricted in conjunction with the maintenance and management of certain conservation lands for mitigation purposes.

Restricted for special revenues – other: Balances are restricted for specific uses associated with the revenue collected.

Restricted for renewal and replacement: Balance is restricted in conjunction with the issuance of County Water and Sewer District Bonds. The use of monies in the renewal and replacement fund is restricted to funding the cost of additions, replacement or major repair of water and wastewater capital assets.

Unrestricted: Balances are not restricted for specific purposes.

Governmental funds report fund balances as either spendable or non-spendable. Spendable fund balances are further classified as restricted, committed, assigned or unassigned depending upon the extent to which there are external or internal constraints on the spending of these fund balances.

Non-spendable fund balance: Amounts that are not in spendable form or that are legally or contractually required to be maintained intact. Items that are not spendable also include inventories, prepaid amounts and long term portions of advances, loans and notes receivable.

Spendable fund balance:

Restricted fund balance – Amounts that can be spent only for specific purposes through restrictions placed upon them by external resource providers such as creditors, grantors or contributors; or imposed by law through constitutional provisions or enabling legislation.

Committed fund balance – Amounts that can be spent only for specific purposes determined by the County's highest decision making authority, the Board of County Commissioners, via ordinance. Commitments may be modified or removed by the Board of County Commissioners only by amending the ordinance that created the original commitment.

Assigned fund balance – Amounts that are intended to be spent for specific purposes as determined by the Board of County Commissioners, but that are neither restricted nor committed to the specific purpose.

Unassigned fund balance – Unassigned fund balance is the residual classification for the County's general fund. Amounts in this classification are spendable but have not been deemed restricted, committed or assigned. Unassigned fund balance may also include negative balances for any governmental fund whose expenditures have exceeded the amounts restricted, committed or assigned for those specific purposes.

When both restricted and unrestricted amounts are available, the County spends the restricted amounts first, unless prohibited by law, grant agreements or other contractual arrangement. Further, when committed fund balance is available the County will use it first, followed by assigned fund balance and then unassigned fund balance for purposes in which any of the unrestricted fund balance classifications could be used.

NOTE 11 – NET POSITION/FUND BALANCE CLASSIFICATION – CONTINUED

A detailed schedule of fund balances at September 30, 2016 is as follows:

	General Fund	Bayshore Gateway Community Redevelopment Agency	Immokalee Community Redevelopment Agency	Other Governmental Funds	Total Governmental Funds
Nonspendable:					
Endowments	$ -	$ -	$ -	$ 1,582,800	$ 1,582,800
Advances	563,900	-	-	447,701	1,011,601
Notes	1,597,726	-	-	-	1,597,726
Inventory	1,487,018	-	-	1,024,567	2,511,585
Prepaid costs	26,796	-	-	-	26,796
Total nonspendable fund balance	3,675,440	-	-	3,055,068	6,730,508
Restricted for:					
Community redevelopment	-	10,362,400	87,204	-	10,449,604
Federal and state grants	263,481	-	-	8,511,028	8,774,509
Bond covenants or debt service	-	-	-	9,541,371	9,541,371
Transportation growth related capital	-	-	-	56,862,980	56,862,980
Parks growth related capital expansion	-	-	-	23,125,404	23,125,404
Transportation capital projects	-	-	-	43,873,982	43,873,982
Community development	-	-	-	39,551,787	39,551,787
Transportation operations	-	-	-	2,960,385	2,960,385
Tourist development	-	-	-	65,021,180	65,021,180
Conservation Collier	-	-	-	33,253,360	33,253,360
Emergency 911	-	-	-	3,594,920	3,594,920
Law Enforcement	-	-	-	10,209,383	10,209,383
Fire services growth related capital	-	-	-	71,261	71,261
Government facilities growth capital	-	-	-	2,318,366	2,318,366
Libraries growth related capital	-	-	-	1,098,532	1,098,532
Court functions	-	-	-	7,556,502	7,556,502
Public records modernization	-	-	-	4,825,868	4,825,868
Other purposes	-	-	-	1,508,423	1,508,423
Total restricted fund balance	263,481	10,362,400	87,204	313,884,732	324,597,817
Committed for:					
Special districts	-	-	-	22,177,565	22,177,565
Natural resource management	-	-	-	1,915,391	1,915,391
Utility regulation	-	-	-	1,418,550	1,418,550
Other purposes	-	-	-	557,639	557,639
Total committed fund balance	-	-	-	26,069,145	26,069,145
Assigned for:					
Parks and recreation	-	-	-	5,097,291	5,097,291
General building & improvements	-	-	-	9,252,494	9,252,494
Water management	-	-	-	12,041,456	12,041,456
Libraries	-	-	-	467,044	467,044
Other purposes	1,673,668	-	-	1,785,214	3,458,882
Total assigned fund balance	1,673,668	-	-	28,643,499	30,317,167
Unassigned:	53,960,944	-	-	(88,916)	53,872,028
Total Fund Balances	$ 59,573,533	$ 10,362,400	$ 87,204	$ 371,563,528	$ 441,586,665

NOTE 12 – RISK MANAGEMENT

The County is exposed to various risks of loss related to tort; theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. A self-insurance internal service fund is maintained by the County to administer insurance activities relating to workers' compensation, health and property and casualty, which covers general, property, auto, public official and crime liabilities. The County self-insurance program covers operations of the Board and the constitutional officers, except for the Sheriff. Under these programs, the self-insurance fund provides coverage up to a maximum amount for each claim. The County purchases commercial insurance for claims in excess of coverage provided by the self-insurance fund and for all other covered risks of loss.

Claim Type	County's Coverage	Excess Carrier's Coverage
Property and casualty claims	$50,000 - $500,000 (5% Named Storm)	$50,000 - $75,000,000
Auto liability claims	$300,000	$300,000 - $5,000,000
Employee health claims	$400,000	$400,000 - Unlimited
Workers' compensation claims	$500,000	$500,000 - Statutory

Settled claims have not exceeded the insurance provided by third party carriers in any of the past three years. All divisions of the County, excluding the Sheriff, participate in this program. Charges to operating departments are based upon amounts believed by management to meet the required annual payouts during the fiscal year and to pay for the estimated operating costs of the programs. For the fiscal year ended September 30, 2016 the operating departments were charged $39,516,689 for workers' compensation, health and property and casualty self-insurance programs.

The claims loss reserve for workers' compensation, health and property and casualty of $5,523,170 reported at September 30, 2016 was calculated by third party actuaries based upon GASB Statement 30, *Risk Financing Omnibus*, which requires that a liability for claims be reported when it is probable that a loss has been incurred and the amount of that loss can be reasonably estimated. The estimated liabilities for unpaid losses related to workers' compensation and property and casualty were discounted at 3.5%. It should be noted that the discount rate is an estimate based on the expected rate of return over extended periods. The estimated liabilities for unpaid losses related to health were not discounted as their turnover period is much shorter. Claims loss reserves of $3,904,371 are recorded as current liabilities.

The Sheriff participates in the Statewide Florida Sheriff's Self-Insurance Fund for its professional liability insurance. The fund is managed by representatives of the participating Sheriff offices and provides professional liability insurance to participating Sheriff agencies. The Florida Sheriff's Self-Insurance Fund provides liability insurance coverage subject to the following limitations: $5,000,000 for any one incident or occurrence and $10,000,000 for an annual aggregate per member.

The Sheriff also participates in the Statewide Florida Sheriff's Self-Insurance Fund program for workers' compensation coverage. The Florida Sheriff's Association Workers' Compensation Insurance Trust (FSAWIT) is a limited self-insurance fund providing coverage for the first $500,000 of every claim. Re-insurance is provided through a third party insurer for all claims exceeding $500,000 up to $10,000,000.

Settled claims have not exceeded the insurance provided by third party carriers in any of the past three years.

Premiums charged to participating Sheriffs are based upon amounts believed by Fund management to meet the estimated annual payouts during the fiscal year and to pay for the estimated operating costs of the program. All liabilities associated with these self-insured risks are reported in the basic financial statements of the Statewide Florida Sheriff's Self-Insurance Fund. The Sheriff cannot be additionally assessed for claims paid by the program.

NOTE 12 – RISK MANAGEMENT – CONTINUED

The Sheriff has also established a self-funded employee health plan. An internal service fund is used to account for the activities of the plan. Excess coverage has been purchased which provides specific claim excess coverage for any one incident exceeding $200,000. Payments to the internal service fund are based on actuarial estimates of amounts needed to pay prior year and current year claims including claims incurred but not yet reported.

The claims loss reserve for health of $2,379,000 reported at September 30, 2016 was calculated by third party actuaries based upon GASB Statement 30, *Risk Financing Omnibus*, which requires that a liability for claims be reported when it is probable that a loss has been incurred and the amount of that loss can be reasonably estimated. The entire Sheriff's health claim loss reserve is recorded as a current liability.

CHANGES IN SELF-INSURANCE CLAIMS PAYABLE

Changes in the self-insurance claims payable for fiscal years 2015 and 2016 were as follows for the County and Sheriff self-insurance programs:

	Property and Casualty	Group Health	Workers' Compensation	Total
Balance at September 30, 2014	$ 1,108,635	$ 4,869,000	$ 595,193	$ 6,572,828
Current year claims incurred and changes in estimates	1,004,390	50,779,519	460,864	52,244,773
Claim payments	(1,258,999)	(50,084,519)	(514,649)	(51,858,167)
Balance at September 30, 2015	$ 854,026	$ 5,564,000	$ 541,408	$ 6,959,434
Current year claims incurred and changes in estimates	1,494,744	48,722,181	567,829	50,784,754
Claim payments	(1,154,593)	(48,175,181)	(512,244)	(49,842,018)
Balance at September 30, 2016	$ 1,194,177	$ 6,111,000	$ 596,993	$ 7,902,170

NOTE 13 – OTHER POSTEMPLOYMENT BENEFITS

Plan Description – The County provides post employment healthcare benefits for retirees through a single employer defined benefit plan. The participants of this plan include retirees of the Board of County Commissioners, the Clerk of the Circuit Court and Comptroller, the Property Appraiser, the Tax Collector and the Supervisor of Elections. In accordance with Florida Statute 112.0801, employees who retire and immediately begin receiving benefits from the FRS have the option of paying premiums to continue in the County's health insurance plan at the same group rate as for active employees. The plan does not issue a separate financial report.

The Board of County Commissioners and the Tax Collector administer an additional single-employer defined benefit plan (OPEB Plan) and can amend the benefit provisions. The Board offers an OPEB Plan that subsidizes the cost of health care for its retirees who have at least 60% of eligible accrued sick leave remaining at the time of retirement and have completed 15 years of continuous service with the Board. In addition, the retiree must retire from the Board, be at least 55 years of age or have completed 30 years of service under the Florida Retirement System (FRS) and be eligible to receive an FRS benefit with no break in time. Such employees are eligible to receive a 50% to 100% subsidy toward the cost of coverage under the active plan. A subsidy is currently provided to six retirees. The Tax Collector offers an OPEB plan that subsidizes 100% the cost of health care for employees with 10 years of service, between the ages of 54 and 64 and who exchange 800 hours of sick leave at retirement.

NOTE 13 – OTHER POSTEMPLOYMENT BENEFITS – CONTINUED

At October 1, 2015, the date of the latest actuarial valuation, County plan participation consisted of:

OPEB plan participants	2,107
Retirees receiving benefits	70

Funding Policy - The County has the authority to establish and amend funding policy. For the year ended September 30, 2016, the County contributed $373,477 to the OPEB Plan. No trust or agency fund has been established for the plan.

Annual OPEB Cost and Net OPEB Obligation - The annual cost of the County's OPEB Plan is calculated based on the Annual Required Contribution (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liability over a period not to exceed 30 years. The following table shows the components of the County's annual OPEB Plan cost for the year, the amount actually contributed, and the changes in the net OPEB Plan obligation.

	2016	2015	2014
Annual required contribution (ARC)	$ 825,788	$ 825,046	$ 816,457
Interest on net OPEB obligation	24,782	25,484	25,017
Adjustment to ARC	(40,917)	(42,077)	(41,306)
Annual OPEB cost	809,653	808,453	800,168
Contributions made	(373,477)	(831,869)	(784,612)
Increase (decrease) in net OPEB obligation	436,176	(23,416)	15,556
Net OPEB obligation - beginning of year	826,053	849,469	833,913
Net OPEB obligation - end of year	$ 1,262,229	$ 826,053	$ 849,469
Percentage of annual OPEB cost contributed	46%	103%	98%

Funded Status and Funding Progress - As of September 30, 2015, the OPEB Plan was 0.0% funded and the actuarial accrued liability for benefits was $7,178,976, and the actuarial value of plan assets was $0, resulting in a UAAL of $7,178,976. As of September 30, 2016, the OPEB Plan was 0.0% funded and the actuarial accrued liability for benefits was $7,487,742, and the actuarial value of plan assets was $0, resulting in a UAAL of $7,487,742. The covered payroll (annual payroll of active employees covered by the OPEB Plan) was $125.7 million, and the ratio of the UAAL to the covered payroll was 6%.

Actuarial Methods and Assumptions - Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Calculations for financial reporting purposes are based on the benefits provided under terms of the plan as understood by the employer and the plan members in effect at the time of each valuation and on the pattern of sharing of costs between the employer and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and plan members in the future. Actuarial calculations reflect a long-term perspective. Consistent with that perspective, actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

NOTE 13 – OTHER POSTEMPLOYMENT BENEFITS – CONTINUED

The actuarial methods and assumptions are:

Actuarial cost method	Projected Unit Credit Actuarial Cost
Amortization method	Level Dollar Amount
Amortization period	30 years, Open
Investment rate of return	3%
Discount rate	3%
Inflation rate	3%
Healthcare cost trend rate	6% for the 2017 fiscal year grading to an ultimate rate of 5% for the 2022 fiscal year

Plan Description - The Sheriff administers a single-employer defined benefit plan (OPEB Plan) and can amend the benefit provisions. Prior to 2010, the Sheriff offered an OPEB Plan that subsidizes the cost of health care for its retirees who have 6 years of creditable service with the Sheriff and who receive a monthly retirement benefit from the Florida Retirement System. The Sheriff subsidizes approximately 20% for both single and family coverage for qualifying individuals. In 2010, the subsidy was no longer made available to eligible retirees who chose to continue their health insurance coverage. Approximately 46% of retirees receive the subsidy. Additionally, in accordance with Florida Statute 112.0801, Sheriff's employees who retire and immediately begin receiving benefits from the FRS have the option of paying premiums to continue in the Sheriff's health insurance plan at the same group rate as for active employees. The plan does not issue a separate financial report.

At October 1, 2016, the date of the latest actuarial valuation, Sheriff plan participation consisted of:

OPEB plan participants	1,105
Retirees receiving benefits	106

Funding Policy - The Sheriff has the authority to establish and amend funding policy. For the year ended September 30, 2016, the Sheriff contributed $818,021 to the OPEB Plan. No trust or agency fund has been established for the plan.

Annual OPEB Cost and Net OPEB Obligation - The annual cost of the Sheriff's OPEB Plan is calculated based on the Annual Required Contribution (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liability over a period not to exceed 30 years. The following table shows the components of the Sheriff's annual OPEB Plan cost for the year, the amount actually contributed, and the changes in the net OPEB Plan obligation.

	2016	2015	2014
Annual required contribution (ARC)	$ 1,305,135	$ 1,262,077	$ 1,138,923
Interest on net OPEB obligation	65,043	50,437	40,348
Adjustment to ARC	(107,393)	(83,277)	(66,618)
Annual OPEB cost	1,262,785	1,229,237	1,112,653
Contributions made	(818,021)	(742,376)	(776,332)
Increase in net OPEB obligation	444,764	486,861	336,321
Net OPEB obligation - beginning of year	2,168,099	1,681,238	1,344,917
Net OPEB obligation - end of year	$ 2,612,863	$ 2,168,099	$ 1,681,238
Percentage of annual OPEB cost contributed	65%	60%	70%

NOTE 13 – OTHER POSTEMPLOYMENT BENEFITS – CONTINUED

Funded Status and Funding Progress - As of September 30, 2015, the OPEB Plan was 0.0% funded, the actuarial accrued liability for benefits was $15,133,114, and the actuarial value of assets was $0, resulting in a UAAL of $15,133,114. As of September 30, 2016, the OPEB Plan was 0.0% funded, the actuarial accrued liability for benefits was $15,684,350, and the actuarial value of assets was $0, resulting in a UAAL of $15,684,350. The covered payroll (annual payroll of active employees covered by the OPEB Plan) was $122.9 million, and the ratio of the UAAL to the covered payroll was 12.8%.

Actuarial Methods and Assumptions - Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Calculations for financial reporting purposes are based on the benefits provided under terms of the plan as understood by the employer and the plan members in effect at the time of each valuation and on the pattern of sharing of costs between the employer and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and plan members in the future. Actuarial calculations reflect a long-term perspective. Consistent with that perspective, actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

The actuarial methods and assumptions are:

Actuarial cost method	Projected Unit Credit Actuarial Cost
Amortization method	Level Dollar Amount
Amortization period	30 years, Closed
Investment rate of return	3%
Discount rate	3%
Inflation rate	3%
Healthcare cost trend rate	8% for the 2017 fiscal year grading to an ultimate rate of 5% for the 2023 fiscal year

NOTE 14 – LANDFILL LIABILITY

On May 1, 1995 the County entered into a landfill operating agreement with a third party for the privatization of the County's landfill operations. Under the contract, the third party is responsible for the daily operations, capital improvements, closure, postclosure and financial assurance requirements of the active cells within the Naples and Immokalee landfill sites. Collier County is responsible for the postclosure costs relating to portions of the Naples and Immokalee landfill sites. None of the cells that Collier County is responsible for has accepted waste since December 1989. The County is also responsible for staffing and operating the scale house at each site.

In accordance with U.S. Environmental Protection Agency rule *Solid Waste Disposal and Facility Criteria* and GASB Statement 18, *Accounting for Municipal Solid Waste Landfill Closure and Postclosure Care Costs*, a liability has been established representing amounts estimated to be spent on postclosure relating to cells for which Collier County is responsible. The County's estimated liability in connection with the landfills is included in the proprietary funds statement of net position. The landfill liability will be reassessed on an annual basis, and any increase due to inflation, changes in technology or additional postclosure care requirements will be recorded as a current cost.

NOTE 15 – SIGNIFICANT CONTINGENCIES

LITIGATION

The County is involved as defendant or plaintiff in certain litigation and claims arising in the ordinary course of operations. In the opinion of County legal counsel, the range of potential recoveries or liabilities, other than as disclosed here, will not materially affect the financial position of the County.

The Board has been named as a defendant in three related lawsuits, styled *Francis Hussey, et al v. Collier County*, Case No. 08-6933-CA; *Board of County Commissioners v. Francis D. Hussey, et al.*, Case No. 08-6988-CA consolidated with 08-6933-CA; and *Sean Hussey, et al. v. Collier County, et al.*, Case No. 08-7025-CA. On September 11, 2008, the Plaintiffs, Francis D. Hussey, Jr. and Mary P. Hussey, husband and wife, and Winchester Lakes Corporation, a Florida corporation, filed an inverse condemnation suit seeking monetary damages from Collier County, Florida, the Honorable Charlie Crist, the Governor of the State of Florida and the Florida Department of Community Affairs. The Husseys contend that the designation of certain real property owned by them through a growth management plan amendment adopted in 2002 had the effect of precluding mining activities on their property, thereby resulting in a substantial diminution in value of the real estate, which the Plaintiffs contend to be compensable under Florida law. The complaint alleges current damage claims in the amount of $91,500,000. The Plaintiffs have also presented a claim for "inverse condemnation based on a regulatory taking of plaintiffs' property," in an amount not specified in the complaint. The Wildlife Federation and Collier County Audubon Society were granted leave to intervene in the suit by the Court on April 29, 2009. On July 9, 2009, the Florida Wildlife Federation and Collier County Audubon Society served upon defendants Francis and Mary Hussey a Notice of Intent to Sue over violations of the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.)

On February 1, 2017, the Second District Court of Appeals affirmed an Order (without issuing a written opinion) of the Collier County Circuit Court approving the County's Settlement Agreement with the Husseys, et al. The Circuit Court's order had been appealed by the Florida Wildlife Federation, Inc. and the Collier County Audubon Society, Inc., who had intervened in the lawsuit. The time for any party to file an appeal has passed and as such this case is closed.

Briefly stated, the Settlement Agreement provides as follows:

1) The County will re-designate 578 acres of the Hussey parcel as Receiving Lands in exchange for the re-designation as Sending Lands of the 578 acres of Rural Fringe Receiving Lands owned by the S.R. 846 Land Trust (the "846 land"). This exchange is a net swap. It leaves the identical acreage within the Rural Fringe with a Sending Designation and identical acreage with a Receiving Designation. Collier County will amend the Future Land Use Map designation of these 578 acres accordingly.

2) Within 180 days, Husseys must deed to the County 180 feet of right-of-way for the future Wilson Boulevard Extension (Blackburn Road) along the southern property line of the HHH Ranch. The Owner will receive road impact fee credits for this dedication.

3) The HHH Ranch lands shall be subject to the Preservation and Native Vegetation Retention Standards within CCMA Policies based upon the existing native vegetation as depicted by a FLUCCS Map, which map shall be prepared by the Husseys, subject to County approval. The map shall be prepared and presented for review within 180 days.

No development rights were conferred by this Agreement, and the County was not required to make any payment in the form of damages or otherwise to the Plaintiffs.

NOTE 15 – SIGNIFICANT CONTINGENCIES – CONTINUED

STATE AND FEDERAL GRANTS

Grant monies received and disbursed by the County are for specific purposes and are subject to review by the grantor agencies. Such audits may result in requests for reimbursement due to disallowed expenditures. Based upon prior experience, the County does not believe that such disallowances, if any, would have a material effect on the financial position of the County.

ARBITRAGE REBATE

In accordance with the Tax Reform Act of 1986, any interest earnings on borrowed construction funds in excess of the interest costs incurred are required to be rebated to the federal government. There was no arbitrage rebate liability as of September 30, 2016.

NOTE 16 – SIGNIFICANT COMMITMENTS

Encumbrances represent commitments for future expenditures, based on purchase orders or contracts issued, where the goods or services have been order but not received. Encumbrance commitments do not include construction contracts, as they are included as contract commitments.

Collier County had the following encumbrances as of September 30, 2016:

	Category	Encumbrance Commitments
Governmental Activities:		
General Fund	General Government	$ 614,599
	Economic Environment	130,052
	Human Services	911,322
	Culture and Recreation	16,503
Bayshore Gateway Community Redevelopment Agency	Economic Environment	52,956
Other Governmental Funds	General Government	1,407,833
	Public Safety	4,666,555
	Physical Environment	3,347,610
	Transportation	14,253,220
	Economic Environment	3,878,472
	Human Services	1,455,393
	Culture and Recreation	2,737,206
Business-type Activities:		
Water and Sewer	Utilities	25,637,988
Solid Waste Disposal	Landfill	884,674
Emergency Medical Services	Emergency Medical Services	665,818
Other Enterprise Funds	Airports	163,999
	Mass Transit	1,562,516
Internal Service Funds	General Government	144,744
Total		$ 62,531,460

NOTE 16 – SIGNIFICANT COMMITMENTS – CONTINUED

Collier County has active construction projects as of September 30, 2016. The projects include road construction, governmental facilities and utilities improvements. At year end, the County's commitments with contractors include the following:

	Category	Construction Commitments
Governmental Activities:		
Other Governmental Funds	General Government	$ 1,009,833
	Public Safety	1,241,488
	Physical Environment	5,965,994
	Transportation	33,750,427
	Culture and Recreation	304,610
Business-type Activities:		
Water and Sewer	Utilities	30,266,299
Other Enterprise Funds	Mass Transit	121,294
Total		$ 72,659,945

NOTE 17 – FUND DEFICITS

The following fund had a fund balance deficit at September 30, 2016:

Fund	Amount
Fire Control Districts	$ (88,916)
Total	$ (88,916)

The fund balance deficit is the result of advances from other funds made prior to September 30, 2016. These advances were recorded to ensure repayment of monies loaned primarily for the acquisition of a fire station. County management anticipates that the deficits will be covered by future years' revenues.

NOTE 18 – SUBSEQUENT EVENT

In November of 2016, the Collier County Water and Sewer District (the District) borrowed $89,982,000 from Florida Community Bank, N.A. for purposes of currently refunding all of the District's outstanding State Revolving Fund loans. The final maturity of the loan is July 1, 2029, with an interest rate of 1.80%. The refunding achieved a net present value savings of 4.19% on the refunded bonds and an aggregate debt service savings of $4,611,821.

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REQUIRED SUPPLEMENTARY INFORMATION

REQUIRED SUPPLEMENTARY INFORMATION
COLLIER COUNTY, FLORIDA

SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
FLORIDA RETIREMENT SYSTEM PENSION PLAN
LAST TEN FISCAL YEARS

	2016	2015	2014
County's Proportion of the Net Pension Liability	0.772938545%	0.736106708%	0.703655077%
County's Proportionate Share of the Net Pension Liability	$ 195,167,590	$ 95,078,054	$ 42,933,306
County's Covered-Employee Payroll *	$ 144,013,741	$ 140,176,971	$ 132,386,835
County's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	135.52%	67.83%	32.43%
Plan Fiduciary Net Position as a Percentage of the total Pension Liability	84.88%	92.00%	96.09%

* Covered payroll is pensionable wages as of the measurement date.

SCHEDULE OF COUNTY CONTRIBUTIONS
FLORIDA RETIREMENT SYSTEM PENSION PLAN
LAST TEN FISCAL YEARS

	2016	2015	2014
Contractually Required Contribution	$ 20,563,824	$ 17,830,147	$ 17,287,796
Contributions in Relation to the Contractually Required Contribution	(20,563,824)	(17,830,147)	(17,287,796)
Contribution Deficiency (Excess)	$ -	$ -	$ -
County's Covered-Employee Payroll FY	$ 148,556,236	$ 139,443,152	$ 133,436,828
Contributions as a Percentage of Covered Employee Payroll	13.84%	12.79%	12.96%

SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
RETIREE HEALTH INSURANCE SUBSIDY PROGRAM
LAST TEN FISCAL YEARS

	2016	2015	2014
County's Proportion of the Net Pension Liability	0.645620406%	0.642983194%	0.621385755%
County's Proportionate Share of the Net Pension Liability	$ 75,244,385	$ 65,574,171	$ 58,101,084
County's Covered-Employee Payroll *	$ 199,870,915	$ 195,154,275	$ 184,577,284
County's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	37.65%	33.60%	31.48%
Plan Fiduciary Net Position as a Percentage of the total Pension Liability	0.97%	0.50%	0.99%

* Covered payroll is pensionable wages as of the measurement date.

SCHEDULE OF COUNTY CONTRIBUTIONS
RETIREE HEALTH INSURANCE SUBSIDY PROGRAM
LAST TEN FISCAL YEARS

	2016	2015	2014
Contractually Required Contribution	$ 3,415,537	$ 2,614,704	$ 2,131,155
Contributions in Relation to the Contractually Required Contribution	(3,415,537)	(2,614,704)	(2,131,155)
Contribution Deficiency (Excess)	$ -	$ -	$ -
County's Covered-Employee Payroll FY	$ 206,179,415	$ 193,543,352	$ 185,505,694
Contributions as a Percentage of Covered Employee Payroll	1.66%	1.35%	1.15%

Note: Information is required to be presented for 10 years. However, until a full 10-year trend is compiled, the County will present information for only those years for which information is available.

REQUIRED SUPPLEMENTARY INFORMATION
COLLIER COUNTY, FLORIDA
OTHER POST EMPLOYMENT BENEFITS
SCHEDULE OF FUNDING PROGRESS
FOR THE RETIREE HEATH PLAN

Agency	Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) - Unit Credit Actuarial Cost	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
Board and Constitutionals (Non-Sheriff)	10/1/2009	$ -	$ 5,814,470	$ 5,814,470	0%	$ 112,828,491	5.2%
Board and Constitutionals (Non-Sheriff)	10/1/2010	-	5,825,874	5,825,874	0%	105,458,501	5.5%
Board and Constitutionals (Non-Sheriff)	10/1/2011	-	6,564,292	6,564,292	0%	106,554,662	6.2%
Board and Constitutionals (Non-Sheriff)	10/1/2012	-	6,650,672	6,650,672	0%	105,433,555	6.3%
Board and Constitutionals (Non-Sheriff)	10/1/2013	-	7,093,909	7,093,909	0%	102,713,900	6.9%
Board and Constitutionals (Non-Sheriff)	10/1/2014	-	6,977,743	6,977,743	0%	109,906,269	6.3%
Board and Constitutionals (Non-Sheriff)	10/1/2015	-	7,178,976	7,178,976	0%	116,579,554	6.2%
Sheriff	10/1/2009	$ -	$ 14,171,709	$ 14,171,709	0%	$ 123,296,677	11.5%
Sheriff	10/1/2010	-	12,148,033	12,148,033	0%	117,879,632	10.3%
Sheriff	10/1/2011	-	12,018,242	12,018,242	0%	114,185,572	10.5%
Sheriff	10/1/2012	-	13,291,909	13,291,909	0%	108,390,240	12.3%
Sheriff	10/1/2013	-	13,141,022	13,141,022	0%	107,204,015	12.3%
Sheriff	10/1/2014	-	14,207,209	14,207,209	0%	112,902,749	12.6%
Sheriff	10/1/2015	-	15,133,114	15,133,114	0%	117,563,839	12.9%
Sheriff	10/1/2016	-	15,685,350	15,685,350	0%	122,939,572	12.8%

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COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND OTHER SUPPLEMENTAL INFORMATION

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Nonmajor Governmental Funds

Special Revenue Funds

ROAD DISTRICTS – To account for taxes levied and expenditures to carry on all work on roads and bridges in the County except that provided for in capital project funds.

UNINCORPORATED AREA MUNICIPAL SERVICES TAXING DISTRICT – To account for revenues derived from and expanded for the benefit of the unincorporated areas of the County.

COMMUNITY DEVELOPMENT – To account for building permit and development fees to support licensing, permitting and inspection services.

WATER MANAGEMENT AND POLLUTION CONTROL – To account for taxes levied County-wide to provide water resource management and water pollution control.

GRANTS AND SHARED REVENUES – To account for the revenues received from federal, state and local grants.

IMPROVEMENT DISTRICTS – To account for taxes levied within municipal service taxing districts to provide for specified improvements and/or the maintenance of such improvements.

FIRE CONTROL DISTRICTS – To account for taxes levied within municipal service taxing districts for fire prevention and control.

LIGHTING DISTRICTS – To account for taxes levied within municipal service taxing district for street lighting.

911 ENHANCEMENT FEE – To account for fees levied on each telephone access line in the County for the enhancement of the 911 emergency telephone system.

TOURIST DEVELOPMENT – To account for the 4% tourist development tax.

STATE HOUSING INITIATIVE PARTNERSHIP – To account for state revenues received to provide affordable residential housing for very low to moderate income persons and those who have special housing needs.

800 MHZ INTERGOVERNMENTAL RADIO COMMUNICATIONS PROGRAM FUND – To account for moving traffic violation surcharges received to fund the County's intergovernmental radio communications program.

STATE COURT ADMINISTRATION – To account for County monies used to fund the operation of the court system.

CONFISCATED PROPERTY – To account for the accumulation and expenditure of proceeds from the sale of property confiscated by the Sheriff.

GAC LAND SALES, ROADS AND CANALS – To account for principal and settlement fees received from a 1977 settlement with GAC Properties, Inc., and interest thereon to be expended for the restoration and maintenance of roads, facilities and drainage improvements in the Golden Gate Estates area.

UTILITY FEE – To account for fees to be used to effectively and efficiently regulate private water and wastewater utilities operating within the unincorporated areas of Collier County and the City of Marco Island.

CONSERVATION COLLIER – To account for the acquisition and management of environmentally sensitive lands.

COURT INFORMATION TECHNOLOGY – To account for the accumulation of resources to enhance and increase access to court information.

COURT SERVICES – To account for the accumulation of revenues associated with the function of the local court system.

UNIVERSITY EXTENSION – To account for fund accumulation to meet the educational goals of the Collier County UF/IFAS extension.

COURT FACILITIES FEE – To account for the accumulation of resources to improve court facilities.

AFFORDABLE HOUSING – To account for fees to be used to provide for affordable housing related projects.

OTHER COURT SPECIAL REVENUE FUNDS – To account for the statutory surcharge on recording documents to be paid to the Clerk of the Circuit Court for modernization.

OTHER PUBLIC SAFETY SPECIAL REVENUE FUNDS – To account for the accumulation of resources for the Sheriff's Inmate Welfare, Federal Equitable Sharing and other statutory revenues paid to the Sheriff to fund various inmate welfare, crime prevention and training programs.

OTHER SPECIAL REVENUE FUNDS – To account for the accumulation of resources for the following programs:

Miscellaneous Florida Statutes Fee Collections
Adoption Awareness
Teen Court
Animal Control
Public Library
Law Library
Freedom Memorial
County Drug Abuse
Euclid and Lakeland Assessment
Legal Aid Society
Law Enforcement Training
Domestic Violence
Juvenile Assessment Center
Driver Education
Crime Prevention

Permanent Fund

RESOURCE RECOVERY PARK ENDOWMENT – To account for the permanent endowment established for the benefit of the County's land conservation program.

Debt Service Funds

RADIO ROAD EAST LIMITED GENERAL OBLIGATION BONDS – To account for the accumulation of resources, surety reserve and payment of interest and principal on the Radio Road East limited general obligation bonds.

CONSERVATION COLLIER LIMITED GENERAL OBLIGATION BONDS – To account for the accumulation of resources and payment of interest and principal on long-term debt incurred for the acquisition of environmentally sensitive lands.

COMMUNITY REDEVELOPMENT TAXABLE NOTE – To account for the accumulation of resources and payment of interest and principal on taxable long-term debt incurred for the acquisition of land in the Bayshore/Gateway Community Redevelopment Agency.

FOREST LAKES LIMITED GENERAL OBLIGATION BONDS – To account for the accumulation of resources and payment of interest and principal on long-term debt incurred on the Forest Lakes Limited General Obligation Bonds.

SPECIAL OBLIGATION REVENUE BONDS – To account for the accumulation of resources and payment of interest and principal on long-term debt incurred in the refinancing of various outstanding variable rate commercial paper loans.

OTHER DEBT SERVICE – To account for the accumulation of resources and payment of interest and principal on variable rate commercial paper loans and special assessment debt incurred in the Naples Park area.

Capital Project Funds

COUNTY-WIDE CAPITAL IMPROVEMENTS – To account for capital projects, designated by the Board of County Commissioners, to be funded by a County-wide one third mil levy.

PARKS IMPROVEMENTS – To account for the expenditure of funds raised specifically for improvements to parks. Projects include land acquisition, design, construction and equipping of certain Community Park sites in the unincorporated areas of the County. Primary funding is ad valorem taxes.

COUNTY-WIDE LIBRARY IMPACT FEES – To account for the receipt and expenditure of library impact fees collected from all qualifying new construction. These impact fees must be used for acquisition of County-wide library facilities.

CORRECTIONAL FACILITIES IMPACT FEES – To account for the receipt and expenditure of correctional facilities impact fees collected from all qualifying new construction. The impact fee must be used for the acquisition/construction of correctional facilities.

EMERGENCY MEDICAL SERVICES IMPACT FEES – To account for the receipt and expenditure of emergency medical service impact fees collected from all qualifying new construction. The impact fees must be used for acquisition/construction of emergency service facilities.

WATER MANAGEMENT – To account for the receipt and expenditure of funds raised specifically for water management purposes. Primary funding is ad valorem taxes.

PARKS IMPACT DISTRICTS – To account for the receipt and expenditure of parks impact fees collected from all qualifying new construction. The impact fees must be used for the acquisition/construction of park facilities.

ROAD IMPACT DISTRICTS – To account for the receipt and expenditure of road impact fees collected from all qualifying new construction. The impact fees must be used for the acquisition/construction of roads.

ROAD CONSTRUCTION – To account for the receipt and expenditure of gas taxes. Projects include, but are not limited to, right-of-way acquisition, design and construction of various transportation improvements.

GOVERNMENT FACILITIES IMPACT FEES – To account for the receipt and expenditure of government facilities impact fees collected from qualifying new construction. The impact fees must be used for the acquisition and construction of government facilities.

LAW ENFORCEMENT IMPACT FEES – To account for the receipt and expenditure of law enforcement impact fees collected from all qualifying new construction. The impact fees must be used for the acquisition and construction of law enforcement related facilities.

ALL TERRAIN VEHICLE PARK – To account for the receipt and expenditure of funds for the creation of an All Terrain Vehicle park.

OTHER CAPITAL PROJECTS – To account for major capital expenditure financed from resources other than proceeds from the issuance of long-term debt and the one third mil levy.

COLLIER COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2016

	Special Revenue Funds				
	Road Districts	Unincorporated Area MSTD	Community Development	Water Management and Pollution Control	Grants and Shared Revenue
ASSETS					
Cash and investments	$ 2,589,520	$ 9,408,936	$ 42,107,483	$ 1,976,074	$ 4,188,320
Cash with fiscal agent	-	-	-	-	-
Receivables:					
Interest	7,046	18,017	61,860	3,763	3,766
Trade, net	37,250	399,536	255	148	4,575
Notes	-	-	-	-	-
Impact Fee	-	-	-	-	-
Special assessments	-	-	-	-	-
Due from other funds	837,000	309,848	500	47,196	811,902
Due from other governments	30,350	380,029	217,822	44,686	7,519,935
Deposits	-	-	-	-	-
Inventory for resale	-	-	-	-	-
Inventory	1,012,224	-	-	12,343	-
Advances to other funds	-	447,701	-	-	-
Prepaid costs	-	-	-	-	-
Total assets	$ 4,513,390	$ 10,964,067	$ 42,387,920	$ 2,084,210	$ 12,528,498
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts payable	$ 243,060	$ 942,670	$ 252,416	$ 69,961	$ 1,943,574
Wages payable	296,185	459,768	553,956	86,515	105,668
Due to other funds	1,515	3,585	-	-	4,670,320
Due to other governments	21	503,937	1,967,976	-	19,476
Unearned revenues	-	413,345	-	-	-
Refundable deposits	-	-	61,785	-	-
Retainage payable	-	-	-	-	1,434,368
Advances from other funds	-	-	-	-	-
Total liabilities	540,781	2,323,305	2,836,133	156,476	8,173,406
Deferred inflows of resources:					
Unavailable revenue	-	-	-	-	39,414
Fund balances (deficits):					
Nonspendable	1,012,224	447,701	-	12,343	-
Restricted	2,960,385	-	39,551,787	-	4,315,678
Committed	-	8,193,061	-	1,915,391	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total fund balances (deficits)	3,972,609	8,640,762	39,551,787	1,927,734	4,315,678
Total liabilities, deferred inflows of resources and fund balances (deficits)	$ 4,513,390	$ 10,964,067	$ 42,387,920	$ 2,084,210	$ 12,528,498

See accompanying independent auditor's report

Special Revenue Funds							
Improvement Districts	Fire Control Districts	Lighting Districts	911 Enhancement Fee	Tourist Development	State Housing Initiative Partnership	800 MHz ICRP Fund	State Court Administration
$ 13,413,501	$ 491,989	$ 1,331,568	$ 3,095,934	$ 58,658,851	$ 1,444,214	$ 76,995	$ 276,894
-	-	-	-	-	-	-	-
21,218	1,425	2,235	4,946	88,406	2,261	202	667
277	381	80	-	802,622	18,050	18,026	94,473
-	-	-	-	-	539,507	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
34,547	27,064	10,940	-	170,668	-	-	-
-	3,254	-	-	8,537,099	2,210,279	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
$ 13,469,543	$ 524,113	$ 1,344,823	$ 3,100,880	$ 68,257,646	$ 4,214,311	$ 95,223	$ 372,034
$ 386,409	$ 46	$ 43,684	$ 40,469	$ 1,397,643	$ 10,005	$ 1,296	$ 1,753
15,307	49,083	4,025	-	80,447	8,956	-	63,377
100,000	-	-	33,978	-	-	-	-
-	-	-	-	1,718,935	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	50	-	-	-
71,637	-	-	-	39,391	-	-	-
208,800	563,900	-	-	-	-	-	-
782,153	613,029	47,709	74,447	3,236,466	18,961	1,296	65,130
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	3,026,433	65,021,180	4,195,350	-	-
12,687,390	-	1,297,114	-	-	-	93,927	306,904
-	-	-	-	-	-	-	-
-	(88,916)	-	-	-	-	-	-
12,687,390	(88,916)	1,297,114	3,026,433	65,021,180	4,195,350	93,927	306,904
$ 13,469,543	$ 524,113	$ 1,344,823	$ 3,100,880	$ 68,257,646	$ 4,214,311	$ 95,223	$ 372,034

COLLIER COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2016

	Special Revenue Funds				
	Confiscated Property	GAC Land Sales, Roads and Canals	Utility Fee	Conservation Collier	Court Information Technology
ASSETS					
Cash and investments	$ 218,550	$ 929,704	$ 1,368,644	$ 33,086,950	$ 1,013,509
Cash with fiscal agent	-	-	-	-	-
Receivables:					
Interest	385	1,398	2,048	49,901	1,752
Trade, net	-	-	55,219	283	71,580
Notes	-	-	-	-	-
Impact Fee	-	-	-	-	-
Special assessments	-	-	-	-	-
Due from other funds	-	-	-	-	-
Due from other governments	-	-	-	-	-
Deposits	-	-	-	-	-
Inventory for resale	-	229,733	-	-	-
Inventory	-	-	-	-	-
Advances to other funds	-	-	-	-	-
Prepaid costs	-	-	-	-	-
Total assets	$ 218,935	$ 1,160,835	$ 1,425,911	$ 33,137,134	$ 1,086,841
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts payable	$ -	$ -	$ 4	$ 11,809	$ 20,327
Wages payable	-	-	7,357	8,728	2,392
Due to other funds	1,893	-	-	-	-
Due to other governments	-	-	-	-	-
Unearned revenues	-	-	-	-	-
Refundable deposits	-	-	-	-	-
Retainage payable	-	-	-	-	-
Advances from other funds	-	-	-	-	-
Total liabilities	1,893	-	7,361	20,537	22,719
Deferred inflows of resources:					
Unavailable revenue	-	-	-	-	-
Fund balances (deficits):					
Nonspendable	-	-	-	-	-
Restricted	217,042	1,160,835	-	33,116,597	1,064,122
Committed	-	-	1,418,550	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total fund balances (deficits)	217,042	1,160,835	1,418,550	33,116,597	1,064,122
Total liabilities, deferred inflows of resources and fund balances (deficits)	$ 218,935	$ 1,160,835	$ 1,425,911	$ 33,137,134	$ 1,086,841

See accompanying independent auditor's report

Special Revenue Funds							
Court Services	University Extension	Court Facilities Fee	Affordable Housing	Other Court Special Revenue Funds	Other Public Safety Revenue Funds	Other Special Revenue Funds	Total Special Revenue Funds
$ 1,530,273	$ 124,727	$ 6,541,568	$ 156,573	$ 4,890,203	$ 4,044,965	$ 1,765,384	$ 194,731,329
-	-	-	-	-	-	-	-
-	188	9,691	235	-	2,531	3,129	287,070
-	-	64,412	-	-	35,529	24,913	1,627,609
-	-	-	-	-	-	-	539,507
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	2,249,665
40,813	-	-	-	19,250	-	-	19,003,517
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	229,733
-	-	-	-	-	-	-	1,024,567
-	-	-	-	-	-	-	447,701
-	-	-	-	-	-	-	-
$ 1,571,086	$ 124,915	$ 6,615,671	$ 156,808	$ 4,909,453	$ 4,083,025	$ 1,793,426	$ 220,140,698
$ 5,472	$ -	$ 17,666	$ -	$ 33,346	$ 14,694	$ 270,548	$ 5,706,852
236,203	-	-	-	50,239	-	2,600	2,030,806
-	-	-	-	-	48,828	-	4,860,119
1,329,411	-	-	-	-	-	-	5,539,756
-	-	-	-	-	-	-	413,345
-	-	-	-	-	-	-	61,835
-	-	105,625	-	-	-	30,995	1,682,016
-	-	-	-	-	-	-	772,700
1,571,086	-	123,291	-	83,585	63,522	304,143	21,067,429
-	-	-	-	-	-	-	39,414
-	-	-	-	-	-	-	1,472,268
-	124,915	6,492,380	-	4,825,868	4,019,503	515,778	170,607,853
-	-	-	156,808	-	-	-	26,069,145
-	-	-	-	-	-	973,505	973,505
-	-	-	-	-	-	-	(88,916)
-	124,915	6,492,380	156,808	4,825,868	4,019,503	1,489,283	199,033,855
$ 1,571,086	$ 124,915	$ 6,615,671	$ 156,808	$ 4,909,453	$ 4,083,025	$ 1,793,426	$ 220,140,698

COLLIER COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2016

	Permanent Fund	Debt Service Fund			
	Resource Recovery Park Endowment	Radio Road East Limited General Obligation Bonds	Conservation Collier Limited General Obligation Bonds	Community Redevelopment Taxable Note	Forest Lakes Limited General Oblibation Bonds
ASSETS					
Cash and investments	$ 1,716,994	$ 110,026	$ 648	$ 128	$ 741,346
Cash with fiscal agent	-	-	-	802,559	-
Receivables:					
Interest	2,569	173	-	-	1,118
Trade, net	-	-	-	-	-
Notes	-	-	-	-	-
Impact Fee	-	-	-	-	-
Special assessments	-	-	-	-	-
Due from other funds	-	630	-	144,609	104,175
Due from other governments	-	-	-	-	-
Deposits	-	-	-	-	-
Inventory for resale	-	-	-	-	-
Inventory	-	-	-	-	-
Advances to other funds	-	-	-	-	-
Prepaid costs	-	-	-	-	-
Total assets	$ 1,719,563	$ 110,829	$ 648	$ 947,296	$ 846,639
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts payable	$ -	$ -	$ -	$ -	$ -
Wages payable	-	-	-	-	-
Due to other funds	-	-	-	-	-
Due to other governments	-	-	-	-	-
Unearned revenues	-	-	-	-	-
Refundable deposits	-	-	-	-	-
Retainage payable	-	-	-	-	-
Advances from other funds	-	-	-	-	-
Total liabilities	-	-	-	-	-
Deferred inflows of resources:					
Unavailable revenue	-	-	-	-	-
Fund balances (deficits):					
Nonspendable	1,582,800	-	-	-	-
Restricted	136,763	110,829	648	947,296	846,639
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total fund balances (deficits)	1,719,563	110,829	648	947,296	846,639
Total liabilities, deferred inflows of resources and fund balances (deficits)	$ 1,719,563	$ 110,829	$ 648	$ 947,296	$ 846,639

See accompanying independent auditor's report

Debt Service Fund			Capital Project Funds				
Special Obligation Revenue Bonds	Other Debt Service	Total Debt Service Funds	County-Wide Capital Improvements	Parks Improvements	Count-Wide Library Impact Fees	Correctional Facilities Impact Fees	Emergency Medical Services Impact Fees
$ 33,261	$ 89,262	$ 974,671	$ 13,601,989	$ 1,851,077	$ 1,102,706	$ 868,723	$ 564,082
11,084,666	-	11,887,225	-	-	-	-	-
515	141	1,947	21,833	3,186	2,141	3,273	1,047
-	47	47	-	4,687	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	201,042	60,421	56,905
-	-	-	-	-	-	-	-
-	-	249,414	-	349,437	-	1,360,000	-
-	-	-	12,389	-	13,755	24,283	5,293
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
$ 11,118,442	$ 89,450	$ 13,113,304	$ 13,636,211	$ 2,208,387	$ 1,319,644	$ 2,316,700	$ 627,327
$ -	$ -	$ -	$ 3,610,426	$ 126,784	$ 20,070	$ -	$ 1,935
-	-	-	-	-	-	-	-
7,950,000	-	7,950,000	6,200	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	767,091	-	-	-	-
-	-	-	-	-	-	-	-
7,950,000	-	7,950,000	4,383,717	126,784	20,070	-	1,935
-	-	-	-	-	201,042	60,421	56,905
-	-	-	-	-	-	-	-
3,168,442	89,450	5,163,304	-	-	1,098,532	2,256,279	568,487
-	-	-	-	-	-	-	-
-	-	-	9,252,494	2,081,603	-	-	-
-	-	-	-	-	-	-	-
3,168,442	89,450	5,163,304	9,252,494	2,081,603	1,098,532	2,256,279	568,487
$ 11,118,442	$ 89,450	$ 13,113,304	$ 13,636,211	$ 2,208,387	$ 1,319,644	$ 2,316,700	$ 627,327

COLLIER COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2016

	Capital Project Funds				
	Water Management	Parks Impact Districts	Road Impact Districts	Road Construction	Government Facilities Impact Fees
ASSETS					
Cash and investments	$ 12,385,367	$ 20,557,907	$ 59,992,553	$ 44,995,802	$ 1,820,948
Cash with fiscal agent	-	-	-	-	-
Receivables:					
Interest	20,021	33,980	92,836	65,473	7,658
Trade, net	-	-	-	147,927	-
Notes	-	-	-	-	-
Impact Fee	-	1,220,416	3,128,471	-	189,487
Special assessments	-	-	-	-	-
Due from other funds	158,409	2,511,000	-	4,171,651	2,405,000
Due from other governments	-	99,838	559,566	1,621,074	40,310
Deposits	-	1,250	-	-	-
Inventory for resale	-	-	-	-	-
Inventory	-	-	-	-	-
Advances to other funds	-	-	-	-	-
Prepaid costs	-	-	-	-	-
Total assets	$ 12,563,797	$ 24,424,391	$ 63,773,426	$ 51,001,927	$ 4,463,403
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts payable	$ 174,276	$ 78,571	$ 2,247,900	$ 1,489,286	$ -
Wages payable	2,949	-	-	108,897	-
Due to other funds	398,027	-	376,775	14,390	-
Due to other governments	-	-	-	1,000,000	-
Unearned revenues	-	-	-	-	-
Refundable deposits	-	-	-	-	-
Retainage payable	238	-	1,157,300	137,305	-
Advances from other funds	-	-	-	-	1,955,550
Total liabilities	575,490	78,571	3,781,975	2,749,878	1,955,550
Deferred inflows of resources:					
Unavailable revenue	-	1,220,416	3,128,471	-	189,487
Fund balances (deficits):					
Nonspendable	-	-	-	-	-
Restricted	-	23,125,404	56,862,980	48,252,049	2,318,366
Committed	-	-	-	-	-
Assigned	11,988,307	-	-	-	-
Unassigned	-	-	-	-	-
Total fund balances (deficits)	11,988,307	23,125,404	56,862,980	48,252,049	2,318,366
Total liabilities, deferred inflows of resources and fund balances (deficits)	$ 12,563,797	$ 24,424,391	$ 63,773,426	$ 51,001,927	$ 4,463,403

See accompanying independent auditor's report

Capital Project Funds				
Law Enforcement Impact Fees	All Terrain Vehicle Park	Other Capital Projects	Total Capital Project Funds	Total Nonmajor Governmental Funds
$ 3,399,342	$ 3,013,795	$ 1,492,072	$ 165,646,363	$ 363,069,357
-	-	-	-	11,887,225
7,199	4,507	2,434	265,588	557,174
-	-	2,387	155,001	1,782,657
-	-	-	-	539,507
69,279	-	-	4,926,021	4,926,021
-	-	4,154	4,154	4,154
523,000	-	1,003	11,479,500	13,978,579
-	-	-	2,376,508	21,380,025
-	-	-	1,250	1,250
-	-	-	-	229,733
-	-	-	-	1,024,567
-	-	-	-	447,701
-	-	-	-	-
$ 3,998,820	$ 3,018,302	$ 1,502,050	$ 184,854,385	$ 419,827,950
$ 374,820	$ 2,614	$ 76,751	$ 8,203,433	$ 13,910,285
-	-	22,136	133,982	2,164,788
-	-	-	795,392	13,605,511
-	-	-	1,000,000	6,539,756
-	-	-	-	413,345
-	-	-	-	61,835
131,267	-	-	2,193,201	3,875,217
-	-	-	1,955,550	2,728,250
506,087	2,614	98,887	14,281,558	43,298,987
69,279	-	-	4,926,021	4,965,435
-	-	-	-	3,055,068
3,423,454	-	71,261	137,976,812	313,884,732
-	-	-	-	26,069,145
-	3,015,688	1,331,902	27,669,994	28,643,499
-	-	-	-	(88,916)
3,423,454	3,015,688	1,403,163	165,646,806	371,563,528
$ 3,998,820	$ 3,018,302	$ 1,502,050	$ 184,854,385	$ 419,827,950

COLLIER COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

	Special Revenue Funds				
	Road Districts	Unincorporated Area MSTD	Community Development	Water Management and Pollution Control	Grants and Shared Revenue
Revenues:					
Taxes	$ -	$ 34,811,695	$ -	$ 1,981,982	$ -
Licenses, permits and impact fees	-	39,065	24,468,105	615	-
Intergovernmental	1,737,615	-	-	-	17,170,282
Charges for services	270,588	3,285,833	3,274,745	334,994	36,646
Fines and forfeitures	-	311,177	-	-	-
Interest income	26,785	163,208	358,135	32,178	27,855
Special assessments	-	-	-	3,219,735	-
Miscellaneous	66,275	253,769	50,039	2,471	935,967
Total revenues	2,101,263	38,864,747	28,151,024	5,571,975	18,170,750
Expenditures:					
Current:					
General government	-	6,327,837	6,682,858	-	689,365
Public safety	-	4,279,501	13,616,516	-	2,211,027
Physical environment	-	717,169	1,187,888	3,063,119	374,309
Transportation	15,272,508	6,973,391	357,834	2,110,610	42,089
Economic environment	-	56,660	-	-	4,905,336
Human services	-	-	-	-	2,961,501
Culture and recreation	-	11,889,352	-	-	221,349
Debt service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Fiscal charges	-	-	-	-	-
Capital outlay	290,808	522,007	169,852	462,363	12,255,333
Total expenditures	15,563,316	30,765,917	22,014,948	5,636,092	23,660,309
Excess (deficit) of revenues over (under) expenditures	(13,462,053)	8,098,830	6,136,076	(64,117)	(5,489,559)
Other financing sources (uses):					
Sale of capital assets	-	1,400	29	18,102	-
Insurance proceeds	239,077	38,981	530	16,000	-
Transfers in	16,280,100	1,462,090	877,800	47,197	6,297,176
Transfers out	(2,750,600)	(9,719,992)	(1,259,964)	(233,594)	(987)
Total other financing sources (uses)	13,768,577	(8,217,521)	(381,605)	(152,295)	6,296,189
Net change in fund balances	306,524	(118,691)	5,754,471	(216,412)	806,630
Fund balances at beginning of year	3,666,085	8,759,453	33,797,316	2,144,146	3,509,048
Fund balances (deficits) at end of year	$ 3,972,609	$ 8,640,762	$ 39,551,787	$ 1,927,734	$ 4,315,678

See accompanying independent auditor's report

Special Revenue Funds							
Improvement Districts	Fire Control Districts	Lighting Districts	911 Enhancement Fee	Tourist Development	State Housing Initiative Partnership	800 MHz ICRP Fund	State Court Administration
$ 3,721,514	$ 2,837,328	$ 1,296,327	$ -	$ 21,838,332	$ -	$ -	$ -
-	-	-	-	-	-	-	-
-	-	-	1,834,390	568,862	2,210,279	-	-
183,223	54,722	-	-	11,364	-	420,780	296,050
-	-	-	-	-	-	-	947,235
132,519	10,996	14,874	29,901	510,541	16,790	794	3,180
5,502	-	-	-	-	-	-	-
664,765	2,040	9,729	60	88,992	438,662	136,759	10,847
4,707,523	2,905,086	1,320,930	1,864,351	23,018,091	2,665,731	558,333	1,257,312
-	-	-	-	-	-	-	975,740
-	2,987,912	-	1,747,143	-	-	1,190,588	1,464,585
1,988,443	-	-	-	4,506,366	-	-	-
1,184,640	-	1,069,231	-	-	-	-	-
-	-	-	-	-	1,453,984	-	-
-	-	-	-	-	-	-	-
832,094	-	-	-	11,504,475	-	-	-
-	21,897	-	-	-	-	-	-
-	7,805	-	-	-	-	-	-
-	-	-	-	-	-	-	-
368,752	20,294	-	396,342	735,523	-	-	-
4,373,929	3,037,908	1,069,231	2,143,485	16,746,364	1,453,984	1,190,588	2,440,325
333,594	(132,822)	251,699	(279,134)	6,271,727	1,211,747	(632,255)	(1,183,013)
-	-	-	-	-	-	-	-
17,786	-	6,339	-	-	-	12,727	-
508,047	592,163	10,940	-	170,032	-	673,500	1,361,400
(688,057)	(94,029)	(85,734)	-	(1,063,667)	-	-	(39,300)
(162,224)	498,134	(68,455)	-	(893,635)	-	686,227	1,322,100
171,370	365,312	183,244	(279,134)	5,378,092	1,211,747	53,972	139,087
12,516,020	(454,228)	1,113,870	3,305,567	59,643,088	2,983,603	39,955	167,817
$ 12,687,390	$ (88,916)	$ 1,297,114	$ 3,026,433	$ 65,021,180	$ 4,195,350	$ 93,927	$ 306,904

COLLIER COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

	Special Revenue Funds				
	Confiscated Property	GAC Land Sales, Roads and Canals	Utility Fee	Conservation Collier	Court Information Technology
Revenues:					
Taxes	$ -	$ -	$ 261,037	$ 4,312	$ -
Licenses, permits and impact fees	-	-	-	-	-
Intergovernmental	-	-	-	14,700	-
Charges for services	-	-	100,350	570	863,982
Fines and forfeitures	9,760	-	-	-	-
Interest income	2,645	8,363	11,835	302,410	10,324
Special assessments	-	-	-	-	-
Miscellaneous	-	-	-	78,476	-
Total revenues	12,405	8,363	373,222	400,468	874,306
Expenditures:					
Current:					
General government	-	-	-	-	763,972
Public safety	67,000	-	-	-	43,205
Physical environment	-	-	247,764	580,258	-
Transportation	-	-	-	-	-
Economic environment	-	-	-	-	-
Human services	-	-	-	-	7,001
Culture and recreation	-	13	-	-	-
Debt service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Fiscal charges	-	-	-	-	-
Capital outlay	-	-	23,372	430,636	20,404
Total expenditures	67,000	13	271,136	1,010,894	834,582
Excess (deficit) of revenues over (under) expenditures	(54,595)	8,350	102,086	(610,426)	39,724
Other financing sources (uses):					
Sale of capital assets	-	-	-	-	-
Insurance proceeds	-	-	-	-	-
Transfers in	-	-	-	64,980	-
Transfers out	(57,745)	-	-	(7)	-
Total other financing sources (uses)	(57,745)	-	-	64,973	-
Net change in fund balances	(112,340)	8,350	102,086	(545,453)	39,724
Fund balances at beginning of year	329,382	1,152,485	1,316,464	33,662,050	1,024,398
Fund balances (deficits) at end of year	$ 217,042	$ 1,160,835	$ 1,418,550	$ 33,116,597	$ 1,064,122

See accompanying independent auditor's report

Special Revenue Funds							
Court Services	University Extension	Court Facilities Fee	Affordable Housing	Other Court Special Revenue Funds	Other Public Safety Revenue Funds	Other Special Revenue Funds	Total Special Revenue Funds
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 66,752,527
-	-	-	-	-	-	7,894	24,515,679
310,321	-	-	-	19,250	-	-	23,865,699
6,263,767	20,778	-	-	1,500,055	954,131	293,189	18,165,767
-	-	900,299	-	-	56,756	80,539	2,305,766
12,146	1,122	60,972	1,414	11,159	21,801	25,306	1,797,253
-	-	-	-	-	-	-	3,225,237
-	-	-	-	-	82,486	159,021	2,980,358
6,586,234	21,900	961,271	1,414	1,530,464	1,115,174	565,949	143,608,286
6,586,234	-	428,322	-	1,611,974	-	179,378	24,245,680
-	-	-	-	-	1,026,098	130,600	28,764,175
-	16,432	-	-	-	-	-	12,681,748
-	-	-	-	-	-	-	27,010,303
-	-	-	-	-	-	-	6,415,980
-	-	-	-	-	-	172,472	3,140,974
-	-	-	-	-	-	77,695	24,524,978
-	-	-	-	-	-	-	21,897
-	-	-	-	-	-	-	7,805
-	-	-	-	-	-	-	-
-	1,372	849,331	-	2,423	11,819	1,607,210	18,167,841
6,586,234	17,804	1,277,653	-	1,614,397	1,037,917	2,167,355	144,981,381
-	4,096	(316,382)	1,414	(83,933)	77,257	(1,601,406)	(1,373,095)
-	-	-	-	-	-	-	19,531
-	-	-	-	-	-	-	331,440
-	-	-	-	-	250,000	86,000	28,681,425
-	-	-	-	-	-	-	(15,993,676)
-	-	-	-	-	250,000	86,000	13,038,720
-	4,096	(316,382)	1,414	(83,933)	327,257	(1,515,406)	11,665,625
-	120,819	6,808,762	155,394	4,909,801	3,692,246	3,004,689	187,368,230
$ -	$ 124,915	$ 6,492,380	$ 156,808	$ 4,825,868	$ 4,019,503	$ 1,489,283	$ 199,033,855

COLLIER COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

	Permanent Fund	Debt Servive Fund			
	Resource Recovery Park Endowment	Radio Road East Limited General Obligation Bonds	Conservation Collier Limited General Obligation Bonds	Community Redevelopment Taxable Note	Forest Lakes Limited General Oblibation Bonds
Revenues:					
Taxes	$ -	$ 68,126	$ 84	$ -	$ 413,620
Licenses, permits and impact fees	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-
Interest income	15,354	1,148	2	2,357	7,416
Special assessments	-	-	-	-	-
Miscellaneous	250	-	-	-	-
Total revenues	15,604	69,274	86	2,357	421,036
Expenditures:					
Current:					
General government	-	29	11	-	-
Public safety	-	-	-	-	-
Physical environment	9,093	-	-	-	-
Transportation	-	-	-	-	-
Economic environment	-	-	-	-	-
Human services	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Debt service					
Principal	-	52,434	-	503,856	425,000
Interest	-	12,646	-	237,894	130,775
Fiscal charges	-	2,584	-	111	2,957
Capital outlay	2,996	-	-	-	-
Total expenditures	12,089	67,693	11	741,861	558,732
Excess (deficit) of revenues over (under) expenditures	3,515	1,581	75	(739,504)	(137,696)
Other financing sources (uses):					
Sale of capital assets	-	-	-	-	-
Insurance proceeds	-	-	-	-	-
Transfers in	-	630	-	858,500	104,175
Transfers out	-	(2,030)	(64,980)	-	(13,215)
Total other financing sources (uses)	-	(1,400)	(64,980)	858,500	90,960
Net change in fund balances	3,515	181	(64,905)	118,996	(46,736)
Fund balances at beginning of year	1,716,048	110,648	65,553	828,300	893,375
Fund balances (deficits) at end of year	$ 1,719,563	$ 110,829	$ 648	$ 947,296	$ 846,639

See accompanying independent auditor's report

Debt Servive Fund			Capital Project Funds				
Special Obligation Revenue Bonds	Other Debt Service	Total Debt Service Funds	County-Wide Capital Improvements	Parks Improvements	Count-Wide Library Impact Fees	Correctional Facilities Impact Fees	Emergency Medical Services Impact Fees
$ -	$ 761	$ 482,591	$ -	$ -	$ -	$ -	$ -
-	-	-	-	573,399	1,002,395	1,798,860	451,547
-	-	-	-	-	-	-	-
-	-	-	-	46,180	-	-	-
-	-	-	-	-	-	-	-
21,582	8,791	41,296	97,560	16,366	12,527	15,898	10,331
-	-	-	-	-	-	-	-
-	-	-	28,496	350,182	-	-	-
21,582	9,552	523,887	126,056	986,127	1,014,922	1,814,758	461,878
-	-	40	1,409,617	-	-	-	-
-	-	-	757,116	-	-	472	15,479
-	-	-	46,335	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	30	480,663	17,947	-	-
9,280,000	9,900,000	20,161,290	-	-	-	-	-
9,019,619	3,241,960	12,642,894	-	-	-	-	-
7,757	5,171	18,580	-	-	-	-	-
-	-	-	8,322,769	1,135,534	367,486	-	1,432,835
18,307,376	13,147,131	32,822,804	10,535,867	1,616,197	385,433	472	1,448,314
(18,285,794)	(13,137,579)	(32,298,917)	(10,409,811)	(630,070)	629,489	1,814,286	(986,436)
-	-	-	-	-	-	-	-
-	-	-	25,000	-	-	-	-
18,066,600	13,142,900	32,172,805	17,199,800	1,605,437	585,000	488,800	150,700
-	(754)	(80,979)	(7,143,636)	(331,285)	(1,159,300)	(1,877,400)	(448,000)
18,066,600	13,142,146	32,091,826	10,081,164	1,274,152	(574,300)	(1,388,600)	(297,300)
(219,194)	4,567	(207,091)	(328,647)	644,082	55,189	425,686	(1,283,736)
3,387,636	84,883	5,370,395	9,581,141	1,437,521	1,043,343	1,830,593	1,852,223
$ 3,168,442	$ 89,450	$ 5,163,304	$ 9,252,494	$ 2,081,603	$ 1,098,532	$ 2,256,279	$ 568,487

COLLIER COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

	Capital Project Funds				
	Water Management	Parks Impact Districts	Road Impact Districts	Road Construction	Government Facilities Impact Fees
Revenues:					
Taxes	$ -	$ -	$ -	$ 14,299,859	$ -
Licenses, permits and impact fees	-	9,109,610	18,632,706	30,100	2,955,204
Intergovernmental	-	-	188,009	6,178,381	-
Charges for services	-	-	-	3,224,089	-
Fines and forfeitures	-	-	-	-	-
Interest income	123,447	188,297	550,150	350,601	48,003
Special assessments	385,756	-	-	-	-
Miscellaneous	18	4,752	-	371,854	-
Total revenues	509,221	9,302,659	19,370,865	24,454,884	3,003,207
Expenditures:					
Current:					
General government	-	-	-	-	173,306
Public safety	-	-	-	-	-
Physical environment	663,139	-	-	-	-
Transportation	-	-	289,148	8,443,803	-
Economic environment	-	-	-	-	-
Human services	-	-	-	-	-
Culture and recreation	-	45,023	-	-	-
Debt service					
Principal	-	-	-	-	-
Interest	-	-	-	-	5,270
Fiscal charges	-	-	-	-	-
Capital outlay	4,424,258	1,019,633	12,461,119	4,599,996	1,832,630
Total expenditures	5,087,397	1,064,656	12,750,267	13,043,799	2,011,206
Excess (deficit) of revenues over (under) expenditures	(4,578,176)	8,238,003	6,620,598	11,411,085	992,001
Other financing sources (uses):					
Sale of capital assets	-	-	-	-	-
Insurance proceeds	-	-	-	2,064	-
Transfers in	5,564,403	-	-	17,287,100	4,065,600
Transfers out	(2,262,519)	(2,935,700)	(2,970,003)	(16,004,777)	(5,169,400)
Total other financing sources (uses)	3,301,884	(2,935,700)	(2,970,003)	1,284,387	(1,103,800)
Net change in fund balances	(1,276,292)	5,302,303	3,650,595	12,695,472	(111,799)
Fund balances at beginning of year	13,264,599	17,823,101	53,212,385	35,556,577	2,430,165
Fund balances (deficits) at end of year	$ 11,988,307	$ 23,125,404	$ 56,862,980	$ 48,252,049	$ 2,318,366

See accompanying independent auditor's report

Capital Project Funds				
Law Enforcement Impact Fees	All Terrain Vehicle Park	Other Capital Projects	Total Capital Project Funds	Total Nonmajor Governmental Funds
$ -	$ -	$ -	$ 14,299,859	$ 81,534,977
1,647,065	-	5,563	36,206,449	60,722,128
-	-	-	6,366,390	30,232,089
-	-	-	3,270,269	21,436,036
-	-	-	-	2,305,766
40,640	27,139	12,810	1,493,769	3,347,672
-	-	134,811	520,567	3,745,804
-	-	-	755,302	3,735,910
1,687,705	27,139	153,184	62,912,605	207,060,382
-	-	-	1,582,923	25,828,643
34,326	-	-	807,393	29,571,568
-	-	1,033,431	1,742,905	14,433,746
-	-	-	8,732,951	35,743,254
-	-	-	-	6,415,980
-	-	-	-	3,140,974
-	17,856	44,742	606,261	25,131,239
-	-	-	-	20,183,187
-	-	-	5,270	12,655,969
-	-	-	-	18,580
1,406,113	-	253,901	37,256,274	55,427,111
1,440,439	17,856	1,332,074	50,733,977	228,550,251
247,266	9,283	(1,178,890)	12,178,628	(21,489,869)
-	-	-	-	19,531
-	-	-	27,064	358,504
1,616,400	-	1,558,603	50,121,843	110,976,073
(1,872,700)	-	(4,258)	(42,178,978)	(58,253,633)
(256,300)	-	1,554,345	7,969,929	53,100,475
(9,034)	9,283	375,455	20,148,557	31,610,606
3,432,488	3,006,405	1,027,708	145,498,249	339,952,922
$ 3,423,454	$ 3,015,688	$ 1,403,163	$ 165,646,806	$ 371,563,528

COLLIER COUNTY, FLORIDA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (BUDGETARY BASIS)
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

	Road Disctricts (Budgetary Basis)			Unincorporated Area MSTD (Budgetary Basis)		
	Budget	Actual	Variance	Budget	Actual	Variance
Revenues:						
Taxes	$ -	$ -	$ -	$ 35,827,000	$ 34,811,695	$ (1,015,305)
Licenses, permits and impact fees	-	-	-	212,000	39,065	(172,935)
Intergovernmental	1,561,100	1,737,615	176,515	-	-	-
Charges for services	229,100	270,588	41,488	3,699,900	3,285,833	(414,067)
Fines and forfeitures	-	-	-	340,000	311,177	(28,823)
Interest income	5,000	27,249	22,249	61,100	168,940	107,840
Special assessments	-	-	-	-	-	-
Miscellaneous	23,100	66,275	43,175	179,900	253,769	73,869
Total revenues	1,818,300	2,101,727	283,427	40,319,900	38,870,479	(1,449,421)
Expenditures:						
Current:						
General government	-	-	-	7,084,982	6,325,210	759,772
Public safety	-	-	-	4,458,343	4,279,501	178,842
Physical environment	-	-	-	965,300	717,169	248,131
Transportation	16,532,314	15,165,175	1,367,139	8,177,982	6,973,391	1,204,591
Economic environment	-	-	-	106,300	56,660	49,640
Human services	-	-	-	-	-	-
Culture and recreation	-	-	-	12,741,735	11,889,352	852,383
Debt service	-	-	-	-	-	-
Capital outlay	354,648	290,808	63,840	630,955	522,007	108,948
Total expenditures	16,886,962	15,455,983	1,430,979	34,165,597	30,763,290	3,402,307
Excess (deficit) of revenues over (under) expenditures	(15,068,662)	(13,354,256)	1,714,406	6,154,303	8,107,189	1,952,886
Other financing sources (uses):						
Sale of capital assets	-	-	-	-	1,400	1,400
Insurance proceeds	110,000	239,077	129,077	30,000	38,981	8,981
Transfers in	16,280,100	16,280,100	-	1,550,770	1,660,260	109,490
Transfers out	(2,750,600)	(2,750,600)	-	(9,952,530)	(9,836,962)	115,568
Total other financing sources (uses)	13,639,500	13,768,577	129,077	(8,371,760)	(8,136,321)	235,439
Net change in fund balances	(1,429,162)	414,321	1,843,483	(2,217,457)	(29,132)	2,188,325
Fund balances at beginning of year	1,496,462	1,496,462	-	5,917,684	5,917,684	-
Fund balances (deficits) at end of year	$ 67,300	$ 1,910,783	$ 1,843,483	$ 3,700,227	$ 5,888,552	$ 2,188,325

Reconciliation:		
Net change in fund balance, budgetary basis	$ 414,321	$ (29,132)
Change in fair value of investments	(464)	(5,732)
Ad valorem refunds not budgeted	-	(2,627)
Change in inventory	(107,333)	-
Advances budgeted as transfers	-	(81,200)
Unbudgeted funds	-	-
Net change in fund balance, GAAP basis	$ 306,524	$ (118,691)

See accompanying independent auditor's report

Community Development (Budgetary Basis)			Water Management and Pollution Control (Budgetary Basis)		
Budget	Actual	Variance	Budget	Actual	Variance
$ -	$ -	$ -	$ 2,055,600	$ 1,981,982	$ (73,618)
20,891,100	24,468,105	3,577,005	600	615	15
-	-	-	-	-	-
2,863,500	3,274,745	411,245	433,600	334,994	(98,606)
-	-	-	-	-	-
131,900	370,923	239,023	9,000	33,309	24,309
-	-	-	3,340,700	3,219,735	(120,965)
500	50,039	49,539	-	2,471	2,471
23,887,000	28,163,812	4,276,812	5,839,500	5,573,106	(266,394)
8,298,023	6,682,858	1,615,165	-	-	-
17,616,781	13,616,516	4,000,265	-	-	-
1,465,700	1,187,888	277,812	3,439,124	3,068,209	370,915
370,600	357,834	12,766	2,178,899	2,110,610	68,289
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,007,500	169,852	837,648	452,611	462,363	(9,752)
28,758,604	22,014,948	6,743,656	6,070,634	5,641,182	429,452
(4,871,604)	6,148,864	11,020,468	(231,134)	(68,076)	163,058
-	29	29	-	18,102	18,102
-	530	530	-	16,000	16,000
977,800	977,800	-	-	47,672	47,672
(1,321,900)	(1,359,964)	(38,064)	(267,700)	(234,069)	33,631
(344,100)	(381,605)	(37,505)	(267,700)	(152,295)	115,405
(5,215,704)	5,767,259	10,982,963	(498,834)	(220,371)	278,463
29,061,905	29,061,905	-	1,793,434	1,793,434	-
$ 23,846,201	$ 34,829,164	$ 10,982,963	$ 1,294,600	$ 1,573,063	$ 278,463
	$ 5,767,259			$ (220,371)	
	(12,788)			(1,131)	
	-			(126)	
	-			5,216	
	-			-	
	-			-	
	$ 5,754,471			$ (216,412)	

COLLIER COUNTY, FLORIDA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (BUDGETARY BASIS)
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

	Grants and Shared Revenues (Budgetary Basis)			Improvement Districts (Budgetary Basis)		
	Budget	Actual	Variance	Budget	Actual	Variance
Revenues:						
Taxes	$ -	$ -	$ -	$ 3,854,700	$ 3,721,514	$ (133,186)
Licenses, permits and impact fees	-	-	-	-	-	-
Intergovernmental	48,079,069	16,038,132	(32,040,937)	-	-	-
Charges for services	92,464	36,646	(55,818)	259,400	183,223	(76,177)
Fines and forfeitures	-	-	-	-	-	-
Interest income	3,295	27,031	23,736	35,300	137,432	102,132
Special assessments	-	-	-	5,645	5,502	(143)
Miscellaneous	411,278	935,967	524,689	669,200	664,765	(4,435)
Total revenues	48,586,106	17,037,776	(31,548,330)	4,824,245	4,712,436	(111,809)
Expenditures:						
Current:						
General government	2,485,234	650,483	1,834,751	-	-	-
Public safety	4,452,520	1,638,843	2,813,677	-	-	-
Physical environment	444,925	374,309	70,616	3,691,054	1,988,443	1,702,611
Transportation	1,859,203	42,089	1,817,114	2,259,731	1,182,406	1,077,325
Economic environment	10,053,778	4,905,336	5,148,442	-	-	-
Human services	5,422,817	2,961,501	2,461,316	-	-	-
Culture and recreation	753,422	221,349	532,073	1,049,731	831,984	217,747
Debt service	-	-	-	-	-	-
Capital outlay	38,710,907	12,169,145	26,541,762	8,281,181	368,752	7,912,429
Total expenditures	64,182,806	22,963,055	41,219,751	15,281,697	4,371,585	10,910,112
Excess (deficit) of revenues over (under) expenditures	(15,596,700)	(5,925,279)	9,671,421	(10,457,452)	340,851	10,798,303
Other financing sources (uses):						
Sale of capital assets	-	-	-	-	-	-
Insurance proceeds	-	-	-	-	17,786	17,786
Transfers in	12,716,175	6,576,647	(6,139,528)	473,500	508,047	34,547
Transfers out	(196,461)	(147,044)	49,417	(762,940)	(739,257)	23,683
Total other financing sources (uses)	12,519,714	6,429,603	(6,090,111)	(289,440)	(213,424)	76,016
Net change in fund balances	(3,076,986)	504,324	3,581,310	(10,746,892)	127,427	10,874,319
Fund balances at beginning of year	3,782,200	3,782,200	-	11,670,792	11,670,792	-
Fund balances (deficits) at end of year	$ 705,214	$ 4,286,524	$ 3,581,310	$ 923,900	$ 11,798,219	$ 10,874,319

Reconciliation:		
Net change in fund balance, budgetary basis	$ 504,324	$ 127,427
Change in fair value of investments	(698)	(4,913)
Ad valorem refunds not budgeted	-	(2,344)
Change in inventory	-	-
Advances budgeted as transfers	-	51,200
Unbudgeted funds	303,004	-
Net change in fund balance, GAAP basis	$ 806,630	$ 171,370

See accompanying independent auditor's report

Fire Control Districts (Budgetary Basis)			Lighting Districts (Budgetary Basis)		
Budget	Actual	Variance	Budget	Actual	Variance
$ 2,942,900	$ 2,837,328	$ (105,572)	$ 1,343,500	$ 1,296,327	$ (47,173)
-	-	-	-	-	-
-	-	-	-	-	-
15,000	54,722	39,722	-	-	-
-	-	-	-	-	-
1,200	11,325	10,125	2,500	15,385	12,885
-	-	-	-	-	-
3,700	2,040	(1,660)	-	9,729	9,729
2,962,800	2,905,415	(57,385)	1,346,000	1,321,441	(24,559)
-	-	-	-	-	-
3,234,054	2,987,867	246,187	-	-	-
-	-	-	-	-	-
-	-	-	1,195,900	1,069,073	126,827
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
30,000	29,702	298	-	-	-
20,294	20,294	-	-	-	-
3,284,348	3,037,863	246,485	1,195,900	1,069,073	126,827
(321,548)	(132,448)	189,100	150,100	252,368	102,268
-	-	-	-	-	-
-	-	-	-	6,339	6,339
751,000	721,300	(29,700)	-	10,940	10,940
(413,852)	(371,066)	42,786	(101,400)	(85,734)	15,666
337,148	350,234	13,086	(101,400)	(68,455)	32,945
15,600	217,786	202,186	48,700	183,913	135,213
104,300	104,300	-	985,700	985,700	-
$ 119,900	$ 322,086	$ 202,186	$ 1,034,400	$ 1,169,613	$ 135,213
	$ 217,786			$ 183,913	
	(329)			(511)	
	(45)			(158)	
	-			-	
	147,900			-	
	-			-	
	$ 365,312			$ 183,244	

COLLIER COUNTY, FLORIDA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (BUDGETARY BASIS)
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

	911 Enhancement Fee (Budgetary Basis)			Tourist Development (Budgetary Basis)		
	Budget	Actual	Variance	Budget	Actual	Variance
Revenues:						
Taxes	$ -	$ -	$ -	$ 19,605,900	$ 21,838,332	$ 2,232,432
Licenses, permits and impact fees	-	-	-	-	-	-
Intergovernmental	1,725,000	1,834,390	109,390	-	568,862	568,862
Charges for services	-	-	-	27,000	11,364	(15,636)
Fines and forfeitures	-	-	-	-	-	-
Interest income	21,000	31,072	10,072	202,700	492,191	289,491
Special assessments	-	-	-	-	-	-
Miscellaneous	-	60	60	59,000	88,992	29,992
Total revenues	1,746,000	1,865,522	119,522	19,894,600	22,999,741	3,105,141
Expenditures:						
Current:						
General government	-	-	-	-	-	-
Public safety	2,949,069	1,747,143	1,201,926	-	-	-
Physical environment	-	-	-	5,026,709	4,506,366	520,343
Transportation	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-
Human services	-	-	-	-	-	-
Culture and recreation	-	-	-	14,844,772	11,504,475	3,340,297
Debt service	-	-	-	-	-	-
Capital outlay	417,686	396,342	21,344	9,902,233	735,523	9,166,710
Total expenditures	3,366,755	2,143,485	1,223,270	29,773,714	16,746,364	13,027,350
Excess (deficit) of revenues over (under) expenditures	(1,620,755)	(277,963)	1,342,792	(9,879,114)	6,253,377	16,132,491
Other financing sources (uses):						
Sale of capital assets	-	-	-	-	-	-
Insurance proceeds	-	-	-	-	-	-
Transfers in	-	-	-	5,545,700	2,968,227	(2,577,473)
Transfers out	-	-	-	(6,420,200)	(3,861,862)	2,558,338
Total other financing sources (uses)	-	-	-	(874,500)	(893,635)	(19,135)
Net change in fund balances	(1,620,755)	(277,963)	1,342,792	(10,753,614)	5,359,742	16,113,356
Fund balances at beginning of year	3,898,255	3,898,255	-	50,658,048	50,658,048	-
Fund balances (deficits) at end of year	$ 2,277,500	$ 3,620,292	$ 1,342,792	$ 39,904,434	$ 56,017,790	$ 16,113,356

Reconciliation:		
Net change in fund balance, budgetary basis	$ (277,963)	$ 5,359,742
Change in fair value of investments	(1,171)	18,350
Ad valorem refunds not budgeted	-	-
Change in inventory	-	-
Advances budgeted as transfers	-	-
Unbudgeted funds	-	-
Net change in fund balance, GAAP basis	$ (279,134)	$ 5,378,092

See accompanying independent auditor's report

State Housing Initiativeship Partnership (Budgetary Basis)			800 MHZ IRCP Fund (Budgetary Basis)		
Budget	Actual	Variance	Budget	Actual	Variance
$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-
6,537,979	2,210,279	(4,327,700)	-	-	-
-	-	-	425,700	420,780	(4,920)
-	-	-	-	-	-
19,664	17,537	(2,127)	300	812	512
-	-	-	-	-	-
109,277	438,662	329,385	131,000	136,759	5,759
6,666,920	2,666,478	(4,000,442)	557,000	558,351	1,351
-	-	-	-	-	-
-	-	-	1,240,300	1,190,588	49,712
-	-	-	-	-	-
-	-	-	-	-	-
6,666,920	1,453,984	5,212,936	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
6,666,920	1,453,984	5,212,936	1,240,300	1,190,588	49,712
-	1,212,494	1,212,494	(683,300)	(632,237)	51,063
-	-	-	-	-	-
-	-	-	-	12,727	12,727
-	-	-	673,500	673,500	-
-	-	-	-	-	-
-	-	-	673,500	686,227	12,727
-	1,212,494	1,212,494	(9,800)	53,990	63,790
-	-	-	31,200	31,200	-
$ -	$ 1,212,494	$ 1,212,494	$ 21,400	$ 85,190	$ 63,790
	$ 1,212,494			$ 53,990	
	(747)			(18)	
	-			-	
	-			-	
	-			-	
	-			-	
	$ 1,211,747			$ 53,972	

COLLIER COUNTY, FLORIDA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (BUDGETARY BASIS)
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

	State Court Administration (Budgetary Basis)			Confiscated Property (Budgetary Basis)		
	Budget	Actual	Variance	Budget	Actual	Variance
Revenues:						
Taxes	$ -	$ -	$ -	$ -	$ -	$ -
Licenses, permits and impact fees	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	165,000	296,050	131,050	-	-	-
Fines and forfeitures	968,700	947,235	(21,465)	-	9,760	9,760
Interest income	1,300	3,257	1,957	2,200	2,752	552
Special assessments	-	-	-	-	-	-
Miscellaneous	-	10,847	10,847	-	-	-
Total revenues	1,135,000	1,257,389	122,389	2,200	12,512	10,312
Expenditures:						
Current:						
General government	1,030,000	975,740	54,260	-	-	-
Public safety	1,537,700	1,464,585	73,115	67,500	67,000	500
Physical environment	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-
Human services	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	3,000	-	3,000	-	-	-
Total expenditures	2,570,700	2,440,325	130,375	67,500	67,000	500
Excess (deficit) of revenues over (under) expenditures	(1,435,700)	(1,182,936)	252,764	(65,300)	(54,488)	10,812
Other financing sources (uses):						
Sale of capital assets	-	-	-	-	-	-
Insurance proceeds	-	-	-	-	-	-
Transfers in	1,492,700	1,492,700	-	-	-	-
Transfers out	(170,600)	(170,600)	-	(117,670)	(57,745)	59,925
Total other financing sources (uses)	1,322,100	1,322,100	-	(117,670)	(57,745)	59,925
Net change in fund balances	(113,600)	139,164	252,764	(182,970)	(112,233)	70,737
Fund balances at beginning of year	168,000	168,000	-	363,203	363,203	-
Fund balances (deficits) at end of year	$ 54,400	$ 307,164	$ 252,764	$ 180,233	$ 250,970	$ 70,737

Reconciliation:			
Net change in fund balance, budgetary basis	$ 139,164		$ (112,233)
Change in fair value of investments	(77)		(107)
Ad valorem refunds not budgeted	-		-
Change in inventory	-		-
Advances budgeted as transfers	-		-
Unbudgeted funds	-		-
Net change in fund balance, GAAP basis	$ 139,087		$ (112,340)

See accompanying independent auditor's report

GAC Land Sales, Roads and Canals (Budgetary Basis)			Utility Fee (Budgetary Basis)		
Budget	Actual	Variance	Budget	Actual	Variance
$ -	$ -	$ -	$ 167,900	$ 261,037	$ 93,137
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	100,000	100,350	350
-	-	-	-	-	-
3,500	8,680	5,180	1,500	12,261	10,761
-	-	-	-	-	-
17,000	-	(17,000)	-	-	-
20,500	8,680	(11,820)	269,400	373,648	104,248
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	441,840	247,764	194,076
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
700	13	687	-	-	-
-	-	-	-	-	-
-	-	-	26,500	23,372	3,128
700	13	687	468,340	271,136	197,204
19,800	8,667	(11,133)	(198,940)	102,512	301,452
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
19,800	8,667	(11,133)	(198,940)	102,512	301,452
833,400	833,400	-	1,196,740	1,196,740	-
$ 853,200	$ 842,067	$ (11,133)	$ 997,800	$ 1,299,252	$ 301,452
	$ 8,667			$ 102,512	
	(317)			(426)	
	-			-	
	-			-	
	-			-	
	-			-	
	$ 8,350			$ 102,086	

COLLIER COUNTY, FLORIDA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (BUDGETARY BASIS)
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

	Conservation Collier (Budgetary Basis)			Court Information Technology (Budgetary Basis)		
	Budget	Actual	Variance	Budget	Actual	Variance
Revenues:						
Taxes	$ -	$ 4,334	$ 4,334	$ -	$ -	$ -
Licenses, permits and impact fees	-	-	-	-	-	-
Intergovernmental	14,700	14,700	-	-	-	-
Charges for services	-	570	570	750,000	863,982	113,982
Fines and forfeitures	-	-	-	-	-	-
Interest income	163,700	313,900	150,200	3,800	10,697	6,897
Special assessments	-	-	-	-	-	-
Miscellaneous	27,200	78,476	51,276	-	-	-
Total revenues	205,600	411,980	206,380	753,800	874,679	120,879
Expenditures:						
Current:						
General government	-	-	-	788,992	763,972	25,020
Public safety	-	-	-	57,300	43,205	14,095
Physical environment	769,336	580,258	189,078	-	-	-
Transportation	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-
Human services	-	-	-	14,752	7,001	7,751
Culture and recreation	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	568,811	430,636	138,175	98,008	20,404	77,604
Total expenditures	1,338,147	1,010,894	327,253	959,052	834,582	124,470
Excess (deficit) of revenues over (under) expenditures	(1,132,547)	(598,914)	533,633	(205,252)	40,097	245,349
Other financing sources (uses):						
Sale of capital assets	-	-	-	-	-	-
Insurance proceeds	-	-	-	-	-	-
Transfers in	585,100	564,980	(20,120)	-	-	-
Transfers out	(514,082)	(500,007)	14,075	-	-	-
Total other financing sources (uses)	71,018	64,973	(6,045)	-	-	-
Net change in fund balances	(1,061,529)	(533,941)	527,588	(205,252)	40,097	245,349
Fund balances at beginning of year	33,425,408	33,425,408	-	822,052	822,052	-
Fund balances (deficits) at end of year	$ 32,363,879	$ 32,891,467	$ 527,588	$ 616,800	$ 862,149	$ 245,349

Reconciliation:		
Net change in fund balance, budgetary basis	$ (533,941)	$ 40,097
Change in fair value of investments	(11,490)	(373)
Ad valorem refunds not budgeted	(22)	-
Change in inventory	-	-
Advances budgeted as transfers	-	-
Unbudgeted funds	-	-
Net change in fund balance, GAAP basis	$ (545,453)	$ 39,724

See accompanying independent auditor's report

Court Services			University Extension (Budgetary Basis)		
Budget	Actual	Variance	Budget	Actual	Variance
$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-
219,000	310,321	91,321	-	-	-
6,572,264	6,263,767	(308,497)	28,000	20,778	(7,222)
-	-	-	-	-	-
4,400	12,146	7,746	-	1,164	1,164
-	-	-	-	-	-
-	-	-	-	-	-
6,795,664	6,586,234	(209,430)	28,000	21,942	(6,058)
6,795,664	6,586,234	209,430	-	-	-
-	-	-	-	-	-
-	-	-	52,550	16,432	36,118
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	1,450	1,372	78
6,795,664	6,586,234	209,430	54,000	17,804	36,196
-	-	-	(26,000)	4,138	30,138
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	(26,000)	4,138	30,138
-	-	-	89,900	89,900	-
$ -	$ -	$ -	$ 63,900	$ 94,038	$ 30,138
	$ -			$ 4,138	
	-			(42)	
	-			-	
	-			-	
	-			-	
	-			-	
	$ -			$ 4,096	

COLLIER COUNTY, FLORIDA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (BUDGETARY BASIS)
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

	Court Facilities Fee (Budgetary Basis)			Affordable Housing (Budgetary Basis)		
	Budget	Actual	Variance	Budget	Actual	Variance
Revenues:						
Taxes	$ -	$ -	$ -	$ -	$ -	$ -
Licenses, permits and impact fees	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	945,000	900,299	(44,701)	-	-	-
Interest income	20,000	63,328	43,328	-	1,467	1,467
Special assessments	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Total revenues	965,000	963,627	(1,373)	-	1,467	1,467
Expenditures:						
Current:						
General government	756,430	428,322	328,108	-	-	-
Public safety	-	-	-	-	-	-
Physical environment	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Economic environment	-	-	-	131,000	-	131,000
Human services	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	2,393,059	849,331	1,543,728	-	-	-
Total expenditures	3,149,489	1,277,653	1,871,836	131,000	-	131,000
Excess (deficit) of revenues over (under) expenditures	(2,184,489)	(314,026)	1,870,463	(131,000)	1,467	132,467
Other financing sources (uses):						
Sale of capital assets	-	-	-	-	-	-
Insurance proceeds	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Net change in fund balances	(2,184,489)	(314,026)	1,870,463	(131,000)	1,467	132,467
Fund balances at beginning of year	6,696,389	6,696,389	-	131,000	131,000	-
Fund balances (deficits) at end of year	$ 4,511,900	$ 6,382,363	$ 1,870,463	$ -	$ 132,467	$ 132,467

Reconciliation:		
Net change in fund balance, budgetary basis	$ (314,026)	$ 1,467
Change in fair value of investments	(2,356)	(53)
Ad valorem refunds not budgeted	-	-
Change in inventory	-	-
Advances budgeted as transfers	-	-
Unbudgeted funds	-	-
Net change in fund balance, GAAP basis	$ (316,382)	$ 1,414

See accompanying independent auditor's report

Other Court Special Revenue Funds			Other Public Safety Revenue Funds (Budgetary Basis)		
Budget	Actual	Variance	Budget	Actual	Variance
$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-
19,250	19,250	-	-	-	-
1,405,000	1,500,055	95,055	90,000	91,106	1,106
-	-	-	60,000	56,756	(3,244)
6,900	11,159	4,259	10,400	16,495	6,095
-	-	-	-	-	-
-	-	-	-	-	-
1,431,150	1,530,464	99,314	160,400	164,357	3,957
2,594,650	1,611,974	982,676	-	-	-
-	-	-	538,024	186,568	351,456
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,128,700	2,423	1,126,277	11,976	11,819	157
3,723,350	1,614,397	2,108,953	550,000	198,387	351,613
(2,292,200)	(83,933)	2,208,267	(389,600)	(34,030)	355,570
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	(199,299)	(138,141)	61,158
-	-	-	(199,299)	(138,141)	61,158
(2,292,200)	(83,933)	2,208,267	(588,899)	(172,171)	416,728
4,479,529	4,479,529	-	1,819,065	1,819,065	-
$ 2,187,329	$ 4,395,596	$ 2,208,267	$ 1,230,166	$ 1,646,894	$ 416,728
	$ (83,933)			$ (172,171)	
	-			(607)	
	-			-	
	-			-	
	-			-	
	-			500,035	
	$ (83,933)			$ 327,257	

COLLIER COUNTY, FLORIDA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (BUDGETARY BASIS)
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

	Other Special Revenue Funds (Budgetary Basis)			Resource Recovery Park Endowment (Budgetary Basis)		
	Budget	Actual	Variance	Budget	Actual	Variance
Revenues:						
Taxes	$ -	$ -	$ -	$ -	$ -	$ -
Licenses, permits and impact fees	8,400	7,894	(506)	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	317,100	293,189	(23,911)	-	-	-
Fines and forfeitures	81,000	80,539	(461)	-	-	-
Interest income	9,600	26,337	16,737	8,600	15,939	7,339
Special assessments	-	-	-	-	-	-
Miscellaneous	104,700	159,021	54,321	-	250	250
Total revenues	520,800	566,980	46,180	8,600	16,189	7,589
Expenditures:						
Current:						
General government	240,300	179,378	60,922	-	-	-
Public safety	516,000	130,600	385,400	-	-	-
Physical environment	-	-	-	41,904	9,093	32,811
Transportation	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-
Human services	183,600	172,472	11,128	-	-	-
Culture and recreation	121,150	77,695	43,455	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	1,641,158	1,607,210	33,948	2,996	2,996	-
Total expenditures	2,702,208	2,167,355	534,853	44,900	12,089	32,811
Excess (deficit) of revenues over (under) expenditures	(2,181,408)	(1,600,375)	581,033	(36,300)	4,100	40,400
Other financing sources (uses):						
Sale of capital assets	-	-	-	-	-	-
Insurance proceeds	-	-	-	-	-	-
Transfers in	86,000	86,000	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	86,000	86,000	-	-	-	-
Net change in fund balances	(2,095,408)	(1,514,375)	581,033	(36,300)	4,100	40,400
Fund balances at beginning of year	2,587,708	2,587,708	-	1,709,000	1,709,000	-
Fund balances (deficits) at end of year	$ 492,300	$ 1,073,333	$ 581,033	$ 1,672,700	$ 1,713,100	$ 40,400

Reconciliation:		
Net change in fund balance, budgetary basis	$ (1,514,375)	$ 4,100
Change in fair value of investments	(1,031)	(585)
Ad valorem refunds not budgeted	-	-
Change in inventory	-	-
Advances budgeted as transfers	-	-
Unbudgeted funds	-	-
Net change in fund balance, GAAP basis	$ (1,515,406)	$ 3,515

See accompanying independent auditor's report

Radio Road East Limited General Obligation Bonds (Budgetary Basis)			Conservation Collier Limited General Obligation Bonds (Budgetary Basis)		
Budget	Actual	Variance	Budget	Actual	Variance
$ 70,600	$ 68,126	$ (2,474)	$ -	$ 84	$ 84
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	1,189	1,189	500	2	(498)
-	-	-	-	-	-
-	-	-	-	-	-
70,600	69,315	(1,285)	500	86	(414)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
71,000	67,664	3,336	-	-	-
-	-	-	-	-	-
71,000	67,664	3,336	-	-	-
(400)	1,651	2,051	500	86	(414)
-	-	-	-	-	-
-	-	-	-	-	-
-	630	630	-	-	-
(4,400)	(2,030)	2,370	(84,900)	(64,980)	19,920
(4,400)	(1,400)	3,000	(84,900)	(64,980)	19,920
(4,800)	251	5,051	(84,400)	(64,894)	19,506
105,900	105,900	-	84,600	84,600	-
$ 101,100	$ 106,151	$ 5,051	$ 200	$ 19,706	$ 19,506
	$ 251			$ (64,894)	
	(41)			-	
	(29)			(11)	
	-			-	
	-			-	
	-			-	
	$ 181			$ (64,905)	

COLLIER COUNTY, FLORIDA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (BUDGETARY BASIS)
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

	Community Redevelopment Taxable Note (Budgetary Basis)			Forest Lakes Limited General Obligation Bonds (Budgetary Basis)		
	Budget	Actual	Variance	Budget	Actual	Variance
Revenues:						
Taxes	$ -	$ -	$ -	$ 428,600	$ 413,620	$ (14,980)
Licenses, permits and impact fees	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Interest income	3,800	2,361	(1,439)	2,000	7,681	5,681
Special assessments	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Total revenues	3,800	2,361	(1,439)	430,600	421,301	(9,299)
Expenditures:						
Current:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Physical environment	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-
Human services	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Debt service	771,000	741,861	29,139	559,300	558,732	568
Capital outlay	-	-	-	-	-	-
Total expenditures	771,000	741,861	29,139	559,300	558,732	568
Excess (deficit) of revenues over (under) expenditures	(767,200)	(739,500)	27,700	(128,700)	(137,431)	(8,731)
Other financing sources (uses):						
Sale of capital assets	-	-	-	-	-	-
Insurance proceeds	-	-	-	-	-	-
Transfers in	858,500	858,500	-	100,000	104,175	4,175
Transfers out	-	-	-	(17,500)	(13,215)	4,285
Total other financing sources (uses)	858,500	858,500	-	82,500	90,960	8,460
Net change in fund balances	91,300	119,000	27,700	(46,200)	(46,471)	(271)
Fund balances at beginning of year	792,900	792,900	-	873,200	873,200	-
Fund balances (deficits) at end of year	$ 884,200	$ 911,900	$ 27,700	$ 827,000	$ 826,729	$ (271)

Reconciliation:		
Net change in fund balance, budgetary basis	$ 119,000	$ (46,471)
Change in fair value of investments	(4)	(265)
Ad valorem refunds not budgeted	-	-
Change in inventory	-	-
Advances budgeted as transfers	-	-
Unbudgeted funds	-	-
Net change in fund balance, GAAP basis	$ 118,996	$ (46,736)

See accompanying independent auditor's report

Special Obligation Revenue Bonds (Budgetary Basis)			Other Debt Service (Budgetary Basis)		
Budget	Actual	Variance	Budget	Actual	Variance
$ -	$ -	$ -	$ 1,500	$ 761	$ (739)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
6,300	32,329	26,029	200	9,248	9,048
-	-	-	-	-	-
-	-	-	-	-	-
6,300	32,329	26,029	1,700	10,009	8,309
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
18,331,800	18,307,376	24,424	13,171,000	13,147,131	23,869
-	-	-	-	-	-
18,331,800	18,307,376	24,424	13,171,000	13,147,131	23,869
(18,325,500)	(18,275,047)	50,453	(13,169,300)	(13,137,122)	32,178
-	-	-	-	-	-
-	-	-	-	-	-
18,066,600	18,066,600	-	13,142,900	13,142,900	-
-	-	-	(1,400)	(754)	646
18,066,600	18,066,600	-	13,141,500	13,142,146	646
(258,900)	(208,447)	50,453	(27,800)	5,024	32,824
3,255,900	3,255,900	-	27,900	27,900	-
$ 2,997,000	$ 3,047,453	$ 50,453	$ 100	$ 32,924	$ 32,824
	$ (208,447)			$ 5,024	
	(10,747)			(457)	
	-			-	
	-			-	
	-			-	
	-			-	
	$ (219,194)			$ 4,567	

COLLIER COUNTY, FLORIDA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (BUDGETARY BASIS)
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

	County-Wide Capital Improvements (Budgetary Basis)			Parks Improvements (Budgetary Basis)		
	Budget	Actual	Variance	Budget	Actual	Variance
Revenues:						
Taxes	$ -	$ -	$ -	$ -	$ -	$ -
Licenses, permits and impact fees	-	-	-	412,000	573,399	161,399
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	46,180	46,180	-
Fines and forfeitures	-	-	-	-	-	-
Interest income	25,000	100,458	75,458	6,000	16,853	10,853
Special assessments	-	-	-	-	-	-
Miscellaneous	-	28,496	28,496	620,000	350,182	(269,818)
Total revenues	25,000	128,954	103,954	1,084,180	986,614	(97,566)
Expenditures:						
Current:						
General government	2,580,143	1,409,617	1,170,526	-	-	-
Public safety	753,891	757,116	(3,225)	-	-	-
Physical environment	89,467	46,335	43,132	-	-	-
Transportation	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-
Human services	-	-	-	-	-	-
Culture and recreation	-	30	(30)	1,248,252	480,663	767,589
Debt service	-	-	-	-	-	-
Capital outlay	15,301,368	8,322,769	6,978,599	1,918,844	1,135,534	783,310
Total expenditures	18,724,869	10,535,867	8,189,002	3,167,096	1,616,197	1,550,899
Excess (deficit) of revenues over (under) expenditures	(18,699,869)	(10,406,913)	8,292,956	(2,082,916)	(629,583)	1,453,333
Other financing sources (uses):						
Sale of capital assets	-	-	-	-	-	-
Insurance proceeds	-	25,000	25,000	28,939	-	(28,939)
Transfers in	17,199,800	17,199,800	-	1,570,000	1,605,437	35,437
Transfers out	(8,622,936)	(7,143,636)	1,479,300	(332,000)	(331,285)	715
Total other financing sources (uses)	8,576,864	10,081,164	1,504,300	1,266,939	1,274,152	7,213
Net change in fund balances	(10,123,005)	(325,749)	9,797,256	(815,977)	644,569	1,460,546
Fund balances at beginning of year	10,708,105	10,708,105	-	1,215,876	1,215,876	-
Fund balances (deficits) at end of year	$ 585,100	$ 10,382,356	$ 9,797,256	$ 399,899	$ 1,860,445	$ 1,460,546

Reconciliation:		
Net change in fund balance, budgetary basis	$ (325,749)	$ 644,569
Change in fair value of investments	(2,898)	(487)
Ad valorem refunds not budgeted	-	-
Change in inventory	-	-
Advances budgeted as transfers	-	-
Unbudgeted funds	-	-
Net change in fund balance, GAAP basis	$ (328,647)	$ 644,082

See accompanying independent auditor's report

County-Wide Library Impact Fee (Budgetary Basis)			Correctional Facilities Impact Fees (Budgetary Basis)		
Budget	Actual	Variance	Budget	Actual	Variance
$ -	$ -	$ -	$ -	$ -	$ -
750,000	1,002,395	252,395	1,181,200	1,798,860	617,660
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,000	12,918	11,918	2,000	16,378	14,378
-	-	-	-	-	-
-	-	-	-	-	-
751,000	1,015,313	264,313	1,183,200	1,815,238	632,038
-	-	-	-	-	-
-	-	-	389,177	472	388,705
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
134,162	17,947	116,215	-	-	-
-	-	-	-	-	-
390,118	367,486	22,632	-	-	-
524,280	385,433	138,847	389,177	472	388,705
226,720	629,880	403,160	794,023	1,814,766	1,020,743
-	-	-	-	-	-
-	-	-	-	-	-
585,000	585,000	-	488,800	488,800	-
(1,159,300)	(1,159,300)	-	(1,877,400)	(1,877,400)	-
(574,300)	(574,300)	-	(1,388,600)	(1,388,600)	-
(347,580)	55,580	403,160	(594,577)	426,166	1,020,743
856,380	856,380	-	-	-	-
$ 508,800	$ 911,960	$ 403,160	$ (594,577)	$ 426,166	$ 1,020,743
	$ 55,580			$ 426,166	
	(391)			(480)	
	-			-	
	-			-	
	-			-	
	-			-	
	$ 55,189			$ 425,686	

COLLIER COUNTY, FLORIDA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (BUDGETARY BASIS)
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

	Emergency Medical Services Impact Fees (Budgetary Basis)			Water Management (Budgetary Basis)		
	Budget	Actual	Variance	Budget	Actual	Variance
Revenues:						
Taxes	$ -	$ -	$ -	$ -	$ -	$ -
Licenses, permits and impact fees	279,000	451,547	172,547	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Interest income	500	10,861	10,361	45,000	128,038	83,038
Special assessments	-	-	-	400,700	385,756	(14,944)
Miscellaneous	-	-	-	-	18	18
Total revenues	279,500	462,408	182,908	445,700	513,812	68,112
Expenditures:						
Current:						
General government	-	-	-	-	-	-
Public safety	74,238	15,479	58,759	-	-	-
Physical environment	-	-	-	2,625,579	663,139	1,962,440
Transportation	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-
Human services	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	1,617,021	1,432,835	184,186	13,082,213	4,424,258	8,657,955
Total expenditures	1,691,259	1,448,314	242,945	15,707,792	5,087,397	10,620,395
Excess (deficit) of revenues over (under) expenditures	(1,411,759)	(985,906)	425,853	(15,262,092)	(4,573,585)	10,688,507
Other financing sources (uses):						
Sale of capital assets	-	-	-	-	-	-
Insurance proceeds	-	-	-	-	-	-
Transfers in	150,700	150,700	-	5,561,400	5,564,403	3,003
Transfers out	(448,000)	(448,000)	-	(3,243,114)	(2,262,519)	980,595
Total other financing sources (uses)	(297,300)	(297,300)	-	2,318,286	3,301,884	983,598
Net change in fund balances	(1,709,059)	(1,283,206)	425,853	(12,943,806)	(1,271,701)	11,672,105
Fund balances at beginning of year	1,968,359	1,968,359	-	13,293,906	13,293,906	-
Fund balances (deficits) at end of year	$ 259,300	$ 685,153	$ 425,853	$ 350,100	$ 12,022,205	$ 11,672,105

Reconciliation:		
Net change in fund balance, budgetary basis	$ (1,283,206)	$ (1,271,701)
Change in fair value of investments	(530)	(4,591)
Ad valorem refunds not budgeted	-	-
Change in inventory	-	-
Advances budgeted as transfers	-	-
Unbudgeted funds	-	-
Net change in fund balance, GAAP basis	$ (1,283,736)	$ (1,276,292)

See accompanying independent auditor's report

Parks Impact Districts (Budgetary Basis)			Road Impact Districts (Budgetary Basis)		
Budget	Actual	Variance	Budget	Actual	Variance
$ -	$ -	$ -	$ -	$ -	$ -
6,700,000	9,109,610	2,409,610	9,200,000	18,632,706	9,432,706
-	-	-	-	188,009	188,009
-	-	-	-	-	-
-	-	-	-	-	-
31,900	194,440	162,540	210,000	569,456	359,456
-	-	-	-	-	-
-	4,752	4,752	-	-	-
6,731,900	9,308,802	2,576,902	9,410,000	19,390,171	9,980,171
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	6,233,697	289,148	5,944,549
-	-	-	-	-	-
-	-	-	-	-	-
313,770	45,023	268,747	-	-	-
-	-	-	-	-	-
16,268,194	1,019,633	15,248,561	45,172,861	12,461,119	32,711,742
16,581,964	1,064,656	15,517,308	51,406,558	12,750,267	38,656,291
(9,850,064)	8,244,146	18,094,210	(41,996,558)	6,639,904	48,636,462
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
(2,935,700)	(2,935,700)	-	(7,537,666)	(2,970,003)	4,567,663
(2,935,700)	(2,935,700)	-	(7,537,666)	(2,970,003)	4,567,663
(12,785,764)	5,308,446	18,094,210	(49,534,224)	3,669,901	53,204,125
16,984,808	16,984,808	-	52,030,415	52,030,415	-
$ 4,199,044	$ 22,293,254	$ 18,094,210	$ 2,496,191	$ 55,700,316	$ 53,204,125
	$ 5,308,446			$ 3,669,901	
	(6,143)			(19,306)	
	-			-	
	-			-	
	-			-	
	-			-	
	$ 5,302,303			$ 3,650,595	

COLLIER COUNTY, FLORIDA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (BUDGETARY BASIS)
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

	Road Construction (Budgetary Basis)			Government Facilities Impact Fees (Budgetary Basis)		
	Budget	Actual	Variance	Budget	Actual	Variance
Revenues:						
Taxes	$ 12,793,300	$ 14,299,859	$ 1,506,559	$ -	$ -	$ -
Licenses, permits and impact fees	30,100	30,100	-	1,890,000	2,955,204	1,065,204
Intergovernmental	5,706,700	6,178,381	471,681	-	-	-
Charges for services	2,874,393	3,224,089	349,696	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Interest income	129,500	362,278	232,778	8,400	49,746	41,346
Special assessments	-	-	-	-	-	-
Miscellaneous	1,357,423	371,854	(985,569)	-	-	-
Total revenues	22,891,416	24,466,561	1,575,145	1,898,400	3,004,950	1,106,550
Expenditures:						
Current:						
General government	75,000	-	75,000	200,325	173,306	27,019
Public safety	-	-	-	-	-	-
Physical environment	-	-	-	-	-	-
Transportation	8,643,533	8,443,803	199,730	-	-	-
Economic environment	-	-	-	-	-	-
Human services	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Debt service	-	-	-	5,500	5,270	230
Capital outlay	47,791,431	4,599,996	43,191,435	1,994,574	1,832,630	161,944
Total expenditures	56,509,964	13,043,799	43,466,165	2,200,399	2,011,206	189,193
Excess (deficit) of revenues over (under) expenditures	(33,618,548)	11,422,762	45,041,310	(301,999)	993,744	1,295,743
Other financing sources (uses):						
Sale of capital assets	-	-	-	-	-	-
Insurance proceeds	-	2,064	2,064	-	-	-
Transfers in	19,857,000	20,457,000	600,000	4,065,600	4,065,600	-
Transfers out	(19,638,181)	(19,174,677)	463,504	(6,299,400)	(6,299,400)	-
Total other financing sources (uses)	218,819	1,284,387	1,065,568	(2,233,800)	(2,233,800)	-
Net change in fund balances	(33,399,729)	12,707,149	46,106,878	(2,535,799)	(1,240,056)	1,295,743
Fund balances at beginning of year	35,763,409	35,763,409	-	5,397,999	5,397,999	-
Fund balances (deficits) at end of year	$ 2,363,680	$ 48,470,558	$ 46,106,878	$ 2,862,200	$ 4,157,943	$ 1,295,743

Reconciliation:		
Net change in fund balance, budgetary basis	$ 12,707,149	$ (1,240,056)
Change in fair value of investments	(11,677)	(1,743)
Ad valorem refunds not budgeted	-	-
Change in inventory	-	-
Advances budgeted as transfers	-	1,130,000
Unbudgeted funds	-	-
Net change in fund balance, GAAP basis	$ 12,695,472	$ (111,799)

See accompanying independent auditor's report

Law Enforcement Impact Fees (Budgetary Basis)			All Terrain Vehicle Park (Budgetary Basis)		
Budget	Actual	Variance	Budget	Actual	Variance
$ -	$ -	$ -	$ -	$ -	$ -
1,030,600	1,647,065	616,465	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
2,300	42,013	39,713	14,000	28,162	14,162
-	-	-	-	-	-
-	-	-	-	-	-
1,032,900	1,689,078	656,178	14,000	28,162	14,162
-	-	-	-	-	-
144,461	34,326	110,135	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	10,940	17,856	(6,916)
-	-	-	-	-	-
3,070,253	1,406,113	1,664,140	2,987,871	-	2,987,871
3,214,714	1,440,439	1,774,275	2,998,811	17,856	2,980,955
(2,181,814)	248,639	2,430,453	(2,984,811)	10,306	2,995,117
-	-	-	-	-	-
-	-	-	-	-	-
1,616,400	1,616,400	-	-	-	-
(1,872,700)	(1,872,700)	-	-	-	-
(256,300)	(256,300)	-	-	-	-
(2,438,114)	(7,661)	2,430,453	(2,984,811)	10,306	2,995,117
3,135,314	3,135,314	-	2,985,511	2,985,511	-
$ 697,200	$ 3,127,653	$ 2,430,453	$ 700	$ 2,995,817	$ 2,995,117
	$ (7,661)			$ 10,306	
	(1,373)			(1,023)	
	-			-	
	-			-	
	-			-	
	-			-	
	$ (9,034)			$ 9,283	

COLLIER COUNTY, FLORIDA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (BUDGETARY BASIS)
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

	Other Capital Projects (Budgetary Basis)		
	Budget	Actual	Variance
Revenues:			
Taxes	$ -	$ -	$ -
Licenses, permits and impact fees	2,000	5,563	3,563
Intergovernmental	-	-	-
Charges for services	-	-	-
Fines and forfeitures	-	-	-
Interest income	3,400	13,214	9,814
Special assessments	133,500	134,811	1,311
Miscellaneous	-	-	-
Total revenues	138,900	153,588	14,688
Expenditures:			
Current:			
General government	-	-	-
Public safety	9,552	-	9,552
Physical environment	1,148,963	1,033,431	115,532
Transportation	375,737	44,742	330,995
Economic environment	-	-	-
Human services	-	-	-
Culture and recreation	482,676	253,901	228,775
Debt service	-	-	-
Capital outlay	-	-	-
Total expenditures	2,016,928	1,332,074	684,854
Excess (deficit) of revenues over (under) expenditures	(1,878,028)	(1,178,486)	699,542
Other financing sources (uses):			
Sale of capital assets	-	-	-
Insurance proceeds	-	-	-
Transfers in	1,557,600	1,558,603	1,003
Transfers out	(6,300)	(4,258)	2,042
Total other financing sources (uses)	1,551,300	1,554,345	3,045
Net change in fund balances	(326,728)	375,859	702,587
Fund balances at beginning of year	993,828	993,828	-
Fund balances (deficits) at end of year	$ 667,100	$ 1,369,687	$ 702,587

Reconciliation:	
Net change in fund balance, budgetary basis	$ 375,859
Change in fair value of investments	(404)
Ad valorem refunds not budgeted	-
Change in inventory	-
Advances budgeted as transfers	-
Unbudgeted funds	-
Net change in fund balance, GAAP basis	$ 375,455

See accompanying independent auditor's report

Nonmajor Enterprise Funds

AIRPORT AUTHORITY – To account for the provision of landing facilities and the sale of fuel at the airports.

COLLIER AREA TRANSIT – To account for the provision of public transportation throughout the County.

COLLIER COUNTY, FLORIDA
COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS
SEPTEMBER 30, 2016

	Airport Authority	Collier Area Transit	Total Nonmajor Enterprise Funds
ASSETS			
Current assets:			
Cash and investments	$ 1,424,403	$ 886,347	$ 2,310,750
Receivables:			
Trade, net	18,798	19,506	38,304
Interest	1,537	3,247	4,784
Due from other funds	7,472	31,823	39,295
Due from other governments	-	1,048	1,048
Inventory	71,697	-	71,697
Restricted assets:			
Cash and investments	128,228	229,603	357,831
Due from other governments	1,049,430	3,218,132	4,267,562
Total current assets	2,701,565	4,389,706	7,091,271
Noncurrent assets:			
Capital assets:			
Land and nondepreciable capital assets	1,816,442	7,406,787	9,223,229
Depreciable capital assets, net	31,609,886	16,942,607	48,552,493
Total noncurrent assets	33,426,328	24,349,394	57,775,722
Total assets	36,127,893	28,739,100	64,866,993
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources related to pensions	225,879	66,584	292,463
LIABILITIES			
Current liabilities:			
Accounts payable	73,619	385,622	459,241
Wages payable	26,686	6,063	32,749
Due to other funds	411,129	180,673	591,802
Due to other governments	3,483	-	3,483
Unearned revenues	52,983	-	52,983
Compensated absences	27,659	7,203	34,862
Net pension liability	8,869	1,774	10,643
Liabilities payable from restricted assets:			
Accounts payable	489,000	1,389,033	1,878,033
Wages payable	-	2,039	2,039
Retainage payable	-	127,662	127,662
Due to other governments	-	38,011	38,011
Refundable deposits	9,826	-	9,826
Unearned revenue	20,602	-	20,602
Total current liabilities	1,123,856	2,138,080	3,261,936
Noncurrent liabilities:			
Compensated absences	6,915	1,800	8,715
Net pension liability	617,361	167,386	784,747
Total noncurrent liabilities	624,276	169,186	793,462
Total liabilities	1,748,132	2,307,266	4,055,398
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources related to pensions	4,860	1,531	6,391
NET POSITION			
Net investment in capital assets	32,921,617	23,519,554	56,441,171
Restricted for grants and other purposes	1,147,230	2,720,830	3,868,060
Unrestricted	531,933	256,503	788,436
Total net position	$ 34,600,780	$ 26,496,887	$ 61,097,667

See accompanying independent auditor's report

COLLIER COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
NONMAJOR ENTERPRISE FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

	Airport Authority	Collier Area Transit	Total Nonmajor Enterprise Funds
Operating revenues:			
Charges for services	$ 3,054,600	$ 1,183,518	$ 4,238,118
Miscellaneous	18,236	41,129	59,365
Total operating revenues	3,072,836	1,224,647	4,297,483
Operating expenses:			
Personal services	976,540	309,310	1,285,850
Operating	1,985,494	9,258,054	11,243,548
Depreciation	1,443,398	1,744,440	3,187,838
Total operating expenditures	4,405,432	11,311,804	15,717,236
Operating loss	(1,332,596)	(10,087,157)	(11,419,753)
Non-operating revenues:			
Operating grants and contributions	-	4,256,647	4,256,647
Interest income	12,216	11,467	23,683
Gain on disposal of capital assets	7,115	12,996	20,111
Total non-operating revenues	19,331	4,281,110	4,300,441
Loss before contributions and transfers	(1,313,265)	(5,806,047)	(7,119,312)
Capital grants and contributions	529,329	2,295,357	2,824,686
Transfers in	366,491	4,140,662	4,507,153
Transfers out	(34,821)	-	(34,821)
Total transfers and contributions	860,999	6,436,019	7,297,018
Changes in net position	(452,266)	629,972	177,706
Net position - beginning	35,053,046	25,866,915	60,919,961
Net position - ending	$ 34,600,780	$ 26,496,887	$ 61,097,667

See accompanying independent auditor's report

COLLIER COUNTY, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

	Airport Authority	Collier Area Transit	Total Nonmajor Enterprise Funds
Cash flows from operating activities:			
Cash received for services	$ 3,075,075	$ 1,211,111	$ 4,286,186
Cash received from refundable deposits	2,500	-	2,500
Cash payments for goods and services	(1,620,384)	(6,482,539)	(8,102,923)
Cash payments to employees	(962,742)	(308,332)	(1,271,074)
Cash payments for interfund services	(349,595)	(2,266,494)	(2,616,089)
Cash payments on refundable deposits	(2,121)	-	(2,121)
Net cash provided by (used for) operating activities	142,733	(7,846,254)	(7,703,521)
Cash flows from non-capital financing activities:			
Cash received from operating grants	-	3,758,262	3,758,262
Cash transfers from other funds	754,561	6,526,688	7,281,249
Cash transfers to other funds	(991,198)	(2,269,285)	(3,260,483)
Net cash provided by (used for) non-capital financing activities	(236,637)	8,015,665	7,779,028
Cash flows from capital and related financing activities:			
Proceeds from disposal of capital assets	7,266	19,271	26,537
Proceeds from capital grants	806,185	1,708,525	2,514,710
Payments for capital acquisitions	(247,533)	(2,503,741)	(2,751,274)
Net cash provided by (used for) capital and related financing activities	565,918	(775,945)	(210,027)
Cash flows from investing activities:			
Interest on investments	13,143	12,513	25,656
Net cash provided by investing activities	13,143	12,513	25,656
Net increase (decrease) in cash and investments	485,157	(594,021)	(108,864)
Cash and investments, October 1, 2015	1,067,474	1,709,971	2,777,445
Cash and investments, September 30, 2016	$ 1,552,631	$ 1,115,950	$ 2,668,581
Cash and investments - restricted	$ 1,424,403	$ 886,347	$ 2,310,750
Cash and investments - restricted	128,228	229,603	357,831
Cash and investments, September 30, 2016	$ 1,552,631	$ 1,115,950	$ 2,668,581
Operating loss	$ (1,332,596)	$ (10,087,157)	$ (11,419,753)
Adjustments to reconcile operating loss to net cash provided by (used for) operating activities:			
Depreciation expense	1,443,398	1,744,440	3,187,838
Net changes in assets and liabilities:			
Trade receivable	4,503	(6,470)	(1,967)
Due from other funds	-	1,377	1,377
Due from other governments	-	(776)	(776)
Inventory	19,097	-	19,097
Prepaid costs	-	101,375	101,375
Accounts payable	(5,560)	406,374	400,814
Wages payable	(16,797)	(9,885)	(26,682)
Due to other funds	-	(6,395)	(6,395)
Due to other governments	93	-	93
Compensated absences	(860)	3,505	2,645
Refundable deposits	(5,927)	-	(5,927)
Unearned revenue	5,927	-	5,927
Net pension liability and related deferred outflows/inflows	31,455	7,358	38,813
Total adjustments	1,475,329	2,240,903	3,716,232
Net cash provided by (used for) operating activities	$ 142,733	$ (7,846,254)	$ (7,703,521)
Non-cash investing, capital and financing activities:			
Change in fair value of investments	$ 334	$ (289)	$ 45
Contributed capital assets	-	681,603	681,603
Change in capital related grant receivable	276,856	94,773	371,629
Capital related accounts payable	490,459	702,178	1,192,637

See accompanying independent auditor's report

Internal Service Funds

SELF-INSURANCE – To account for the self-insurance costs of providing coverage for property, general and vehicle liability. To account for the provisions of health benefits to Board and participating constitutional officer employees and their dependents. To account for payment of workers' compensation claims, in lieu of insurance.

SHERIFF'S SELF-INSURANCE – To account for the provisions of health benefits to Sheriff employees and their dependents. To account for payment of workers' compensation claims, in lieu of insurance.

FLEET MANAGEMENT – To account for fuel, oil, lubricants, repairs and maintenance of County vehicles and the use of certain County owned vehicles by County employees.

MOTOR POOL CAPITAL RECOVERY – To account for the accumulation of resources for the replacement of vehicles and heavy equipment for County governmental activities.

INFORMATION TECHNOLOGY – To account for the costs of operating the County data processing facility and telephone communication system.

COLLIER COUNTY, FLORIDA
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
SEPTEMBER 30, 2016

	Self-Insurance	Sheriff's Self-Insurance	Fleet Management	Motor Pool Capital Recovery	Information Technology	Total
ASSETS						
Current assets:						
Cash and investments	$ 40,656,352	$ 11,683,121	$ 1,017,171	$ 2,294,727	$ 2,416,916	$ 58,068,287
Receivables:						
Trade, net	4,780	-	-	-	-	4,780
Interest	65,753	11,531	851	3,645	3,079	84,859
Due from other funds	26,790	2,000	40,940	-	-	69,730
Due from other governments	3,005	-	20,768	-	-	23,773
Deposits	51,108	-	-	-	-	51,108
Inventory	-	-	367,556	-	-	367,556
Prepaid costs	-	-	-	-	43,712	43,712
Total current assets	40,807,788	11,696,652	1,447,286	2,298,372	2,463,707	58,713,805
Noncurrent assets:						
Capital assets:						
Depreciable capital assets, net	234,770	-	10,361,204	2,626,987	3,211,894	16,434,855
Total noncurrent assets	234,770	-	10,361,204	2,626,987	3,211,894	16,434,855
Total assets	41,042,558	11,696,652	11,808,490	4,925,359	5,675,601	75,148,660
DEFERRED OUTFLOWS OF RESOURCES						
Deferred outflows of resources related to pensions	307,967	-	540,421	-	990,488	1,838,876
LIABILITIES						
Current liabilities:						
Accounts payable	314,822	-	293,368	135,689	466,893	1,210,772
Wages payable	39,658	-	72,981	-	127,119	239,758
Due to other funds	-	3,554,292	-	-	-	3,554,292
Due to other governments	-	-	14	-	-	14
Unearned revenues	10,473	-	-	-	-	10,473
Self-insurance claims payable	3,904,371	2,379,000	-	-	-	6,283,371
Compensated absences	92,395	-	124,973	-	198,964	416,332
Net pension liability	8,278	-	16,556	-	26,608	51,442
Total current liabilities	4,369,997	5,933,292	507,892	135,689	819,584	11,766,454
Noncurrent liabilities:						
Self-insurance claims payable	1,618,799	-	-	-	-	1,618,799
Compensated absences	23,099		31,244		49,741	104,084
Net OPEB Obligation	1,262,229	2,612,863	-	-	-	3,875,092
Net pension liability	770,937	-	1,384,279	-	2,356,570	4,511,786
Total noncurrent liabilities	3,675,064	2,612,863	1,415,523	-	2,406,311	10,109,761
Total liabilities	8,045,061	8,546,155	1,923,415	135,689	3,225,895	21,876,215
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows of resources related to pensions	7,059	-	12,157	-	22,709	41,925
NET POSITION						
Net investment in capital assets	234,770	-	10,361,204	2,491,298	3,211,894	16,299,166
Unrestricted	33,063,635	3,150,497	52,135	2,298,372	205,591	38,770,230
Total net position	$ 33,298,405	$ 3,150,497	$ 10,413,339	$ 4,789,670	$ 3,417,485	$ 55,069,396

See accompanying independent auditor's report

COLLIER COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

	Self-Insurance	Sheriff's Self-Insurance	Fleet Management	Motor Pool Capital Recovery	Information Technology	Total
Operating revenues:						
Charges for services	$ 46,608,188	$ 20,046,310	$ 7,487,186	$ 1,670,800	$ 6,744,183	$ 82,556,667
Miscellaneous	246,509	-	29,840	19,404	703	296,456
Total operating revenues	46,854,697	20,046,310	7,517,026	1,690,204	6,744,886	82,853,123
Operating expenses:						
Personal services	1,327,602	-	2,479,887	-	4,097,828	7,905,317
Operating	43,464,013	22,725,776	5,005,986	-	2,345,240	73,541,015
Depreciation	31,919	-	587,415	300,893	1,269,067	2,189,294
Total operating expenditures	44,823,534	22,725,776	8,073,288	300,893	7,712,135	83,635,626
Operating income (loss)	2,031,163	(2,679,466)	(556,262)	1,389,311	(967,249)	(782,503)
Non-operating revenues:						
Interest income	365,712	37,494	6,525	26,092	15,733	451,556
Insurance reimbursement	570,536	-	9,014	-	-	579,550
Gain on disposal of capital assets	4,704	-	26,296	327,267	-	358,267
Total non-operating revenues	940,952	37,494	41,835	353,359	15,733	1,389,373
Income (loss) before contributions and transfers	2,972,115	(2,641,972)	(514,427)	1,742,670	(951,516)	606,870
Transfers in	-	-	-	3,047,000	51,000	3,098,000
Transfers out	(1,276,600)	-	-	-	-	(1,276,600)
Total transfers and contributions	(1,276,600)	-	-	3,047,000	51,000	1,821,400
Changes in net position	1,695,515	(2,641,972)	(514,427)	4,789,670	(900,516)	2,428,270
Net position - beginning	31,602,890	5,792,469	10,927,766	-	4,318,001	52,641,126
Net position - ending	$ 33,298,405	$ 3,150,497	$ 10,413,339	$ 4,789,670	$ 3,417,485	$ 55,069,396

See accompanying independent auditor's report

COLLIER COUNTY, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

	Self-Insurance	Sheriff's Self-Insurance	Fleet Management	Motor Pool Capital Recovery	Information Technology	Total
Cash flows from operating activities:						
Cash received from other funds for services	$ 39,102,196	$ 22,700,000	$ 7,297,011	$ 1,690,204	$ 6,744,886	$ 77,534,297
Cash received from employees for services	7,129,276	-	-	-	-	7,129,276
Cash received from other governments for services	-	-	246,199	-	-	246,199
Cash received from retirees for services	604,340	900,602	-	-	-	1,504,942
Cash payments on behalf of retirees	(1,071,796)	-	-	-	-	(1,071,796)
Cash payments for goods and services	(40,692,619)	(21,845,444)	(4,805,220)	-	(2,132,790)	(69,476,073)
Cash payments to employees	(1,326,011)	-	(2,445,798)	-	(4,037,819)	(7,809,628)
Cash payments for interfund services	(452,196)	-	(257,422)	-	(38,167)	(747,785)
Net cash provided by operating activities	3,293,190	1,755,158	34,770	1,690,204	536,110	7,309,432
Cash flows from non-capital financing activities:						
Cash transfers from other funds	-	-	-	3,047,000	51,000	3,098,000
Cash transfers to other funds	(1,276,600)	-	-	-	-	(1,276,600)
Net cash provided by (used for) non-capital financing activities	(1,276,600)	-	-	3,047,000	51,000	1,821,400
Cash flows from capital and related financing activities:						
Receipts from insurance reimbursements	1,804,555	-	9,014	-	-	1,813,569
Proceeds from disposal of capital assets	4,704	-	27,026	327,267	-	358,997
Payments for capital acquisitions	(13,005)	-	(154,139)	(2,792,191)	(302,420)	(3,261,755)
Net cash provided by (used for) capital and related financing activities	1,796,254	-	(118,099)	(2,464,924)	(302,420)	(1,089,189)
Cash flows from investing activities:						
Interest on investments	402,106	25,963	7,982	22,447	18,781	477,279
Net cash provided by investing activities	402,106	25,963	7,982	22,447	18,781	477,279
Net increase (decrease) in cash and investments	4,214,950	1,781,121	(75,347)	2,294,727	303,471	8,518,922
Cash and investments, October 1, 2015	36,441,402	9,902,000	1,092,518	-	2,113,445	49,549,365
Cash and investments, September 30, 2016	$ 40,656,352	$ 11,683,121	$ 1,017,171	$ 2,294,727	$ 2,416,916	$ 58,068,287
Cash and investments	$ 40,656,352	$ 11,683,121	$ 1,017,171	$ 2,294,727	$ 2,416,916	$ 58,068,287
Cash and investments - restricted	-	-	-	-	-	-
Cash and investments, September 30, 2016	$ 40,656,352	$ 11,683,121	$ 1,017,171	$ 2,294,727	$ 2,416,916	$ 58,068,287
Operating income (loss)	$ 2,031,163	$ (2,679,466)	$ (556,262)	$ 1,389,311	$ (967,249)	$ (782,503)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:						
Depreciation expense	31,919	-	587,415	300,893	1,269,067	2,189,294
Net changes in assets and liabilities:						
Trade receivable	2,436	45,012	3,697	-	-	51,145
Due from other funds	(14,186)	-	18,414	-	-	4,228
Due from other governments	-	-	4,073	-	-	4,073
Inventory	300	-	9,357	-	12,272	21,929
Prepaid costs	-	-	-	-	(43,712)	(43,712)
Accounts payable	77,078	-	(45,756)	-	205,723	237,045
Wages payable	(27,637)	-	(56,600)	-	(69,184)	(153,421)
Due to other funds	-	3,735,848	-	-	-	3,735,848
Due to other governments	(10,552)	-	(20,257)	-	-	(30,809)
Compensated absences	(9,409)	-	18,542	-	9,582	18,715
Unearned revenue	3,529	-	-	-	-	3,529
Self-insurance claims payable	733,736	209,000	-	-	-	942,736
Net OPEB obligation	436,176	444,764	-	-	-	880,940
Net pension liability and related deferred outflows/inflows	38,637	-	72,147	-	119,611	230,395
Total adjustments	1,262,027	4,434,624	591,032	300,893	1,503,359	8,091,935
Net cash provided by operating activities	$ 3,293,190	$ 1,755,158	$ 34,770	$ 1,690,204	$ 536,110	$ 7,309,432
Non-cash investing, capital and financing activities:						
Change in fair value of investments	$ (13,073)	$ 45,191	$ 288	$ (1,014)	$ (643)	$ 30,749
Capital related accounts payable	-	-	-	135,689	-	135,689

See accompanying independent auditor's report

Fiduciary Funds

CLERK OF COURTS AGENCY FUND – To account for monies held in Trust by the Clerk of the Circuit Court prior to disbursement.

SHERIFF AGENCY FUND – To account for monies held in a custodial capacity by the Sheriff.

TAX COLLECTOR AGENCY FUND – To account for assets held by the Tax Collector prior to legal disbursement.

DEPOSITS AGENCY FUND – To account for monies held by the County for businesses and individuals.

PINE RIDGE AND NAPLES PRODUCTION PARK AGENCY FUND – To account for the receipt of special assessments and the payment of principal and interest on behalf of assessment holders.

COLLIER COUNTY, FLORIDA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
AGENCY FUNDS
SEPTEMBER 30, 2016

	Clerk of Courts Agency Fund	Sheriff Agency Fund	Tax Collector Agency Fund	Deposits Agency Fund	Pine Ridge and Naples Production Park Agency Fund	Total
ASSETS						
Cash and investments	$ 25,203,051	$ 628,987	$ 6,657,055	$ 6,002,530	$ 164,351	$ 38,655,974
Receivables:						
Interest	-	-	-	9,068	325	9,393
Other	-	1,618	27,270	-	-	28,888
Total assets	$ 25,203,051	$ 630,605	$ 6,684,325	$ 6,011,598	$ 164,676	$ 38,694,255
LIABILITIES						
Due to other governments	$ 1,094,183	$ 61,919	$ 6,631,195	$ -	$ -	$ 7,787,297
Due to individuals	-	568,686	53,130	-	-	621,816
Refundable deposits	24,108,868	-	-	6,011,598	-	30,120,466
Due to special assessment holders	-	-	-	-	164,676	164,676
Total liabilities	$ 25,203,051	$ 630,605	$ 6,684,325	$ 6,011,598	$ 164,676	$ 38,694,255

See accompanying independent auditor's report

COLLIER COUNTY, FLORIDA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
ALL AGENCY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

	Balance October 1	Additions	Deductions	Balance September 30
Clerk of Courts Agency Fund				
Assets:				
Cash and investments	$ 26,821,917	$ 168,669,558	$ 170,288,424	$ 25,203,051
Total assets	$ 26,821,917	$ 168,669,558	$ 170,288,424	$ 25,203,051
Liabilities:				
Due to other governments	$ 1,292,816	$ 9,694,394	$ 9,893,027	$ 1,094,183
Refundable deposits	25,529,101	158,975,164	160,395,397	24,108,868
Total liabilities	$ 26,821,917	$ 168,669,558	$ 170,288,424	$ 25,203,051
Sheriff Agency Fund				
Assets:				
Cash and investments	$ 566,302	$ 628,987	$ 566,302	$ 628,987
Receivable:				
Other	14,388	1,618	14,388	1,618
Total assets	$ 580,690	$ 630,605	$ 580,690	$ 630,605
Liabilities:				
Due to other governments	$ 65,223	$ 61,919	$ 65,223	$ 61,919
Due to individuals	515,467	568,686	515,467	568,686
Total liabilities	$ 580,690	$ 630,605	$ 580,690	$ 630,605
Tax Collector Agency Fund				
Assets:				
Cash and investments	$ 7,152,324	$ 937,390,095	$ 937,885,364	$ 6,657,055
Receivable:				
Other	18,820	2,949,859	2,941,409	27,270
Total assets	$ 7,171,144	$ 940,339,954	$ 940,826,773	$ 6,684,325
Liabilities:				
Due to other governments	$ 7,144,066	$ 1,231,748,699	$ 1,232,261,570	$ 6,631,195
Due to individuals	27,078	40,240,199	40,214,147	53,130
Total liabilities	$ 7,171,144	$ 1,271,988,898	$ 1,272,475,717	$ 6,684,325
Deposits Agency Fund				
Assets:				
Cash and investments	$ 5,613,684	$ 1,564,523	$ 1,175,677	$ 6,002,530
Receivables:				
Interest	13,959	9,068	13,959	9,068
Total assets	$ 5,627,643	$ 1,573,591	$ 1,189,636	$ 6,011,598
Liabilities:				
Refundable deposits	$ 5,627,643	$ 1,553,660	$ 1,169,705	$ 6,011,598
Total liabilities	$ 5,627,643	$ 1,553,660	$ 1,169,705	$ 6,011,598

(Continued)

COLLIER COUNTY, FLORIDA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
ALL AGENCY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

	Balance October 1	Additions	Deductions	Balance September 30
Pine Ridge and Naples Production Park Agency Fund				
Assets:				
Cash and investments	$ 821,652	$ 5,994	$ 663,295	$ 164,351
Receivables:				
Interest	2,281	324	2,280	325
Total assets	$ 823,933	$ 6,318	$ 665,575	$ 164,676
Liabilities:				
Due to special assessment holders	$ 823,933	$ 3,843	$ 663,100	$ 164,676
Total liabilities	$ 823,933	$ 3,843	$ 663,100	$ 164,676
Total - All Agency Funds				
Assets:				
Cash and investments	$ 40,975,879	$ 1,108,259,157	$ 1,110,579,062	$ 38,655,974
Receivables:				
Interest	16,240	9,392	16,239	9,393
Other	33,208	2,951,477	2,955,797	28,888
Total assets	$ 41,025,327	$ 1,111,220,026	$ 1,113,551,098	$ 38,694,255
Liabilities:				
Due to other governments	$ 8,502,105	$ 1,241,505,012	$ 1,242,219,820	$ 7,787,297
Due to individuals	542,545	40,808,885	40,729,614	621,816
Refundable deposits	31,156,744	160,528,824	161,565,102	30,120,466
Due to special assessment holders	823,933	3,843	663,100	164,676
Total liabilities	$ 41,025,327	$ 1,442,846,564	$ 1,445,177,636	$ 38,694,255

See accompanying independent auditor's report

Component Units

COLLIER COUNTY HOUSING FINANCE AUTHORITY – The authority was established for the purpose of stimulating the construction of residential housing for low and moderate income families through the use of public financing.

COLLIER COUNTY HEALTH FACILITIES AUTHORITY – The authority was established for the purpose of assisting health facilities in the acquisition, construction and financing of projects within the County.

COLLIER COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY – The authority was established for the purpose of facilitating projects that promote economic growth and opportunities for employment in Collier County.

COLLIER COUNTY EDUCATIONAL FACILITIES AUTHORITY – The authority was established for the purpose of assisting institutions of higher education in the construction, financing and refinancing of projects.

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COLLIER COUNTY, FLORIDA
COMBINING STATEMENT OF NET POSITION
COMPONENT UNITS
SEPTEMBER 30, 2016

	Industrial Development Authority	Health Facilities Authority	Housing Finance Authority	Educational Facilities Authority	Total
ASSETS					
Cash and investments	$ 21,988	$ 89,320	$ 123,435	$ 57,545	$ 292,288
Total assets	$ 21,988	$ 89,320	$ 123,435	$ 57,545	$ 292,288
NET POSITION					
Net position - unrestricted	$ 21,988	$ 89,320	$ 123,435	$ 57,545	$ 292,288
Total Net Position	$ 21,988	$ 89,320	$ 123,435	$ 57,545	$ 292,288

See accompanying independent auditor's report

COLLIER COUNTY, FLORIDA
COMBINING STATEMENT OF ACTIVITIES
COMPONENT UNITS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

Functions/Programs	Expenses	Program Revenues: Fees, Fines and Charges for Services	Net (Expense) Revenue and Changes in Net Position: Governmental Activities
Industrial Development Authority	$ 35,555	$ 2,550	$ (33,005)
Health Facilities Authority	3,466	50	(3,416)
Housing Finance Authority	2,636	75	(2,561)
Educational Facilities Authority	12,563	50	(12,513)
Total	$ 54,220	$ 2,725	(51,495)
		General revenues:	
		Interest income	108
		Total general revenues	108
		Change in net position	(51,387)
		Net position - beginning	343,675
		Net position - ending	$ 292,288

See accompanying independent auditor's report

Other Supplemental Information

Schedule of receipts and expenditures of funds related to the Deepwater Horizon Oil Spill.

OTHER SUPPLEMENTAL INFORMATION
COLLIER COUNTY, FLORIDA
SCHEDULE OF RECEIPTS AND EXPENDITURES OF
FUNDS RELATED TO THE DEEPWATER HORIZON OIL SPILL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

Source	Amount Received in the 2016 Fiscal Year	Amount Expended in the 2016 Fiscal Year
British Petroleum:		
Gulf Seafood and Tourism Promotional Fund	$ 125,000	$ 6,454

Note: This schedule does not include funds related to the Deepwater Horizon Oil Spill that are considered Federal awards or State financial assistance. The Schedule of Expenditures of Federal Awards and State Financial Assistance does not include any expenditures of Federal awards or State financial assistance related to the Deepwater Horizon Oil Spill for the 2016 fiscal year.

STATISTICAL SECTION (UNAUDITED)

Statistical schedules differ from financial statements because they usually cover more than one fiscal year and may present non-accounting data. These schedules reflect social and economic data, and financial trends of Collier County, Florida.

CONTENTS PAGE

FINANCIAL TRENDS

These schedules contain trend information to help the reader understand how the government's financial performance and wellbeing have changed over time.

Net position by component	148
Change in net position	149
Governmental activities tax revenues by source	152
Fund balances of governmental funds	153
Changes in fund balance of governmental funds	154

REVENUE CAPACITY

These schedules contain information to help the reader assess the County's most significant local revenue source, the Property Tax.

Assessed value and estimated actual value of taxable property	156
Property tax rates – All direct and overlapping governments	157
Principal tax payers County-wide	158
Property tax levies and collections	159

DEBT CAPACITY

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

Ratios of outstanding debt by type	160
Legal debt margin information	161
Direct, overlapping and underlying governmental activities debt	161
Pledged-revenue coverage	162

DEMOGRAPHIC AND ECONOMIC INFORMATION

These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.

Demographic and economic statistics	163
Principal employers	164

OPERATING INFORMATION

These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.

Budgeted full-time equivalent County employees by function	165
Operating indicators by function	166
Capital Asset statistics by function/program	167

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The County implemented GASB 34 for fiscal year 2002. Schedules presenting government-wide information include information beginning in that fiscal year.

COLLIER COUNTY, FLORIDA
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(accrual basis of accounting)
(amounts expressed in thousands)
(unaudited)

	Fiscal Year									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Governmental Activities:										
Net investment in capital assets	$ 1,225,520	$ 1,217,176	$ 1,207,751	$ 1,198,971	$ 1,187,298	$ 1,172,121	$ 1,169,052	$ 1,131,617	$ 1,032,553	$ 881,941
Restricted	327,968	298,360	223,526	221,501	226,934	253,977	232,571	240,247	295,012	244,746
Unrestricted	2,478	13,109	169,633	152,790	147,188	147,080	189,911	192,442	199,031	317,821
Total governmental activities net position	$ 1,555,966	$ 1,528,645	$ 1,600,910	$ 1,573,262	$ 1,561,420	$ 1,573,178	$ 1,591,534	$ 1,564,306	$ 1,526,596	$ 1,444,508
Business-type Activities:										
Net investment in capital assets	$ 723,000	$ 714,239	$ 705,065	$ 668,160	$ 650,684	$ 643,777	$ 635,702	$ 653,320	$ 658,865	$ 630,015
Restricted	35,760	31,511	29,749	34,379	34,199	38,002	37,795	31,227	30,165	30,746
Unrestricted	169,287	165,128	185,420	196,050	194,389	177,939	169,514	149,422	113,761	83,038
Total business-type activities net position	$ 928,047	$ 910,878	$ 920,234	$ 898,589	$ 879,272	$ 859,718	$ 843,011	$ 833,969	$ 802,791	$ 743,799
Primary Government:										
Net investment in capital assets	$ 1,948,520	$ 1,931,415	$ 1,912,816	$ 1,867,131	$ 1,837,982	$ 1,815,898	$ 1,804,754	$ 1,784,937	$ 1,691,418	$ 1,511,956
Restricted	363,728	329,871	253,275	255,880	261,133	291,979	270,366	271,474	325,177	275,492
Unrestricted	171,765	178,237	355,053	348,840	341,577	325,019	359,425	341,864	312,792	400,859
Total primary government net position	$ 2,484,013	$ 2,439,523	$ 2,521,144	$ 2,471,851	$ 2,440,692	$ 2,432,896	$ 2,434,545	$ 2,398,275	$ 2,329,387	$ 2,188,307

COLLIER COUNTY, FLORIDA
CHANGE IN NET POSITION
LAST TEN FISCAL YEARS
(accrual basis of accounting)
(amounts expressed in thousands)
(unaudited)

	Fiscal Year									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Expenses										
Governmental activities:										
General government	$ 104,188	$ 93,644	$ 92,176	$ 95,941	$ 94,227	$ 103,045	$ 100,483	$ 113,906	$ 112,720	$ 110,814
Public safety	205,347	174,874	177,267	171,210	165,782	173,286	179,276	182,962	183,288	182,821
Transportation	70,560	70,296	71,623	69,275	73,000	81,383	76,603	64,601	65,980	54,198
Culture and recreation	49,526	45,117	41,630	41,453	42,507	44,205	46,871	45,727	43,435	41,595
Other activities	48,256	45,621	39,171	43,067	51,057	39,991	40,937	45,367	49,135	44,500
Interest on long-term debt	12,077	12,912	12,674	16,129	16,412	19,797	19,475	20,492	21,446	21,779
Total governmental activities expenses	$ 489,954	$ 442,464	$ 434,541	$ 437,075	$ 442,985	$ 461,707	$ 463,645	$ 473,055	$ 476,004	$ 455,707
Business-type activities:										
Water and Sewer	$ 130,792	$ 122,858	$ 112,643	$ 114,041	$ 102,642	$ 104,333	$ 103,272	$ 90,042	$ 85,503	$ 89,908
Solid Waste	39,271	36,411	33,787	32,760	29,618	28,000	27,416	30,774	30,024	32,033
Emergency Medical Services	26,529	24,094	23,208	21,545	21,792	22,657	23,073	22,478	22,935	22,026
Airport Authority	4,402	4,771	3,764	4,439	4,601	4,458	4,382	3,895	5,082	4,296
Mass Transit	11,333	10,416	10,306	10,111	9,925	10,187	9,617	8,974	9,419	7,761
Total business-type activities expenses	212,327	198,550	183,708	182,896	168,578	169,635	167,760	156,163	152,963	156,024
Total primary government expenses	$ 702,281	$ 641,014	$ 618,249	$ 619,971	$ 611,563	$ 631,342	$ 631,405	$ 629,218	$ 628,967	$ 611,731

COLLIER COUNTY, FLORIDA
CHANGE IN NET POSITION
LAST TEN FISCAL YEARS (CONTINUED)
(accrual basis of accounting)
(amounts expressed in thousands)
(unaudited)

	Fiscal Year									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Program Revenues										
Governmental activities:										
Charges for services:										
General government	$ 35,184	$ 34,240	$ 34,662	$ 36,080	$ 31,388	$ 33,919	$ 29,281	$ 32,257	$ 36,468	$ 46,380
Public safety	25,276	25,227	21,765	19,735	16,743	15,554	16,385	11,940	12,545	14,293
Transportation	4,880	1,094	959	1,045	880	715	829	3,101	3,936	1,902
Culture and recreation	8,393	8,685	7,943	8,416	9,126	9,093	8,267	9,830	8,429	7,494
Other activities	1,230	4,237	2,661	3,667	4,941	2,296	1,557	1,620	7,541	2,395
Operating Grants and Contributions	26,387	35,521	31,444	20,921	22,892	19,503	31,884	21,948	20,202	27,309
Capital Grants and Contributions	36,818	29,986	28,945	28,280	20,279	19,347	25,762	24,867	52,303	122,327
Total governmental activities program revenues	138,168	138,990	128,379	118,144	106,249	100,427	113,965	105,563	141,424	222,100
Business-type activities:										
Charges for services:										
Water and Sewer	123,856	116,645	107,924	109,176	103,042	105,858	101,062	104,927	100,030	92,091
Solid Waste	41,918	39,121	35,368	34,585	34,275	33,769	33,568	32,922	36,495	33,864
Emergency Medical Services	13,161	12,327	9,922	10,335	10,249	8,980	10,759	9,114	8,941	9,544
Airport Authority	3,073	3,350	2,589	3,021	2,805	2,938	2,519	2,353	3,547	2,860
Mass Transit	1,225	1,719	1,641	1,450	1,360	1,290	1,145	1,101	1,074	1,153
Operating Grants and Contributions	4,435	5,142	3,077	3,914	2,948	4,378	4,448	3,235	4,393	2,657
Capital Grants and Contributions	25,367	21,165	30,662	24,953	17,818	14,307	10,385	18,147	23,333	32,647
Total business-type activities program revenues	213,035	199,469	191,183	187,434	172,497	171,520	163,886	171,799	177,813	174,816
Total primary government program revenues	351,203	338,459	319,562	305,578	278,746	271,947	277,851	277,362	319,237	396,916
Net (expense)/revenue:										
Governmental activities	(351,786)	(303,474)	(306,162)	(318,931)	(336,736)	(361,280)	(349,680)	(367,492)	(334,580)	(233,607)
Business-type activities	708	919	7,475	4,538	3,919	1,885	(3,874)	15,636	24,850	18,792
Total primary government net expense	$ (351,078)	$ (302,555)	$ (298,687)	$ (314,393)	$ (332,817)	$ (359,395)	$ (353,554)	$ (351,856)	$ (309,730)	$ (214,815)

COLLIER COUNTY, FLORIDA
CHANGE IN NET POSITION
LAST TEN FISCAL YEARS (CONTINUED)
(accrual basis of accounting)
(amounts expressed in thousands)
(unaudited)

	Fiscal Year									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Taxes:										
Property taxes	$ 281,136	$ 259,779	$ 244,404	$ 249,352	$ 248,232	$ 261,630	$ 299,389	$ 313,290	$ 327,245	$ 345,054
Gas taxes	20,478	19,547	18,556	18,229	18,525	18,311	18,415	18,456	18,860	19,598
Sales taxes	40,659	38,573	35,786	32,168	29,713	28,364	26,927	26,779	30,004	32,568
Tourist taxes	21,838	21,188	19,137	16,183	14,898	13,884	12,857	12,345	14,796	14,228
Other taxes	7,280	7,322	7,840	9,403	9,997	10,155	10,039	12,241	4,051	8,754
State revenue sharing	11,100	10,589	9,657	8,792	8,233	8,310	7,854	7,927	8,976	9,652
Interest income	4,891	5,069	2,599	1,496	2,430	3,888	4,665	11,455	33,730	48,931
Miscellaneous	5,976	17,510	13,333	9,063	7,397	11,498	8,022	12,066	10,642	8,223
Special item - registry bond	-	-	-	-	-	-	-	3,239	(3,288)	-
Transfers, net	(14,250)	(14,192)	(13,185)	(13,912)	(14,447)	(13,117)	(11,259)	(12,596)	(28,348)	(15,126)
Total governmental activities	$ 379,108	$ 365,385	$ 338,127	$ 330,774	324,978	342,923	376,909	405,202	416,668	471,882
Business-type Activities:										
Interest income	2,011	2,209	1,301	712	1,106	1,609	1,569	2,395	5,716	8,246
Miscellaneous	200	94	68	154	82	96	88	551	77	620
Transfers, net	14,250	14,192	13,184	13,912	14,447	13,117	11,259	12,596	28,348	15,126
Total business-type activities	16,461	16,495	14,553	14,778	15,635	14,822	12,916	15,542	34,141	23,992
Total primary government	$ 395,569	$ 381,880	$ 352,680	$ 345,552	$ 340,613	$ 357,745	$ 389,825	$ 420,744	$ 450,809	$ 495,874
Change in Net Position										
Governmental activities	$ 27,322	$ 61,911	$ 31,965	$ 11,843	$ (11,758)	$ (18,357)	$ 27,229	$ 37,710	$ 82,088	$ 238,275
Business-type activities	17,169	17,414	22,028	19,316	19,554	16,707	9,042	31,178	58,991	42,784
Total primary government	$ 44,491	$ 79,325	$ 53,993	$ 31,159	$ 7,796	$ (1,650)	$ 36,271	$ 68,888	$ 141,079	$ 281,059

COLLIER COUNTY, FLORIDA
GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(amounts expressed in thousands)
(unaudited)

Fiscal Year	Property Tax	Gas Tax	Sales Tax	Tourist Tax	Other Taxes (1)	Total
2007	345,054	19,598	32,568	14,228	8,754	420,202
2008	327,245	18,860	30,004	14,796	4,051	394,956
2009	313,290	18,456	26,779	12,345	12,241	383,111
2010	299,389	18,415	26,927	12,857	10,039	367,627
2011	261,630	18,311	28,364	13,884	10,155	332,344
2012	248,232	18,525	29,713	14,898	9,997	321,365
2013	249,352	18,229	32,168	16,183	9,403	325,335
2014	244,404	18,556	35,786	19,137	7,840	325,723
2015	259,779	19,547	38,573	21,188	7,322	346,409
2016	281,136	20,478	40,659	21,838	7,280	371,391

(1) Pursuant to the Uniform Accounting System direction from the State of Florida, the Communications Services Tax was shown with fees, fines and charges for services for fiscal years 2007 and 2008. This tax is no longer included beginning in 2009.

COLLIER COUNTY, FLORIDA
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)
(amounts expressed in thousands)
(unaudited)

	Fiscal Year		
	2009	2008	2007
General fund			
Reserved	$ 8,962	$ 6,602	$ 3,706
Unreserved	38,924	61,953	77,619
Total general fund	$ 47,886	$ 68,555	$ 81,325
All other governmental funds			
Reserved	$ 105,991	$ 142,728	$ 294,512
Unreserved, reported in:			
Special revenue funds	114,208	128,966	124,213
Debt service funds	1,587	1,951	2,621
Capital projects funds	140,544	160,736	107,888
Total all other governmental funds	$ 362,330	$ 434,381	$ 529,234

	2016	2015	2014	2013	2012	2011	2010
General fund [(1)]							
Nonspendable	$ 3,675	$ 3,546	$ 19,843	$ 15,744	$ 12,914	$ 11,805	$ 9,460
Restricted	264	345	125	96	110	-	-
Committed	-	-	-	-	-	-	-
Assigned	1,674	1,299	850	813	952	1,114	2,182
Unassigned	53,961	55,002	57,781	56,497	57,091	54,459	59,705
Total general fund	$ 59,574	$ 60,192	$ 78,599	$ 73,150	$ 71,067	$ 67,378	$ 71,347
All other governmental funds							
Nonspendable	$ 3,055	$ 3,112	$ 53,544	$ 46,049	$ -	$ -	$ 107,626
Restricted	324,334	293,281	242,981	223,700	209,352	229,546	232,699
Committed	26,069	25,663	27,349	29,810	47,406	48,445	48,764
Assigned	28,644	30,800	28,391	36,364	80,771	79,556	34,215
Unassigned	(89)	(514)	(62,085)	(55,212)	(48,944)	(40,258)	23,192
Total all other governmental funds	$ 382,013	$ 352,342	$ 290,180	$ 280,711	$ 288,585	$ 317,289	$ 446,496

(1) In Fiscal Year 2011, the County implemented GASB 54 under which governmental fund balances are reported as nonspendable, restricted, committed, assigned and unassigned. As part of the implementation, the governmental fund balances for Fiscal Year 2010 were re-classified.

COLLIER COUNTY, FLORIDA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)
(amounts expressed in thousands)

	Fiscal Year									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Revenues:										
Taxes	$ 322,915	$ 300,341	$ 282,315	$ 285,765	$ 284,124	$ 296,640	$ 333,554	$ 348,780	$ 357,656	$ 380,983
Licenses, permits and impact fees	61,033	51,319	40,631	35,168	30,436	23,695	28,920	25,950	54,052	100,329
Intergovernmental	83,949	92,818	89,392	83,667	79,402	74,453	86,445	69,883	77,452	93,186
Charges for services	38,362	37,172	35,149	32,435	30,739	27,855	27,122	35,928	40,699	46,127
Fines and forfeitures	2,708	2,866	3,252	3,712	4,205	3,882	5,730	5,916	3,786	4,081
Interest income	4,440	4,606	2,393	1,406	2,197	3,602	4,306	11,256	33,580	48,262
Special assessments	3,746	3,132	2,922	2,924	3,035	2,725	2,848	2,853	2,942	3,240
Miscellaneous	6,600	16,063	11,553	4,833	4,664	10,565	6,380	11,344	10,667	7,337
Total revenues	523,753	508,317	467,607	449,910	438,802	443,417	495,305	511,910	580,834	683,545
Expenditures:										
Current:										
General government	84,599	78,147	73,739	75,725	73,812	79,499	82,409	95,689	96,898	96,483
Public safety	177,375	167,788	163,169	153,566	151,858	160,890	165,017	168,592	175,743	168,602
Physical environment	15,283	16,157	11,276	13,790	22,870	14,251	9,974	10,608	9,314	11,760
Transportation	36,011	36,992	38,789	37,170	42,176	50,741	43,677	41,171	48,253	39,105
Economic environment	11,061	9,159	9,265	14,436	14,393	7,841	11,122	12,125	12,619	10,241
Human services	14,038	13,151	12,367	12,254	10,988	13,075	12,116	11,277	12,855	12,237
Culture and recreation	40,886	37,523	34,114	33,744	34,253	35,745	37,569	37,212	36,456	35,325
Debt service:										
Principal	20,743	20,039	18,510	25,125	31,602	36,493	34,274	48,085	43,080	36,144
Interest	12,713	13,555	14,177	17,565	18,149	20,933	20,340	21,498	21,816	22,407
Payment to refunding bond escrow	-	-	2,086	132	-	-	-	-	-	-
Other fiscal charges	19	21	173	2,165	1,082	434	891	116	165	61
Capital outlay	67,198	62,186	63,613	61,278	49,406	38,726	69,809	176,681	285,809	290,581
Total expenditures	479,926	454,718	441,278	446,950	450,589	458,628	487,198	623,054	743,008	722,946
Excess (deficit) of revenues over (under) expenditures	43,827	53,599	26,329	2,960	(11,787)	(15,211)	8,107	(111,144)	(162,174)	(39,401)

COLLIER COUNTY, FLORIDA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS (CONTINUED)
(modified accrual basis of accounting)
(amounts expressed in thousands)

	Fiscal Year									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Other financing sources (uses):										
Bonds issued	$ -	$ -	$ 89,780	$ 73,805	$ 131,525	$ 24,620	$ 59,895	$ 13,244	$ 6,215	$ -
Premiums on bonds issued	-	-	-	2,082	17,192	2,050	844	-	31	-
Payment to refunding escrow	-	-	(89,622)	(73,747)	(150,550)	(26,593)	(59,893)	-	-	(4,500)
Capital leases	-	1,915	-		236	-	-	-	-	-
Loans issued	-	-	-		-	-	-	13,500	69,391	22,390
Sale of capital assets	306	595	314	233	313	70	248	301	245	365
Insurance proceeds	796	379	316	300	270	384	310	753	208	885
Transfers in	121,654	196,026	97,854	90,637	91,524	107,167	105,394	143,275	144,824	166,113
Transfers out	(137,530)	(208,760)	(110,052)	(102,061)	(103,738)	(118,037)	(114,905)	(155,888)	(163,075)	(181,471)
Total other financing sources (uses)	(14,774)	(9,845)	(11,410)	(8,751)	(13,228)	(10,339)	(8,107)	15,185	57,839	3,782
Special item - registry bond	-	-	-	-	-	-	-	3,239	(3,288)	-
Net change in fund balances	$ 29,053	$ 43,754	$ 14,919	$ (5,791)	$ (25,015)	$ (25,550)	$ -	$ (92,720)	$ (107,623)	$ (35,619)
Debt service as a percentage of noncapital expenditures	8.11%	8.56%	9.25%	11.66%	12.67%	13.78%	13.30%	15.61%	14.23%	13.56%

COLLIER COUNTY, FLORIDA
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(amounts expressed in thousands)
(unaudited)

Fiscal Year Ended September 30	Residential Property	Personal Property	Centrally Assessed Property	Less: Tax Exempt	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value[1]
2007	82,909,061	2,156,726	202	8,023,791	77,042,198	4.6486	85,065,989	100%
2008	88,819,491	2,321,048	226	8,575,874	82,564,891	4.1064	91,140,765	100%
2009	86,949,935	2,430,996	202	10,718,166	78,662,967	4.1246	89,381,133	100%
2010	77,359,174	2,444,323	202	9,826,950	69,976,749	4.4236	79,803,699	100%
2011	67,947,039	2,259,654	171	8,770,667	61,436,197	4.4151	70,206,864	100%
2012	64,464,592	2,248,702	187	8,510,911	58,202,570	4.4149	66,713,481	100%
2013	64,723,621	2,240,098	184	8,471,142	58,492,761	4.4126	66,963,903	100%
2014	66,977,907	2,198,734	152	8,539,021	60,637,772	4.1592	69,176,793	100%
2015	71,149,974	2,186,145	195	8,739,269	64,597,045	4.1582	73,336,314	100%
2016	76,970,360	2,353,841	134	9,235,508	70,088,827	4.1572	79,324,335	100%

Property is assessed as of January 1, and taxes based on these assessments are levied and become due on the following November 1. Therefore, assessments and levies applicable to a certain tax year are collected in the fiscal year ending during the next succeeding calendar year.

[1]The basis of assessed value required by the state is 100% of actual value including tax exemptions.

Source: Property Appraiser Recapitulation Report

COLLIER COUNTY, FLORIDA
PROPERTY TAX RATES - ALL DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS
(unaudited)

	Collier County				Other		
Fiscal Year	General Fund	Special Revenue Funds	Debt Service Funds	Total	County School District	Independent Districts	Total
2007	3.5790	0.8470	0.2226	4.6486	5.5250	1.3403	11.5139
2008	3.1469	0.7362	0.2233	4.1064	5.3510	1.2792	10.7366
2009	3.1469	0.7528	0.2249	4.1246	4.9090	1.2784	10.3120
2010	3.5645	0.7225	0.1366	4.4236	5.2390	1.3243	10.9869
2011	3.5645	0.6926	0.1580	4.4151	5.6990	1.3299	11.4440
2012	3.5645	0.7627	0.0877	4.4149	5.5270	1.2202	11.1621
2013	3.5645	0.7555	0.0926	4.4126	5.5760	1.2395	11.2281
2014	3.5645	0.5873	0.0074	4.1592	5.6900	1.2228	11.0720
2015	3.5645	0.5860	0.0077	4.1582	5.5800	1.1853	10.9235
2016	3.5645	0.5856	0.0071	4.1572	5.4800	1.1331	10.7703

Basis for property tax rates is 1 mill per $1,000 of assessed value. Property is assessed as of January 1 and taxes based on those assessments are levied according to the tax rate in effect that tax year and become due on November 1. Therefore, assessments and levies applicable to a certain tax year are collected in the fiscal year ending during the following calendar year.

Sources: Property Appraiser Recapitulation Report
Collier County Adopted Budget

COLLIER COUNTY, FLORIDA
PRINCIPAL TAXPAYERS COUNTY-WIDE
2016 TAX ROLL
(unaudited)

	2016			2007		
Owner/Taxpayer	Property Taxes Levied	Rank	Percent of Total Taxes Levied	Property Taxes Levied	Rank	Percent of Total Taxes Levied
HHR Naples LLC	$ 1,788,013	1	0.22%	$ 2,400,343	1	0.26%
Florida Power & Light Company	1,559,104	2	0.19%	1,770,797	2	0.19%
PR Mercato LLP	1,034,694	3	0.13%	805,029	6	0.09%
The Arlington of Naples, Inc.	900,888	4	0.11%	-		-
Naples HMA, Inc.	814,584	5	0.10%	-		-
Arthrex Manufacturing, Inc.	803,972	6	0.10%	-		-
Collier HMA, Inc.	793,135	7	0.10%	-		-
Lee County Electric Co-Op, Inc.	788,170	8	0.10%	-		-
Wal-Mart Stores East LP	756,812	9	0.09%	-		-
Waterside at Pelican Bay LLC	577,010	10	0.07%	-		-
Century Link	-		-	1,352,890	3	0.15%
City National Bank of Miami	-		-	1,087,490	4	0.12%
Coastland Center Joint Venture	-		-	939,656	5	0.10%
CC-Naples Inc	-		-	785,280	7	0.09%
Naples Golf & Beach Club, Inc.	-		-	675,694	8	0.07%
Gerry, Sandra	-		-	652,798	9	0.07%
CDC Land Investments, Inc.	-		-	639,481	10	0.07%
Total	$ 9,816,382		1.21%	$ 11,109,458		1.20%
Total Property Taxes Levied	$ 820,222,636			$ 922,849,721		

Amounts for taxpayers with similar names have not been combined.
Source: Property Appraiser's taxpayer listing in order of taxes levied.
Property Appraiser Recapitulation Report.

COLLIER COUNTY, FLORIDA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(amounts expressed in thousands)
(unaudited)

Fiscal Year Ended September 30	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2007	362,568	344,945	95.1%	1,522	346,467	95.6%
2008	343,906	325,722	94.7%	1,191	326,913	95.1%
2009	329,070	312,096	94.8%	2,546	314,642	95.6%
2010	314,176	297,953	94.8%	1,355	299,308	95.3%
2011	275,704	260,961	94.7%	482	261,443	94.8%
2012	261,137	247,749	94.9%	542	248,291	95.1%
2013	262,037	248,648	94.9%	1,197	249,845	95.3%
2014	255,354	243,137	95.2%	615	243,752	95.5%
2015	271,893	259,121	95.3%	78	259,199	95.3%
2016	295,304	281,138	95.2%	-	281,138	95.2%

Source: Tax Collector Annual Report

COLLIER COUNTY, FLORIDA
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(amounts expressed in thousands)
(unaudited)

	Governmental Activities				Business-type Activities					
Fiscal Year	Limited General Obligation Bonds[2]	Revenue Bonds[2]	Loans and Notes Payable	Capital Leases	Revenue Bonds[2]	Loans and Notes Payable	Capital Leases	Total Primary Government	Percentage of Personal Income[1]	Per Capita[1]
2007	$ 25,815	$ 409,620	$ 57,331	$ 897	$ 163,630	$ 106,932	$ 68	$ 764,293	5.02%	$ 2,485
2008	27,830	394,145	103,461	752	158,885	103,903	618	789,594	4.39%	2,522
2009	36,719	377,940	89,590	599	153,980	106,935	492	766,255	3.86%	2,442
2010	29,162	421,285	19,690	439	148,983	106,509	636	726,704	3.68%	2,302
2011	14,280	402,040	16,914	269	144,014	99,517	387	677,421	3.54%	2,126
2012	9,340	376,275	10,224	412	138,825	92,438	175	627,689	3.23%	1,914
2013	4,155	362,780	7,923	323	109,642	111,787	40	596,650	2.97%	1,794
2014	3,765	349,845	7,081	230	94,470	113,013	1,222	569,626	2.59%	1,680
2015	3,355	331,520	6,401	1,519	88,874	104,475	1,074	537,218	2.19%	1,618
2016	2,930	312,340	5,845	937	72,832	95,707	1,247	491,838	1.91%	1,499

[1]See the Schedule of Demographic and Economic Statistics for personal income and population data.

[2]The outstanding debt amounts do not include any bond premiums which are included in the information provided in the notes to the financial statements.

COLLIER COUNTY, FLORIDA

LEGAL DEBT MARGIN INFORMATION
AS OF SEPTEMBER 30, 2016
(unaudited)

The Constitution of the State of Florida, Florida Statute 200.181 and Collier County set no legal debt limit.

DIRECT, OVERLAPPING AND UNDERLYING GOVERNMENTAL ACTIVITIES DEBT
AS OF SEPTEMBER 30, 2016
(unaudited)

	Debt Outstanding	Estimated Percentage Applicable Based on Population (1)	Estimated Share of Overlapping Debt
Direct Debt (2):			
Limited General Obligation Bonds	$ 2,930,000	100.00%	$ 2,930,000
Gas Tax Bonds (3)	104,540,000	100.00%	104,540,000
Special Obligation Bonds (3)	207,800,000	100.00%	207,800,000
Capital Leases (3)	937,314	100.00%	937,314
Notes Payable (3)	5,844,803	100.00%	5,844,803
Subtotal, Direct Debt	322,052,117		322,052,117
Overlapping Debt:			
N/A	-	0.00%	-
Underlying Debt:			
City of Naples (4)	8,532,000	6.08%	518,746
City of Marco Island (5)	11,586,332	5.00%	579,317
City of Everglades (6)	-	0.12%	-
Subtotal, Underlying Debt	20,118,332		1,098,063
Total Direct, Overlapping and Underlying Debt	$ 342,170,449		$ 323,150,180

(1) Population numbers obtained from www.florida-demographics.com/cities_by_population.
(2) Outstanding debt amounts do not include bond premiums.
(3) Totals consist of more than one issuance.
(4) Governmental activities debt outstanding amount obtained from the City of Naples.
(5) Governmental activities debt outstanding amount obtained from the City of Marco Island.
(6) Governmental activities debt outstanding amount obtained from the City of Everglades.

COLLIER COUNTY, FLORIDA
PLEDGED-REVENUE COVERAGE
LAST TEN FISCAL YEARS
(amounts expressed in thousands)
(unaudited)

Governmental Activities:

	Gas Tax Bonds				Special Obligation Bonds(4)			
		Debt Service				Debt Service		
Fiscal Year	Gas Tax Collections	Principal	Interest	Coverage	Legally Available Non-Ad Valorem Collections(5)	Principal	Interest	Coverage
2007	$ 19,598	$ 6,305	$ 8,274	1.34	$ -	$ -	$ -	N/A
2008	18,860	6,490	8,089	1.29	-	-	-	N/A
2009	18,456	6,660	7,922	1.27	-	-	-	N/A
2010	18,415	6,935	7,645	1.26	-	-	-	N/A
2011	18,312	7,185	7,399	1.26	76,416	1,545	2,597	18.45
2012	18,525	7,505	7,077	1.27	82,866	4,265	4,265	9.71
2013	18,229	7,855	6,453	1.27	86,640	9,695	7,249	5.11
2014	18,556	8,040	4,018	1.54	91,043	9,145	9,674	4.84
2015	19,547	9,440	3,697	1.49	102,375	8,885	9,426	5.59
2016	20,478	9,900	3,242	1.56	107,268	9,280	9,020	5.86

Business-type Activities:

	Water and Sewer Revenue Bonds					
				Debt Service		
Fiscal Year	Water/ Sewer Charges and Other(1)	Less: Operating Expenses(2)	Net Available Revenue	Principal	Interest	Coverage(3)
2007	$ 98,140	$ 57,669	$ 40,471	$ 4,595	$ 5,436	4.03
2008	105,416	49,707	55,709	4,745	7,527	4.54
2009	107,127	49,766	57,361	4,905	7,358	4.68
2010	101,830	50,893	50,937	5,274	6,843	4.20
2011	106,839	60,107	46,732	4,969	6,711	4.00
2012	104,164	58,155	46,009	5,189	6,494	3.94
2013	105,682	68,916	36,766	5,422	6,268	3.15
2014	109,514	69,710	39,804	5,967	3,986	4.00
2015	118,066	74,344	43,722	6,073	3,639	4.50
2016	125,456	84,474	40,982	3,986	2,841	6.00

(1) Operating revenues plus other income; gain on disposal of assets and investment market value, capital grants and contributions and transfers in are not included.
(2) Total operating expenses, excluding depreciation and amortization; loss on disposal of assets and investment market value, interest expense and transfers out are not included.
(3) Net available revenue divided by total bonded debt service requirements for the County Water and Sewer District.
(4) Special Obligation Bonds were first issued in FY-2010, debt service payments commenced in FY-2011.
(5) The revenues that comprise the legally available non-ad valorem revenues are defined by bond documents; these revenues include Sales Tax and certain impact fees.

COLLIER COUNTY, FLORIDA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
(unaudited)

Fiscal Year	Population(1)	Personal Income(2)	Per Capita Personal Income(3)	Median Age(4)	School Enrollment(5)	Unemployment Rate(6)
2007	333,858	15,236,905,000	49,492	44.5	43,186	3.5%
2008	332,854	17,990,169,000	57,446	44.8	42,721	5.5%
2009	333,032	19,846,737,000	63,276	45.1	42,534	10.0%
2010	331,800	19,739,453,000	62,559	45.2	42,716	12.2%
2011	321,520	19,127,928,000	60,049	45.9	42,921	11.4%
2012	323,785	19,446,631,000	59,264	46.9	43,238	9.3%
2013	329,849	20,075,468,000	60,391	47.1	43,789	7.2%
2014	339,642	22,033,344,000	64,872	47.4	44,415	6.3%
2015	348,777	24,571,667,000	73,869	47.5	45,228	5.2%
2016	353,936	25,763,656,000	78,473	47.9	47,289	4.9%

Sources:

(1) www.colliergov.net/your-government/divisions-a-e/comprehensive-planning/population-and-demographi
(2) www.bebr.ufl.edu/data/localities/125/county
(3) www.bebr.ufl.edu/data/localities/120/county
(4) www.bebr.ufl.edu/data/localities/196/county
(5) www.collierschools.com/Page/349
(6) www.floridajobs.org

COLLIER COUNTY, FLORIDA
PRINCIPAL EMPLOYERS
(unaudited)

	2016			2007		
Employer	Employees	Rank	Percent of Total County Employment	Employees	Rank	Percent of Total County Employment
Collier County Public Schools	5,361	1	3.87%	6,685	1	4.62%
NCH Healthcare System	4,315	2	3.11%	3,007	2	3.24%
Collier County Government (excl. Sheriff)	2,276	3	1.64%	2,635	3	2.19%
Arthex, Inc	2,105	4	1.52%	-		-
Collier County Sheriff's Office	1,401	5	1.01%	1,273	6	1.02%
Publix Supermarkets	1,249	6	0.90%	2,214	4	2.05%
Ritz Carlton Hotel	1,100	7	0.79%	-		-
Seminole Casino - Immokalee	1,000	8	0.72%	-		-
JW Marriott - Marco Island	801	9	0.58%	743	7	0.78%
Naples Grande Beach Resort (1)	488	10	0.35%	605	9	0.77%
Other employers	118,576		85.51%	101,883		85.33%
Totals	138,672		100.00%	119,045		100.00%

(1) The Naples Grande Beach Resort property has also operated as the Registry Resort and the Waldorf Astoria Naples in recent years.

Sources:
Southwest Florida Economic Development Alliance
Collier County Public Schools
NCH Healthcare System
Publix Corporate Office
Arthrex, Inc.
2016 Collier County Budget Book

COLLIER COUNTY, FLORIDA
BUDGETED FULL-TIME EQUIVALENT COUNTY EMPLOYEES BY FUNCTION [1]
LAST TEN FISCAL YEARS
(unaudited)

	Fiscal Year									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Function:										
General government	1,262	1,217	1,216	1,203	1,222	1,219	1,252	1,342	1,398	1,394
Public safety	1,124	1,096	1,072	1,061	1,061	1,062	1,053	1,064	1,085	1,103
Physical environment	70	69	67	67	69	66	66	69	74	77
Transportation	211	192	187	187	199	213	234	257	281	280
Economic environment	26	27	28	26	28	27	22	22	20	19
Human services	56	56	53	51	50	50	54	55	56	61
Culture and recreation	304	298	294	289	293	293	308	328	363	379
Water and Sewer	384	342	340	342	344	344	335	335	358	346
Solid Waste	28	27	28	29	27	27	27	27	27	27
Emergency Medical Services	193	193	172	172	172	172	183	185	201	206
Airport Authority	15	14	14	16	16	16	16	16	15	15
Collier Area Transit	4	3	3	3	3	1	1	1	1	1
Total	3,677	3,534	3,474	3,446	3,484	3,490	3,551	3,701	3,879	3,908

[1] Includes the Board of County Commissioners and the Constitutional Officers

COLLIER COUNTY, FLORIDA
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS
(unaudited)

	Fiscal Year									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Function:										
Police:										
Physical arrests	9,359	9,347	11,277	11,277	11,297	20,180	13,310	15,671	20,226	22,028
Parking violations	867	931	964	1,182	1,175	1,479	1,283	1,297	843	1,753
Traffic violations	14,462	16,355	19,868	22,211	19,237	19,680	22,051	28,308	49,831	64,372
Fire:										
Fires reported	31	82	37	52	46	468	498	533	586	590
Emergency responses (exclude fires)	839	1,093	1,080	1,024	764	569	825	760	756	743
Number of calls answered	870	1,175	1,117	1,076	810	1,037	1,323	1,293	1,342	1,333
Transportation:										
Collier Area Transit ridership	1,082,519	1,177,029	1,181,530	1,361,294	1,207,866	1,154,702	1,064,910	1,109,710	1,166,358	1,180,147
Street resurfacing (lane miles)	34	34	80	78	142	131	85	97	52	44
Culture and recreation:										
Beach parking stickers issued	139,828	134,051	181,878	122,415	114,778	312,144	98,093	132,218	80,542	76,344
Library circulation	2,349,418	2,302,017	2,578,588	2,578,589	2,768,648	2,760,427	2,969,238	3,034,439	3,000,394	2,916,523
Water:										
New connections	2,023	2,204	1,878	1,417	1,189	921	909	704	553	1,593
Wastewater:										
Average daily sewage treatment (thousands of gallons)	17,863,860	17,090,074	17,150,000	16,954,000	15,834,000	14,747,000	14,326,000	13,769,205	15,558,000	15,583,055

Sources:
Police-Collier County Sheriff's Department
Fire-Collier County Bureau of Emergency Services, Greater Naples Fire District
Transportation-Collier County Alternative Transportation , Road and Bridge
Culture and Recreation-Collier County Parks and Recreation, Public Library
Water-Collier County Utility Billing
Wastewater-Collier County Wastewater

COLLIER COUNTY, FLORIDA
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS
(unaudited)

	Fiscal Year									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Function:										
Public Safety:										
Police stations	7	7	7	7	7	7	7	7	7	7
Patrol units	274	276	276	275	275	275	275	275	275	275
Fire:										
Fire stations	4	4	4	3	3	3	3	3	2	2
Highways and streets:										
Streets (miles)	1,159	1,149	1,151	1,184	1,184	1,184	1,184	1,184	1,184	1,147
Streetlights	5,182	4,958	4,958	4,868	4,781	4,759	4,701	4,485	3,767	3,987
Traffic signals	365	360	370	353	297	295	283	283	224	216
Culture and recreation:										
Parks acreage	1,521	1,521	1,521	1,521	1,520	1,511	1,473	1,473	1,440	1,436
Parks	61	61	61	61	61	60	59	59	56	55
Swimming pools	8	8	8	8	8	8	8	8	7	7
Tennis courts	45	45	45	45	45	45	45	45	45	45
Community centers	9	9	8	8	8	8	8	8	8	8
Libraries	10	10	10	10	10	10	10	10	9	9
Number of volumes in libraries	567,248	605,408	683,237	692,229	673,131	741,389	797,823	797,978	647,484	769,717
Water:										
Number of customers	61,830	59,443	57,548	55,878	54,190	53,181	51,796	51,499	51,136	59,257
Water mains (miles)	1,015	986	925	888	888	886	886	886	870	860
Maximum daily capacity (per 1,000 gallons)	33,877,000	31,376,000	30,460,000	30,120,000	29,988,000	29,616,000	28,368,000	33,339,865	30,956,261	36,116,725
Wastewater:										
Sanitary sewers (miles)	1,021	1,028	1,030	1,081	1,116	1,115	1,095	1,081	1,053	871
Primary and secondary drainage facilities	294	306	306	305	305	303	303	303	303	303

Police-Collier County Sheriff's Department
Fire-Collier County Bureau of Emergency Services
Highway and Streets-Collier County Traffic Operations, Transportation Engineering, Road and Bridge
Culture and Recreation-Collier County Public Library, Parks and Recreation
Water-Collier County Water, Utility Billing
Wastewater-Collier County Stormwater, Wastewater

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SINGLE AUDIT/FEDERAL AND STATE SCHEDULE OF FINANCIAL ASSISTANCE

The Single Audit/Federal and State schedule of financial assistance section presents Grants compliance reports filed by Collier County with Federal government and State government, respectively.

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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*

Honorable Board of County Commissioners
Collier County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Collier County, Florida (County), as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated March 22, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County'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 County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County'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 was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Honorable Board of County Commissioners
Collier County, Florida

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 result of that testing, and not to provide an opinion on the effectiveness of the County'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 County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Naples, Florida
March 22, 2017

CliftonLarsonAllen LLP
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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND STATE PROJECT AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND CHAPTER 10.550, RULES OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA

Honorable Board of County Commissioners
Collier County, Florida

Report on Compliance for Each Major Federal Program and State Project

We have audited Collier County, Florida's (County) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the requirements described in the State of Florida Department of Financial Services' *State Projects Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs and state projects for the year ended September 30, 2016. The County'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 the requirements of laws, regulations, contracts, and grants applicable to its federal programs and state projects.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major federal programs and state projects based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and Chapter 10.550, Rules of the Auditor General Local Governmental Entity Audits. Those standards, the Uniform Guidance, and Chapter 10.550, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program or state project occurred. An audit includes examining, on a test basis, evidence about the County'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 County's compliance.

Opinion on Each Major Federal Program and State Project

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state projects for the year ended September 30, 2016.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2016-001 and 2016-002. Our opinion on each major federal program and state project is not modified with respect to these matters.

The County's responses to the noncompliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs and corrective action plan. The County's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

Report on Internal Control Over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program or state project to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and major state project and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.550, 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 County's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program or state project on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program of 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 and 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.

Report on Internal Control Over Compliance (Continued)

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 and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as items 2016-001 and 2016-002 that we consider to be significant deficiencies.

The County's responses to the internal control over compliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs and corrective action plan. The County's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

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 result of that testing based on the requirements of the Uniform Guidance and Chapter 10.550. Accordingly, this report is not suitable for any other purpose.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Naples, Florida
March 22, 2017

COLLIER COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

Federal or State Grantor/Pass-Through Grantor/Program or Project Title	CFDA #/ CSFA #	Grant / Contract Number	Expenditures	Transfers to Subrecipients
Department of Agriculture				
Indirect Programs:				
Florida Department of Agriculture and Consumer Services:				
Summer Food Service Program for Children	10.559	04-0804	$ 67,944	$ -
Cooperative Forestry Assistance	10.664	Collier County	7,400	-
Total Department of Agriculture			75,344	-
Department of Housing and Urban Development				
Direct Programs:				
Office of Community Planning and Development:				
Community Development Block Grants/Entitlement Grants	14.218	B-05-UC-12-0016	139,563	102,917
Community Development Block Grants/Entitlement Grants	14.218	B-07-UC-12-0016	4,169	4,169
Community Development Block Grants/Entitlement Grants	14.218	B-08-UN-12-0003	33,390	-
Community Development Block Grants/Entitlement Grants	14.218	B-10-UC-12-0016	212,000	212,000
Community Development Block Grants/Entitlement Grants	14.218	B-11-UC-12-0016	17,035	17,035
Community Development Block Grants/Entitlement Grants	14.218	B-11-UN-12-0003	3,922	-
Community Development Block Grants/Entitlement Grants	14.218	B-12-UC-12-0016	22,867	22,867
Community Development Block Grants/Entitlement Grants	14.218	B-13-UC-12-0016	359,613	278,560
Community Development Block Grants/Entitlement Grants	14.218	B-14-UC-12-0016	923,856	881,096
Community Development Block Grants/Entitlement Grants	14.218	B-15-UC-12-0016	1,379,126	957,627
Total CFDA			3,095,541	2,476,271
Emergency Solutions Grant Program	14.231	E-13-UC-12-0024	16,550	7,958
Emergency Solutions Grant Program	14.231	E-14-UC-12-0024	98,589	44,721
Emergency Solutions Grant Program	14.231	E15-UC-12-0016	96,511	73,606
Total CFDA			211,650	126,285
Shelter Plus Care	14.238	FL0394C4D061000	7,399	7,399
Home Investment Partnerships Program	14.239	M-06-UC-12-0217	36,783	-
Home Investment Partnerships Program	14.239	M-08-UC-12-0217	17,186	-
Home Investment Partnerships Program	14.239	M-09-UC-12-0217	324,135	-
Home Investment Partnerships Program	14.239	M-10-UC-12-0217	191,325	-
Home Investment Partnerships Program	14.239	M-11-UC-12-0217	296,620	-
Home Investment Partnerships Program	14.239	M-12-UC-12-0217	91,289	-
Home Investment Partnerships Program	14.239	M-13-UC-12-0217	366,940	-
Home Investment Partnerships Program	14.239	M-14-UC-12-0217	157,512	37,395
Home Investment Partnerships Program	14.239	M15-UC120217	45,625	-
Total CFDA			1,527,415	37,395
Total Department of Housing and Urban Development			4,842,005	2,647,350
Department of the Interior				
Direct Programs:				
Office of the Secretary:				
Payments in Lieu of Taxes	15.226	Collier County	1,431,631	-
Fish and Wildlife Service:				
National Wildlife Refuge Fund	15.659	Collier County	164,003	-
Total Department of the Interior			1,595,634	-
Department of Justice				
Direct Programs:				
Office of Community Oriented Policing Services:				
Public Safety Partnership and Community Policing Grants	16.710	2012ULWX0008	174,875	-
Public Safety Partnership and Community Policing Grants	16.710	2013ULWX0047	168,855	-
Total CFDA			343,730	-
Criminal Division:				
Equitable Sharing Program	16.922	Collier County Sheriff	81,893	-

(Continued)

See accompanying notes to the schedule of expenditures of federal awards and state projects.

COLLIER COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

Federal or State Grantor/Pass-Through Grantor/Program or Project Title	CFDA #/ CSFA #	Grant / Contract Number	Expenditures	Transfers to Subrecipients
Bureau of Justice Assistance:				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2014-DJ-BX-0305	$ 31,102	$ -
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2015-DJ-BX-0731	21,291	-
Indirect Programs:				
Florida Department of Law Enforcement:				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2016-JAGC-COLL-1-H3-196	68,697	-
Total CFDA			121,090	-
Florida Office of the Attorney General:				
Crime Victim Assistance	16.575	V005-14129	131,194	-
Florida Department of Children and Families - Florida Coalition Against Domestic Violence:				
Violence Against Women Formula Grants	16.588	16-8008-LE-INV	74,476	-
Total Department of Justice			752,383	-
Department of Transportation				
Direct Programs:				
Federal Aviation Administration (FAA):				
Airport Improvement Program	20.106	3-12-0031-008-2013	65,811	-
Airport Improvement Program	20.106	3-12-0031-009-2016	5,377	-
Airport Improvement Program	20.106	3-12-0031-010-2016	1,350	-
Airport Improvement Program	20.106	3-12-0142-011-2016	6,622	-
Total CFDA			79,160	-
Federal Transit Administration (FTA):				
Federal Transit Cluster:				
Federal Transit_Capital Investment Grants	20.500	FL-03-0264-00	37,847	-
Federal Transit_Capital Investment Grants	20.500	FL-04-0033-00	1,652	-
Federal Transit_Capital Investment Grants	20.500	FL-04-0117-00	10,479	-
Total CFDA			49,978	-
Federal Transit_Formula Grants	20.507	1032-2016-3	245,351	-
Federal Transit_Formula Grants	20.507	FL-2016-056-00	1,065,935	-
Federal Transit_Formula Grants	20.507	FL-90-X699-00	14,786	-
Federal Transit_Formula Grants	20.507	FL-90-X766-00	34,279	-
Federal Transit_Formula Grants	20.507	FL-90-X816-00	267,263	-
Federal Transit_Formula Grants	20.507	FL-90-X853-00	533,848	-
Federal Transit_Formula Grants	20.507	FL-95-X069-00	1,252	-
Federal Transit_Formula Grants	20.507	FL-95-X076-00	1,071,342	-
Federal Transit_Formula Grants	20.507	FL-95-X085-00	29,555	-
Federal Transit_Formula Grants	20.507	FL-95-X086-00	17,988	-
Total CFDA			3,281,599	-
Bus and Bus Facilities Formula Program	20.526	FL-34-0004-00	45,228	-
Bus and Bus Facilities Formula Program	20.526	FL-34-0019-00	276,160	-
Total CFDA			321,388	-
Total Federal Transit Cluster			3,652,965	-
Indirect Programs:				
Florida Department of Transportation:				
Highway Planning and Construction	20.205	425670-1-14-01 / A4377	405,632	-
Highway Planning and Construction	20.205	429899-1-58-01, 429899-1-68-01 / G0258	371,724	-
Highway Planning and Construction	20.205	429900-1-58-01 / ARR00	392,001	-
Highway Planning and Construction	20.205	430868-1-18-01 / AR481	41,833	-
Highway Planning and Construction	20.205	430875-1-58-01 / ARS55	310,773	-
Highway Planning and Construction	20.205	430879-1-58-01 / G0A31	90	-
Highway Planning and Construction	20.205	433177-1-58-01, 433177-1-68-01 / G0870	77	-
Highway Planning and Construction	20.205	439314-1-14-01 / G0B56	91,851	-
Total CFDA			1,613,981	-
Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research	20.505	410113-1-14-24 / AQR14	24,108	-
Formula Grants for Rural Areas	20.509	410120-1-84-34 / G0738	366,406	-

(Continued)

COLLIER COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

Federal or State Grantor/Pass-Through Grantor/Program or Project Title	CFDA #/ CSFA #	Grant / Contract Number	Expenditures	Transfers to Subrecipients
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	435210-1-93-12; FL-16-X010-02	$ 144,420	$ -
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	FL-16-0039	421,909	-
Total CFDA			566,329	-
Total Department of Transportation			6,302,949	-
U.S. Election Assistance Commission				
Indirect Programs:				
Florida Department of State:				
Help America Vote Act Requirements Payments	90.401	2015-2016-0001-CLL	31,549	-
Total U.S. Election Assistance Commission			31,549	-
Department of Health and Human Services				
Indirect Programs:				
Florida Department of Elder Affairs - Area Agency on Aging for Southwest Florida, Inc.:				
Aging Cluster:				
Special Programs for the Aging_Title III, Part B_Grants for Supportive Services and Senior Centers	93.044	OAA 203.15	6,856	-
Special Programs for the Aging_Title III, Part B_Grants for Supportive Services and Senior Centers	93.044	OAA 203.16	241,380	-
Total CFDA			248,236	-
Special Programs for the Aging_Title III, Part C_Nutrition Services	93.045	OAA 203.15	148,523	-
Special Programs for the Aging_Title III, Part C_Nutrition Services	93.045	OAA 203.16	444,359	-
Total CFDA			592,882	-
Nutrition Services Incentive Program	93.053	NSIP 203.15	5,051	-
Nutrition Services Incentive Program	93.053	NSIP 203.16	44,862	-
Total CFDA			49,913	-
Total Aging Cluster			891,031	-
National Family Caregiver Support, Title III, Part E	93.052	OAA 203.15	33,643	-
National Family Caregiver Support, Title III, Part E	93.052	OAA 203.16	107,802	-
Total CFDA			141,445	-
Florida Department of Revenue:				
Child Support Enforcement	93.563	1704FLCSES / COC11	217,267	-
Florida Department of State:				
Voting Access for Individuals with Disabilities_Grants to States	93.617	2015-2016-0004-CLL	1,607	-
Total Department of Health and Human Services			1,251,350	-
Corporation for National and Community Service				
Direct Programs:				
Retired and Senior Volunteer Program	94.002	15SRSFL015	58,359	-
Total Corporation for National and Community Service			58,359	-
Department of Homeland Security				
Indirect Programs:				
Florida Executive Office of the Governor:				
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	13-DB-73-09-21-02-530	33,118	-
Emergency Management Performance Grants	97.042	16-FG-5A-09-21-01-078	103,466	-
Emergency Management Performance Grants	97.042	17-FG-P9-09-21-01-085	10,333	-
Total CFDA			113,799	-
Homeland Security Grant Program	97.067	15-DS-P4-09-21-01-240	15,993	-
Homeland Security Grant Program	97.067	15-DS-P4-09-21-02-277	37,571	-
Homeland Security Grant Program	97.067	15-DS-P4-09-21-02-278	19,975	-
Homeland Security Grant Program	97.067	16-DS-T9-09-21-01-302	80,362	-
Total CFDA			153,901	-
Total Department of Homeland Security			300,818	-
TOTAL EXPENDITURES OF FEDERAL AWARDS			$ 15,210,391	$ 2,647,350

COLLIER COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

Federal or State Grantor/Pass-Through Grantor/Program or Project Title	CFDA #/ CSFA #	Grant / Contract Number	Expenditures	Transfers to Subrecipients
Florida Executive Office of the Governor				
Direct Projects:				
Emergency Management Programs	31.063	16-BG-83-09-21-01-011	$ 70,356	$ -
Emergency Management Programs	31.063	17-BG-83-09-21-01-018	35,875	-
Total Florida Executive Office of the Governor			106,231	-
Florida Department of Environmental Protection				
Direct Projects:				
Beach Management Funding Assistance Program	37.003	14CO1	481,818	-
Beach Management Funding Assistance Program	37.003	15CO1	48,406	-
Total Florida Department of Environmental Protection			530,224	-
Florida Department of Economic Opportunity				
Direct Projects:				
Local Economic Development Initiatives	40.012	SL007	1,529	-
Total Florida Department of Economic Opportunity			1,529	-
Florida Housing Finance Corporation				
Direct Projects:				
State Housing Initiatives Partnership Program (SHIP)	40.901	Collier County FY 2015-2016	116,990	-
State Housing Initiatives Partnership (SHIP) Program	52.901	Collier County FY 2011-2012	20,000	-
State Housing Initiatives Partnership (SHIP) Program	52.901	Collier County FY 2012-2013	320,000	-
State Housing Initiatives Partnership (SHIP) Program	52.901	Collier County FY 2013-2014	471,415	111,415
State Housing Initiatives Partnership (SHIP) Program	52.901	Collier County FY 2014-2015	433,579	12,925
Total CSFA			1,244,994	124,340
Total Florida Housing Finance Corporation			1,361,984	124,340
Florida Department of State and Secretary of State				
Direct Projects:				
State Aid to Libraries	45.030	13-ST-08	30,373	-
State Aid to Libraries	45.030	14-ST-08	177,418	-
State Aid to Libraries	45.030	15-ST-08	33,437	-
Total Florida Department of State and Secretary of State			241,228	-
Florida Department of Transportation				
Direct Projects:				
Aviation Development Grants	55.004	430969-1-94-01 / AR519	3,821	-
Aviation Development Grants	55.004	435447-1-94-01 / AR865	43,948	-
Aviation Development Grants	55.004	438877-1-94-01 / G0594	247,200	-
Aviation Development Grants	55.004	433631-1-94-01 / G0576	155,200	-
Total CSFA			450,169	-
Public Transit Block Grant Program	55.010	410139-1-84-01 / AQQ16	896,635	-
Public Transit Service Development Program	55.012	432836-1-94-01 / AQQ85	38,241	-
Public Transit Service Development Program	55.012	435214-1-84-01 / ARJ84	178,053	-
Total CSFA			216,294	-
Transportation Regional Incentive Program (TRIP)	55.026	425840-1-58-01 / ARF43	3,995,089	-
Alligator Alley Mile Marker 63 Fire Station	55.036	435389-1-94-01 / ARF81	1,273,253	-
Indirect Projects:				
Commission for the Transportation Disadvantaged:				
Florida Commission for the Transportation Disadvantaged (CTD) Trip and Equipment Grant Program	55.001	43202718401, 43202818401 / GO135	524,151	-
Florida Commission for the Transportation Disadvantaged (CTD) Trip and Equipment Grant Program	55.001	43202718401, 43202818401 / G0B09	196,486	-
Total CSFA			720,637	-

(Continued)

COLLIER COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

Federal or State Grantor/Pass-Through Grantor/Program or Project Title	CFDA #/ CSFA #	Grant / Contract Number	Expenditures	Transfers to Subrecipients
Florida Commission for the Transportation Disadvantaged (CTD)				
Planning Grant Program	55.002	43202911401 / G0216	$ 19,975	$ -
Florida Commission for the Transportation Disadvantaged (CTD)				
Planning Grant Program	55.002	43202911401 / G0C36	4,955	-
Total CSFA			24,930	-
Total Florida Department of Transportation			7,577,007	-
Florida Department of Children and Families				
Direct Projects:				
Criminal Justice, Mental Health, and Substance Abuse Reinvestment				
Grant Program	60.115	LHZ46	258,922	240,087
Total Florida Department of Children and Families			258,922	240,087
Florida Department of Health				
Direct Projects:				
Emergency Medical Services (EMS) Matching Awards	64.003	M4066	104,261	-
County Grant Awards	64.005	C3011	18,899	-
County Grant Awards	64.005	C4011	159,951	-
Total CSFA			178,850	-
Total Florida Department of Health			283,111	-
Florida Department of Elder Affairs				
Indirect Projects:				
Area Agency on Aging for Southwest Florida, Inc.:				
Home Care for the Elderly	65.001	HCE 203.15	25,107	-
Home Care for the Elderly	65.001	HCE 203.16	12,920	-
Total CSFA			38,027	-
Alzheimer's Respite Services	65.004	ADI 203.15	205,489	-
Alzheimer's Respite Services	65.004	ADI 203.16	41,656	-
Total CSFA			247,145	-
Community Care for the Elderly	65.010	CCE 203.15	593,088	-
Community Care for the Elderly	65.010	CCE 203.16	166,892	-
Total CSFA			759,980	-
Total Florida Department of Elder Affairs			1,045,152	-
TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE			$ 11,405,388	$ 364,427

COLLIER COUNTY, FLORIDA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
YEAR ENDED SEPTEMBER 30, 2016

1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards and State Projects (the Schedule) includes the Federal and State grant activity for Collier County, Florida (the County) and is presented on the modified accrual basis of accounting for expenditures accounted for in the governmental funds and the accrual basis of accounting for expenditures in proprietary funds. Under the modified accrual basis, revenue is recognized if it is both measurable and available for use during the fiscal year and expenditures are recognized in the period liabilities are incurred, if measurable. Under the accrual basis, expenditures are recognized in the period liabilities are incurred.

The information in the 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. Therefore, some amounts presented in the Schedule may differ from amounts presented, or used in the preparation of, the basic financial statements for the fiscal year ended September 30, 2016.

2. Contingency

The grant revenue amounts received are subject to audit and adjustment. If any expenditures or expenses are disallowed by the grantor agencies as a result of such an audit, any claim for reimbursement to the grantor agencies would become a liability of the County.

3. Negative Figures on the Schedule of Expenditures

Negative expenditures reported in the Schedules of Expenditures of Federal Awards and State Financial Assistance are a result of corrections which reduced expenditures in one grant and increased expenditures in another grant or funding source. Although the current expenditures on a grant may be negative, the total of all expenditures on the grant is expected to be positive over its total period of performance.

4. Indirect Cost Rate

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

COLLIER COUNTY, FLORIDA
Schedule of Findings and Questioned Costs
Federal Awards Programs and State Financial Assistance Projects

Year Ended September 30, 2016

Section I – Summary of Auditors' Results

Financial Statements

1. Type of auditors' report issued: Unmodified
2. Internal control over financial reporting:
   - Material weakness(es) identified? _____ yes ____x____ no
   - Significant deficiency(ies) identified? _____ yes ____x____ none reported
3. Noncompliance material to financial statements noted? _____ yes ____x____ no

Federal Awards

1. Internal control over major federal programs:
   - Material weakness(es) identified? _____ yes ____x____ no
   - Significant deficiency(ies) identified? ____x____ yes _____ none reported
2. Type of auditors' report issued on compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? ____x____ yes _____ no

Identification of Major Federal Programs

CFDA Number(s)	Name of Federal Program or Cluster
14.239	Home Investment Partnerships Program
20.513	Enhanced Mobility of Seniors and Individuals with Disabilities
20.500, 20.507, 20.526	Federal Transit Cluster
93.044, 93.045, 93.053	Aging Cluster

Dollar threshold used to distinguish between Type A and Type B programs: $ 750,000

Auditee qualified as low-risk auditee? _____ yes ____x____ no

COLLIER COUNTY, FLORIDA
Schedule of Findings and Questioned Costs
Federal Awards Programs and State Financial Assistance Projects

Year Ended September 30, 2016

Section I – Summary of Auditors' Results (Continued)

State Financial Assistance

1. Internal control over state projects:

   - Material weakness(es) identified? _____ yes _____x_____ no

   - Significant deficiency(ies) identified that are not considered to be material weakness(es)? reported _____ yes _____x_____ no

2. Type of auditors' report issued on compliance for state projects: Unmodified

3. Any audit findings disclosed that are required to be reported in accordance with Chapter 10.557? _____ yes _____x_____ no

Identification of Major State Projects

CSFA Number(s)	Name of State Project
37.003	Beach Management Funding Assistance Program
40.901	State Housing Initiatives Partnership (SHIP) Program
55.026	Transportation Regional Incentive Program (TRIP)
55.012	Public Transit Development Program
65.010	Community Care for the Elderly

Dollar threshold used to distinguish between Type A and Type B state projects: $ 342,162

Part II – Financial Statement Findings

Our audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards*.

Part III – Findings and Questioned Costs – Major Federal Programs

2016-001 Eligibility

Federal Program

Department of Health and Human Services
Passed through the Florida Department of Elder Affairs – Area Agency on Aging for Southwest Florida, Inc.
CFDA 93.044, 93.045, 93.053 Aging Cluster

Type of Finding: Significant Deficiency in Internal Control over Compliance and Other Matters

Criteria

Only individuals whom have applied for benefits using the proper standardized forms and been properly reviewed, approved and setup in the Client Information and Registration Tracking System (CIRTS) can be provided with meals by the Aging Cluster.

Condition

Five individuals were served a total of 41 meals prior to being enrolled in the CIRTS system.

Context

The auditor selected 60 individuals to test and noted the condition above. Sample was a statistically valid sample.

Questioned Costs

None

Cause

Unallowable costs were incurred due to the individuals not being properly determined to be eligible.

Effect

Lack of controls over these expenditures could result in additional unallowable costs being charged to the grant.

Repeat Finding

Yes. Prior year finding 2015-005.

Part III – Findings and Questioned Costs – Major Federal Programs (Continued)

Recommendation

We recommend that the County implement policies and procedures to ensure that all individuals receiving benefits have completed the required applications and have properly been determined to be eligible.

Views of Responsible Officials and Corrective Action Plan

There is no disagreement with the audit finding.

2016-002 Program Income and Reporting

Federal Program

Department of Housing and Urban Development
CFDA 14.239 Home Investment Partnership Program (HOME)

Type of Finding: Significant Deficiency in Internal Control over Compliance and Other Matters

Criteria

In accordance with 24 CFR 92.502 (a) the participating jurisdiction must report all program income in HUD's computerized disbursement and information system.

Condition

Based on our testing of program income in fiscal year 2016, recapture payments from the State of Florida SHIP program were incorrectly recorded and reported as HOME program income. Although eligible for HOME match, these SHIP recapture payments had not been designated as HOME match in the HOME match log that was reported in the annual report and in IDIS.

Context

Auditors randomly selected two of the four HOME program receipts for testing. Sample was a statistically valid sample. In fiscal year 2016, the only program income received by the HOME program was SHIP recaptured payments designated as HOME match in the year of disbursement. Auditor requested HOME match log to ensure proper recording of recaptured funds. The receipts selected for testing were not previously designated as HOME match. Additionally, per management's review of the remaining two receipts there was one additional error identified.

Questioned Costs

None

Part III – Findings and Questioned Costs – Major Federal Programs (Continued)

Cause

During the receipting process, the incorrect file was accessed when determining the proper program for coding. The County did not have the proper review procedure in place to detect improper codings.

Effect

The fiscal year 2016 HOME program income was incorrectly reported in IDIS, the annual report and reimbursement requests were understated by the amount of improperly coded program income.

Repeat Finding

No

Recommendation

We recommend that the County enhance its review procedures to ensure that program income is recorded to the appropriate program. Additionally, the County should ensure that program income is properly reported in the annual report.

Management's Response

There is no disagreement with the audit finding.

Part IV – Findings and Questioned Costs – Major State Projects

Our audit did not disclose any matters required to be reported in accordance with Rule 10.554(1)(l)4, Rules of the Florida Auditor General.

COLLIER COUNTY, FLORIDA
Summary Schedule of Prior Audit Findings

Year Ended September 30, 2016

Finding 2015-001

Corrective action was taken.

Finding 2015-002

Corrective action was taken.

Finding 2015-003

Corrective action was taken.

Finding 2015-004

Corrective action was taken.

Finding 2015-006

Corrective action was taken.

Finding 2015-005

See current year finding 2016-001.

Reason for finding's recurrence

The corrective action plan implemented by management commenced on June 6, 2016. The 5 events of noncompliance occurred prior to that date.

.

COLLIER COUNTY, FLORIDA
Corrective Action Plan

Year Ended September 30, 2016

Oversight Agency for Audit: Department of Transportation

Collier County Board of County Commissioners respectfully submits the following corrective action plan for the year ended September 30, 2016.

Audit period: FY 2016

The findings from the schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

FINDINGS—FEDERAL AWARD PROGRAMS AUDITS

DEPARTMENT OF HEALTH AND HUMAN SERVICES

2016-001 Aging Cluster – CFDA No. 93.044, 93.045, 93.053
Recommendation: That the County implements policies and procedures to ensure that all individuals receiving benefits have completed the required applications and have properly been determined to be eligible.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: Eligibility was determined after the required timeframe for noncompliant test selections and occurred prior to implementation of the corrective actions on June 6, 2016. The corrective actions remain in place to ensure clients are registered within the required timeframe.

Name(s) of the contact person(s) responsible for corrective action: Therese Stanley, Grants Compliance Manager

Planned completion date for corrective action plan: June 6, 2016

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

2016-002 Home Investment Partnership Program (HOME) – CFDA No. 14.239

Recommendation: That the County enhances its review procedures to ensure that program income is recorded to the appropriate program. Additionally, the County should ensure that program income is properly reported in the annual report.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: A single document (the cumulative HOME Match Log) will track all HOME program matches inclusive of SHIP loans. Use of a single log will support HOME program income postings as accurate. The HOME Match Log currently serves as support to the annual HOME Match Report and as such will ensure SHIP loans are recorded timely on the report.

The secondary (SHIP/HOME Match) log used to identify both actual and future SHIP loan use as HOME match has been eliminated. Should HOME program match needs merit use of additional SHIP loans as a source, current year SHIP loans will be identified and recorded on the HOME Match Log without delay.

The 2016 HOME Match report has been revised and submitted to HUD to include the missing SHIP loan values. The HOME (SHIP) Revenue (Intake) Form will be enhanced to document review of the HOME Match Log in the determination of SHIP loan pay backs as HOME program income.

Name(s) of the contact person(s) responsible for corrective action: Therese Stanley, Grants Compliance Manager

Planned completion date for corrective action plan: March 31, 2017

If the Department of Transportation has questions regarding this plan, please call Therese Stanley at 239-252-2959.

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MANAGEMENT LETTER

Honorable Board of County Commissioners
Collier County, Florida

We have audited the financial statements of Collier County, Florida (County) as of and for the fiscal year ended September 30, 2016, and have issued our report thereon dated March 22, 2017.

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 Auditor General.

Other Reports and Schedule

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; Schedule of Findings and Questioned Costs; and Independent Accountants' Report on an examination conducted in accordance with *AICPA Professional Standards*, Section 601, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated March 22, 2017, 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. The status of prior year's findings and recommendations are listed in Appendix A.

Official Title and Legal Authority

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

Financial Condition

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require that we apply appropriate procedures and report the results of our determination as to whether or not the County 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 County did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.c. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures. It is management's responsibility to monitor the County'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.

Annual Financial Report

Section 10.554(1)(i)5.b. and 10.556(7), Rules of the Auditor General, require that we apply appropriate procedures and report the results of our determination as to whether the annual financial report for the County for the fiscal year ended September 30, 2016, filed with the Florida Department of Financial Services pursuant to Section 218.32(1)(a), Florida Statutes, is in agreement with the annual financial audit report for the fiscal year ended September 30, 2016. In connection with our audit, we determined that these two reports were in agreement.

Special District Component Units

Section 10.554(1)(i)5.d., Rules of the Auditor General, requires that we determine whether or not a special district that is a component unit of a county, municipality, or special district, provided the financial information necessary for proper reporting of the component unit, within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we determined that all special district component units provided the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

Other Matters

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

Section 10.554(1)(i)3., Rules of the Auditor General, requires that we address 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 other granting agencies, the Board of County Commissioners, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Naples, Florida
March 22, 2017

COLLIER COUNTY, FLORIDA
BOARD OF COUNTY COMMISSIONERS

Appendix A – Status of Prior Year's Findings and Recommendations
Year Ended September 30, 2016

Prior Year Findings and Recommendations		Current Year Status		
		Cleared	**Partially Cleared**	**Not Cleared**
2015-001	Material Weakness	X		
2015-002	Significant Deficiency	X		
2015-003	Compliance and Material Weakness	X		
2015-004	Significant Deficiency	X		
2015-005 (current year finding 2016-001)	Significant Deficiency			X
2015-006	Significant Deficiency	X		

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INDEPENDENT ACCOUNTANTS' REPORT

Honorable Board of County Commissioners
Collier County, Florida

We have examined Collier County, Florida's (County) compliance with Section 218.415, Florida Statutes, regarding the investment of public funds; Section 365.172(10) and 365.172(2)(d), Florida Statutes, regarding emergency communications number E911 system fund; and Section 288.8018(1), Florida Statutes, regarding funds related to the Deepwater Horizon oil spill during the year ended September 30, 2016. Management is responsible for the County's compliance with those requirements. Our responsibility is to express an opinion on the County's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the County's compliance with specified requirements.

Our examination disclosed material noncompliance with Section 365.172(10) and 365.172(2)(d), Florida Statutes, regarding emergency communications number E911 system fund. The County charged this program $14,027 in nonallowable costs.

In our opinion, except for the noncompliance reported in the previous paragraph, the County complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2016.

This report is intended solely for the information and use of the County and the Auditor General, State of Florida, and is not intended to be, and should not be, used by anyone other than these specified parties.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Naples, Florida
March 22, 2017

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ANNUAL DEBT REPORT (UNAUDITED)

Pursuant to the Collier County Debt Policy, the following Tables were prepared for the fiscal year ended September 30, 2016.

Table 1. Calculation of Collier County General Governmental Debt Ratio

Table 2. Calculation of Collier County Enterprise Debt Ratios

TABLE 1
Calculation of Collier County General Governmental Debt Ratio
For the Fiscal Year Ended September 30, 2016

Bondable revenues, as defined by Collier County Debt Policy:		
Current Ad Valorem Taxes	$	280,655,632
Governmental Impact Fees		35,602,950
Half Cent Sales Tax		40,658,974
Developmental Fees		26,811,247
State Revenue Sharing		10,516,907
5th Cent Local Option Gas Tax		5,494,066
6th Cent Local Option Gas Tax		7,274,673
Constitutional Gas Tax		4,284,837
Seventh Cent Gas Tax		1,893,544
Ninth Cent Gas Tax		1,531,119
Parks and Recreation Fees		7,324,453
Tourist Development Tax		21,838,332
Court Facilities Fees		900,299
Communications Services Tax		4,702,746
Total bondable revenues	$	449,489,779
Fiscal 2016 governmental debt service requirements:		
Series 2012 Gas Tax Bonds		
Principal:	$	2,700,000
Interest:		1,174,900
Series 2014 Gas Tax Bonds		
Principal:		7,200,000
Interest:		2,067,059
Series 2010 Special Obligation Bonds		
Principal:		1,905,000
Interest:		2,145,913
Series 2010B Special Obligation Bonds		
Principal:		2,040,000
Interest:		671,600
Series 2011 Special Obligation Bonds		
Principal:		5,335,000
Interest:		3,355,131
Series 2013 Special Obligation Bonds		
Principal:		-
Interest:		2,846,975
Total fiscal 2016 governmental debt service requirements	$	31,441,578
Governmental debt ratio of fiscal year 2016 debt service requirements to total bondable revenues (13.0% maximum allowed by County policy)		7.0%

Notes:
Debt service is based upon current amortization tables for the fiscal year indicated. Debt prepayments are not included as debt service requirements.

TABLE 2
Calculation of Collier County Enterprise Debt Ratios
For the Fiscal Year Ended September 30, 2016

Collier County Water and Sewer District:		
Total Sales Revenue	$	120,672,583
Allowance for Funds Prudently Invested		-
Miscellaneous Revenue		3,183,568
Total Operating Revenue		123,856,151
Non-Operating Revenue		1,599,527
Gross Revenue		125,455,678
Less: Operation and Maintenance Expense (excluding Depreciation and Amortization)		84,473,620
Net Revenue Available for Debt Service (1)	$	40,982,058
Total Fiscal Year 2016 Debt Service on Bonds (2)	$	6,827,648
Net Revenue Debt Service Coverage on Bonded Debt (100% Required) - (1/2)		600%
Other Pledged Funds:		
System Development Fees (Impact Fees)	$	13,643,674
Special Assessment Proceeds		-
Total Pledged Funds Available for Debt Service (3)	$	54,625,732
Total Fiscal Year 2016 Debt Service on Bonds (4)	$	6,827,648
Total Pledged Funds Debt Service Coverage on Bonded Debt (125% Required) - (3/4)		800%
Total Pledged Funds Available for Debt Service After Payment of Bonds (5)	$	47,798,084
Total Fiscal Year 2016 Debt Service on Subordinated Indebtedness (6)	$	11,513,231
Calculated Coverage on Subordinated Indebtedness - (5/6)		415%
Total Pledged Funds Available for System Purposes	$	36,284,853

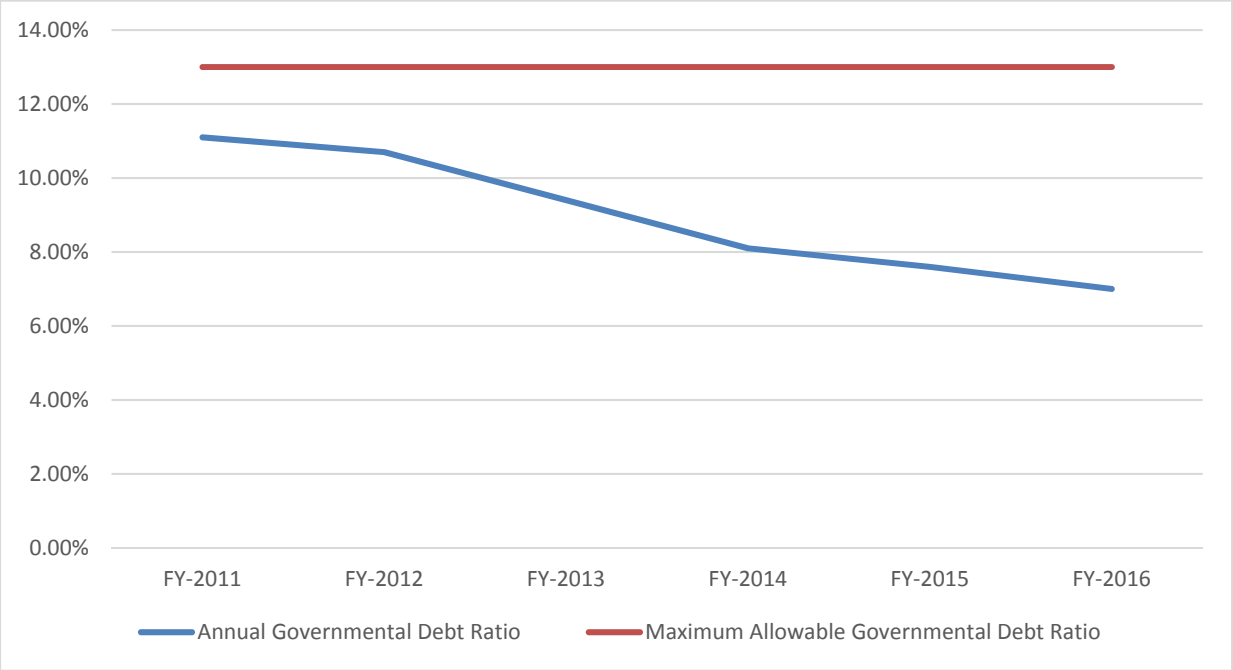
Summary Debt Statement for Fiscal Year 2016

General Governmental Debt:

Collier County's Debt Policy sets the maximum allowable governmental debt ratio at 13.0%, and the County continues to operate below this self-imposed maximum. The Constitution of the State of Florida and the Florida Statutes set no legal debt limit at the local level. The governmental debt ratio is the ratio of debt service requirements to total bondable revenues, as defined by Collier County's Debt Policy. It should be noted that while ad valorem taxes are bondable for purposes of the governmental debt ratio calculation, they may only be pledged pursuant to voter referendum.

The governmental debt ratio decreased from 7.6%, for the fiscal year ended September 30, 2015, to 7.0% for the fiscal year ended September 30, 2016. The decrease in the debt ratio for FY-2016 is primarily the result of an 8.8% increase in overall bondable revenues. Ad valorem tax collection increased by 8.5% over FY-2015 due to a corresponding increase in taxable property values. In addition, impact fee collections related to governmental activities (non-enterprise activity) increased by 40.0% and Half-Cent Sales Tax collections were 5.4% greater than FY-2015.

Recent debt restructurings coupled with the growth of general governmental revenues has produced several consecutive years of decreases in the general governmental debt ratio, as shown in the chart below:



Governmental Debt Ratings Table:

Current Ratings (as of 1/11/2017)	**Fitch**	**Moody's**	**Standard & Poor's**
Gas Tax Revenue Bonds	AA-	A2	A
Special Obligation Bonds	AA	Aa2	AA+

A rating of AA is an indication by Fitch Ratings of an investment grade instrument, but one which carries a slightly higher risk than a AAA rated bond. Fitch also uses intermediate +/- modifiers for each AA category.

A rating of Aa is an indication by Moody's Investors Service of a high quality investment grade instrument with very low credit risk, but "their susceptibility to long-term risks appears somewhat greater" than a Aaa rated bond. A rating of A is an indication by Moody's of an investment grade instrument with low credit risk but the bond has elements present that suggest a higher susceptibility to impairment over the long term than a Aa investment. Moody's uses intermediate modifiers of 1 (higher) to 3 (lower) within the Aa and A ranges.

A rating of AA is an indication by Standard and Poor's of an investment grade instrument issued by a "quality borrower" but with slightly more risk than a AAA grade investment. A rating of A is an indication by Standard and Poor's of an investment grade instrument but one more susceptible to adverse changes in circumstances and economic conditions than AAA or AA instruments. Standard and Poor's also uses intermediate +/- modifiers for each category.

The County's Special Obligation Revenue Bonds are secured by a covenant to appropriate in the annual budget, by amendment, if necessary, from Non-Ad Valorem Revenues amounts sufficient pay debt service on the combined Special Obligation Bonds. The combined gas tax revenues are pledged for the payment of all the Gas Tax Revenue Bonds. Fiscal year 2016 gas tax revenues covered the current year debt service payments on all outstanding Gas Tax Revenue Bonds at 151%.

Collier County Enterprise Debt:

Currently, the Collier County Water and Sewer District (District) is the only County enterprise activity with bonded debt outstanding. The Collier County Debt Policy does not set a maximum allowable enterprise debt ratio, but coverage requirements related to the District's debt are set by bond covenants. Net revenues, defined as operating revenues plus non-operating revenues less operating expenses, excluding depreciation, must cover bonded debt service at 100%. Total pledged funds, defined as net revenues plus impact fees and special assessments, if applicable, must cover bonded debt at 125%. Net revenue coverage on bonded debt was 600% and total pledged funds coverage on bonded debt was 800% for FY-2016, up from 450% and 580%, respectively, for FY-2015. Bonded debt coverages increased primarily due to a 6.6% increase in water and sewer sales revenues and a 27.9% decrease in annual bonded debt service. The District's calculated coverage on subordinated debt, all in the form of State Revolving Fund Loans, increased from 405% to 415%,

also as a result of the factors mentioned above. The total pledged funds coverage required by the subordinated loan agreements varies between 115% and 125%, depending upon the individual loan agreement.

In May of 2016, the Collier County Water and Sewer District issued the Series 2016A Water and Sewer Refunding Revenue Bonds in the amount of $48,105,000 for the purpose of refunding the District's remaining Series 2006 Revenue Bonds. The Series 2016 bond proceeds, together with other available monies, were placed in escrow. The Series 2016 Water and Sewer Refunding Revenue Bonds have a fixed interest rate of 5.0%. The current refunding achieved a net present value savings of 18.0% on the refunded bonds.

Enterprise Debt Ratings Table:

Current Ratings (as of 1/11/2017)	**Fitch**	**Moody's**	**Standard & Poor's***
Water and Sewer Revenue Bonds	AAA	Aa1	-

*- Standard & Poor's does not currently rate County Water and Sewer Revenue Bonds.

In December of 2015, Fitch Ratings affirmed the District's Water and Sewer Revenue Bonds at AAA. A rating of AAA is an indication by Fitch Ratings of an investment grade instrument with very little credit risk.

In April of 2016, Moody's Investors Service upgraded the District's Water and Sewer Revenue Bonds to Aa1 from Aa2. A rating of Aa is an indication by Moody's Investors Service of a high quality investment grade instrument, but "their susceptibility to long-term risks appears somewhat greater" than a Aaa rated bond. Moody's uses intermediate modifiers of 1 (higher) to 3 (lower) within the Aa and A ranges. A rating of Aa1 is the highest rating within the Aa range.

Water, wastewater and irrigation quality water user rates and miscellaneous revenues are used to recover system operating, maintenance and capital costs as well as pay debt service. In September of 2014 the District's governing board approved phased rate increases. The District's water and sewer user rates increased by 9.0%, effective 10/01/2014 with subsequent increases of 5.0% effective 10/01/2015 and 10/01/2016. Over recent years the District has operated on a pay as you go basis, avoided borrowing and maintained financial stability. The District's continuing focus is the optimization of resources and a risk based prioritization of capital projects.

Collier County, Florida
Clerk of the Circuit Court

Financial Statements and
Supplemental Reports

Year Ended September 30, 2016

Collier County, Florida
Clerk of the Circuit Court

Financial Statements and Other Reports

Year Ended September 30, 2016

Contents

Independent Auditors' Report....1

Financial Statements

Balance Sheet – Governmental Funds....4

Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Funds....5

Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund....6

Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Court Services Fund....7

Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Other Special Revenue Fund....8

Statement of Fiduciary Net Position – Agency Fund....9

Notes to Financial Statements....10

Supplementary Information

Combining Statements of Fiduciary Net Position – All Agency Funds....26

Other Reports

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*....27

Management Letter....29

Independent Accountants' Report....31

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INDEPENDENT AUDITORS' REPORT

Honorable Dwight E. Brock
Clerk of the Circuit Court
Collier County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of each major fund and the aggregate remaining fund information of the Collier County, Florida Clerk of the Circuit Court (Clerk), as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the Clerk's financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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 each major fund and the aggregate remaining fund information for the Clerk as of September 30, 2016, and the respective changes in financial position and, where applicable, budgetary comparisons thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of each major fund, and the aggregate remaining fund information, only for that portion of the major funds, and the aggregate remaining fund information, of Collier County, Florida that is attributable to the Clerk. They do not purport to, and do not, present fairly the financial position of Collier County as of September 30, 2016, and the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Clerk's financial statements. The combining statement, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the financial statements. The combining statement is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such 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 financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining statement is fairly stated in all material respects in relation to the financial statements as a whole.

Honorable Dwight E. Brock
Clerk of the Circuit Court

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated January 18, 2017 on our consideration of the Clerk'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 included under the heading 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*. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Clerk's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Naples, Florida
January 18, 2017

Collier County, Florida
Clerk of the Circuit Court

Balance Sheet – Governmental Funds

September 30, 2016

	General	Court Services	Other Special Revenue	Total Governmental Funds
Assets				
Cash and cash equivalents	$ 1,706,233	$ 1,530,273	$ 4,890,203	$ 8,126,709
Accounts receivable	67,019	46,985	-	114,004
Allowance for doubtful accounts	-	(46,985)	-	(46,985)
Due from other governments	8,376	40,813	19,250	68,439
Total assets	$ 1,781,628	$ 1,571,086	$ 4,909,453	$ 8,262,167
Liabilities and fund balances				
Liabilities:				
Vouchers payable and accrued liabilities	$ 574,639	$ 241,675	$ 83,585	$ 899,899
Due to Collier County, Florida Board of County Commissioners	200,221	-	-	200,221
Due to other governments	-	1,329,411	-	1,329,411
Deposits	1,006,768	-	-	1,006,768
Total liabilities	1,781,628	1,571,086	83,585	3,436,299
Fund balance:				
Restricted	-	-	4,825,868	4,825,868
Total fund balance	-	-	4,825,868	4,825,868
Total liabilities and fund balance	$ 1,781,628	$ 1,571,086	$ 4,909,453	$ 8,262,167

See accompanying Notes to Financial Statements.

Collier County, Florida
Clerk of the Circuit Court

Statement of Revenues, Expenditures, and Changes in Fund Balance Governmental Funds

Year Ended September 30, 2016

	General	Court Services	Other Special Revenue	Total Governmental Funds
Revenues:				
Intergovernmental	$ -	$ 310,321	$ 19,250	$ 329,571
Charges for services	3,198,283	6,263,767	1,500,055	10,962,105
Interest income	15,209	12,146	11,159	38,514
Total revenues	3,213,492	6,586,234	1,530,464	11,330,190
Expenditures:				
General government:				
Personal services	6,630,979	5,393,157	1,004,902	13,029,038
Operating	2,055,249	302,174	607,072	2,964,495
Capital outlay	345,030	-	2,423	347,453
Total expenditures	9,031,258	5,695,331	1,614,397	16,340,986
Excess (deficiency) of revenues over (under) expenditures	(5,817,766)	890,903	(83,933)	(5,010,796)
Other financing sources (uses):				
Transfers in:				
Collier County, Florida Board of County Commissioners appropriations	6,014,400	-	-	6,014,400
Transfers out:				
Distribution of excess fees to State of Florida	-	(890,903)	-	(890,903)
Distribution of excess appropriations to Collier County, Florida Board of County Commissioners	(196,634)	-	-	(196,634)
Total other financing sources (uses)	5,817,766	(890,903)	-	4,926,863
Net change in fund balance	-	-	(83,933)	(83,933)
Fund balances – beginning of year	-	-	4,909,801	4,909,801
Fund balances – end of year	$ -	$ -	$ 4,825,868	$ 4,825,868

See accompanying Notes to Financial Statements.

Collier County, Florida
Clerk of the Circuit Court

Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual General Fund

Year Ended September 30, 2016

	Budget			Variance With Final Budget Positive (Negative)
	Original	**Final**	**Actual**	
Revenues:				
Charges for services	$ 2,793,000	$ 3,131,200	$ 3,198,283	$ 67,083
Interest income	16,200	16,200	15,209	(991)
Total revenues	2,809,200	3,147,400	3,213,492	66,092
Expenditures:				
General government:				
Personal services	7,129,200	6,644,000	6,630,979	13,021
Operating expenditures	1,575,100	2,094,600	2,055,249	39,351
Capital outlay	119,300	423,200	345,030	78,170
Total expenditures	8,823,600	9,161,800	9,031,258	130,542
Excess (deficiency) of revenues over (under) expenditures	(6,014,400)	(6,014,400)	(5,817,766)	196,634
Other financing sources (uses):				
Transfers in:				
Collier County, Florida Board of County Commissioners appropriations	6,014,400	6,014,400	6,014,400	-
Transfers out:				
Distribution of excess appropriations to Collier County, Florida Board of County Commissioners	-	-	(196,634)	(196,634)
Total other financing sources (uses)	6,014,400	6,014,400	5,817,766	(196,634)
Net change in fund balance	-	-	-	-
Fund balance – beginning of year	-	-	-	-
Fund balance – end of year	$ -	$ -	$ -	$ -

See accompanying Notes to Financial Statements.

Collier County, Florida
Clerk of the Circuit Court

Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual
Court Services Fund

Year Ended September 30, 2016

	Budget			Variance With Final Budget Positive
	Original	**Final**	**Actual**	**(Negative)**
Revenues:				
Intergovernmental	$ 219,000	$ 219,000	$ 310,321	$ 91,321
Charges for services	6,818,653	6,572,264	6,263,767	(308,497)
Interest income	4,400	4,400	12,146	7,746
Total revenues	7,042,053	6,795,664	6,586,234	(209,430)
Expenditures:				
General government:				
Personal services	6,516,853	6,290,364	5,393,157	897,207
Operating expenditures	525,200	505,300	302,174	203,126
Total expenditures	7,042,053	6,795,664	5,695,331	1,100,333
Excess of revenues over expenditures	-	-	890,903	890,903
Other financing (uses):				
Transfers out:				
Distribution of excess fees to State of Florida	-	-	(890,903)	890,903
Total other financing (uses)	-	-	(890,903)	890,903
Net change in fund balance	-	-	-	-
Fund balance – beginning of year	-	-	-	-
Fund balance – end of year	$ -	$ -	$ -	$ -

See accompanying Notes to Financial Statements.

Collier County, Florida
Clerk of the Circuit Court

Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual Other Special Revenue Fund

Year Ended September 30, 2016

	Budget			Variance With Final Budget Positive (Negative)
	Original	**Final**	**Actual**	
Revenues:				
Intergovernmental	$ -	$ 19,250	$ 19,250	$ -
Charges for services	1,405,000	1,405,000	1,500,055	95,055
Interest income	6,900	6,900	11,159	4,259
Total revenues	1,411,900	1,431,150	1,530,464	99,314
Expenditures:				
General government:				
Personal services	1,028,600	1,136,100	1,004,902	131,198
Operating expenditures	1,524,300	1,458,550	607,072	851,478
Capital outlay	1,043,700	1,128,700	2,423	1,126,277
Total expenditures	3,596,600	3,723,350	1,614,397	2,108,953
Net change in fund balance	(2,184,700)	(2,292,200)	(83,933)	2,208,267
Fund balance – beginning of year	2,611,593	4,479,529	4,909,801	430,272
Fund balance – end of year	$ 426,893	$ 2,187,329	$ 4,825,868	$ 2,638,539

See accompanying Notes to Financial Statements.

Collier County, Florida
Clerk of the Circuit Court

Statement of Fiduciary Net Position
Agency Funds

September 30, 2016

Assets	
Cash and cash equivalents	$ 25,203,051
Liabilities	
Due to the Collier County,	
Florida Board of County Commissioners	$ 328,284
Due to other governments	765,899
Deposits	24,108,868
Total liabilities	$ 25,203,051

See accompanying Notes to Financial Statements.

Collier County, Florida
Clerk of the Circuit Court

Notes to Financial Statements

September 30, 2016

1. Summary of Significant Accounting Policies

Reporting Entity

The Collier County, Florida Clerk of the Circuit Court (Clerk) is an elected constitutional officer as provided for by the Constitution of the State of Florida. The Clerk's Budget is presented pursuant to Chapter 218, *Florida Statutes*. Additionally, a budget is submitted to the Florida Clerks of Court Operations Corporation for the Court Services Fund.

The financial statements presented include the general fund, special revenue funds, and agency funds of the Clerk's office. The accompanying financial statements were prepared for the purpose of complying with Section 218.39(2), *Florida Statutes*, and Chapter 10.550, *Rules of the Auditor General - Local Governmental Entity Audits*, which allows the Clerk to only present fund financial statements. These financial statements present only the portion of the funds of Collier County, Florida that are attributable to the Clerk. They are not intended to present fairly the financial position and results of operations of Collier County, Florida in conformity with accounting principles generally accepted in the United States of America.

The financial activities of the Clerk, as a constitutional officer, are included in the Collier County, Florida Comprehensive Annual Financial Report. There are no separate legal entities (component units) for which the Clerk is considered to be financially accountable.

The general operations of the Clerk are funded by: fees from third parties, transfer in lieu of fees from the Collier County, Florida Board of County Commissioners (Board), appropriations from the State of Florida, and interest income. Pursuant to Chapter 218 *Florida Statutes*, funds remaining in the general fund at fiscal year-end, in excess of amounts expended, are returned to the Board. Excess revenues returned to the Board are reflected as transfers out in the Clerk's general fund. Court-related operations are funded by the collection of fines, fees costs and service charges, and a child support grant. Any surplus of revenues after expenditures in this fund is remitted to the State in January of the next year. Special revenue funds are retained by the Clerk and budgeted according to requirements of each source.

The State transitioned the Clerk in July, 2013 to be self-funded from fees and fines. Pursuant to Section 28.37, Florida Statute, any surplus revenues over expenditures will be returned to the State.

Measurement Focus, Basis of Accounting, and Basis of Presentation

These fund financial statements report detailed information about the Clerk. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is reported in a separate column.

1. Summary of Significant Accounting Policies (continued)

Governmental Funds

Governmental funds are accounted for using the flow of current financial resources measurement focus. Only current assets and current liabilities, generally, are included on the balance sheet. Operating statements for these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The Clerk reports the following major governmental funds:

General Fund – The general fund is used to account for all revenue and expenditures applicable to the general operations of the Clerk, which are not accounted for in another fund. All operating revenue not specifically restricted or designated as to use, is recorded in the general fund.

Court Services Fund – The court services fund is a special revenue fund established to account for court-related filing fees, service charges, fines, court costs, appropriations and expenses of the Clerk as mandated by Section 28.35, *Florida Statutes.*

Other Special Revenue Fund – The other special revenue fund is a special revenue fund used to account for revenues mandated by Section 28.24(12)(d), *Florida Statutes*, to be held in trust by the Clerk and used exclusively for equipment and maintenance of equipment, personnel training, and technical assistance in modernizing the public records system of the office, and revenues mandated by Section 28.24(12)(e), *Florida Statutes*, to be used exclusively for funding court-related technology needs. This fund also accounts for revenues and expenditures pursuant to Section 28.37(5), *Florida Statutes.*

The modified accrual basis of accounting is used by governmental funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become measurable and available to finance liabilities of the current fiscal year). For this purpose, the Clerk considers revenues to be available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred, except for certain compensated absences, which are recognized as expenditures to the extent they have matured.

Charges for services, interest income, and other revenues are recognized as they are earned and become measurable and available to pay liabilities of the current period.

1. Summary of Significant Accounting Policies (continued)

With the implementation of Revision 7 to Article V on July 1, 2004, the Clerk's activities are classified as court-related and non-court-related. The Clerk's general fund activity, which is classified as non-court-related, is funded through service charges for recording instruments and documents into the official records, interest income and through transfers in from the Board of County Commissioners.

Court-related operations are funded by the collection of fines, fees costs and service charges, and a child support grant. Any surplus of revenues after expenditures in this fund is remitted to the State in January of the next year.

Florida Statutes provide that the amount by which revenues and transfers exceed annual expenditures for the general fund be remitted to the Board immediately following the fiscal year for which the funding was provided or following the fiscal year during which other revenues were recognized. The amount of this distribution is recorded as a liability and as other financing use in the accompanying purpose financial statements.

Capital outlays expended in governmental funds are capitalized in the basic financial statements of Collier County, Florida rather than in the governmental funds of the Clerk.

Additionally, the Clerk reports the following fund type:

Fiduciary Funds – Agency Funds – Agency funds are used to account for assets held by the Clerk in a trustee capacity or as an agent for individuals, private organizations, other governments, and other funds. The agency funds are custodial in nature (assets equal liabilities), and do not involve measurement of results of operations or have a measurement focus. Agency funds are accounted for using the full accrual basis of accounting.

Cash Equivalents

Cash equivalents are defined as highly liquid investments with original maturities of three months or less. The Clerk does not currently hold investments.

1. Summary of Significant Accounting Policies (continued)

Compensated Absences

All full-time employees of the Clerk are allowed to accumulate an unlimited number of hours of unused sick leave and up to 240 hours of unused vacation leave (with limited exceptions per the employee manual). Upon termination, employees receive 100% of allowable accumulated vacation hours and a percentage of unused sick leave, depending on years of service. Vacation leave and sick leave are included in governmental funds when the payments are made to employees. The Clerk is not legally required to accumulate financial resources for these un-matured obligations. Accordingly, the liability for compensated absences is not reported in the Clerk's funds, but rather is reported in the basic financial statements of Collier County, Florida.

Prepaid Expenses

The Clerk has elected to follow GASB Codification 1600.127 *Other Expenditure Recognition Alternatives* and expends maintenance costs as they are incurred and does not allocate the cost between periods.

Use of Estimates

The preparation of these financial statements requires management of the Clerk to make a number of estimates and assumptions relating to the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the period. Actual results could differ slightly from those estimates.

Fund Balance Reporting and Governmental Fund-Type Definitions

Fund balances are classified either as non-spendable or as spendable. Spendable fund balances are further classified in a hierarchy based on the extent to which there are external and/or internal constraints in how fund balance amounts may be spent.

Non-spendable fund balances include amounts that cannot be spent because they are not in spendable form or are legally or contractually required to be maintained intact. There were no non-spendable fund balances at the Clerk as of September 30, 2016.

1. Summary of Significant Accounting Policies (continued)

Fund Balance Reporting and Governmental Fund-Type Definitions (continued)

Spendable fund balances are classified based on a hierarchy of the Clerk's ability to control the spending of these fund balances and are reported in the following categories: restricted, committed, assigned and unassigned. The Clerk's fund balances for the special revenue funds fall into the spendable restricted category. Fund balances maintained in the special revenue funds are restricted pursuant to certain Florida Statutes and have been presented as restricted fund balances in the fund financial statements in accordance with GASB Statement No. 54.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the Clerk considers restricted funds to have been spent first.

When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Clerk considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Clerk has provided otherwise in its commitment or assignment actions.

2. Budgetary Process

Florida Statutes govern the preparation, adoption, and administration of the Clerk's annual budget. The Clerk prepares and approves the budget for the Clerk s non-court functions, including special revenue fund and the budget related to the recording function based on anticipated fees. The budget of the Clerk for services to the Board is submitted to the Board.

Pursuant to Section 28.36, *Florida Statutes*, a balanced court-related budget must be prepared on or before June 1 (for the period starting the next October 1 through September 30) and submitted to the Florida Clerks of Court Operations Corporation (Corporation).

If the Clerk estimates that projected revenues are insufficient to meet anticipated expenditures, the Clerk must report the revenue deficit to the Corporation. Once the Corporation verifies the revenue deficit, the Clerk can increase fees up to the maximum amounts specified by law to resolve the deficit. If a revenue deficit is still projected, a request can be submitted to release funds from the Department of Revenue Clerks of the Court Trust Fund. For the year ended September 30, 2016, the Clerk had sufficient revenues to meet expenditures.

2. Budgetary Process (continued)

The budget is prepared on a basis consistent with accounting principles generally accepted in the United States of America, except for the classification and presentation of the distribution of excess court revenue to the State for the court services fund, which is treated as other financing use (transfer out) for budgetary purposes and as an expenditure in the statement of revenues, expenditures, and changes in fund balance in the court services fund. The annual budget serves as the legal authorization for expenditures. Any subsequent amendments to the Board approved transfer must be approved by the Board; amendments to the Clerk's fee budget are at the discretion of the Clerk, and any amendments that increase or decrease the court budget must be approved by the Corporation for the court services fund. Budgetary changes within the court services fund not affecting the overall budget are made at the discretion of the Clerk.

Expenditures may not legally exceed appropriations at the fund level. Appropriations lapse at year-end. Budgetary control is maintained at the departmental major object expenditure level. Budgetary changes within major object expenditure categories are made at the discretion of the Clerk.

The original budget is the first complete appropriated budget. The final budget is the original budget adjusted by all reserves, transfers, allocations, supplemental appropriations, and other legally authorized changes applicable to the fiscal year.

3. Cash and Cash Equivalents

At September 30, 2016, the carrying value of the Clerk's cash and cash equivalents was as follows:

Type	Maturity	Carrying Value	Credit Rating
Cash on hand	N/A	$ 7,600	N/A
Demand deposits	N/A	33,322,160	N/A
Total cash and cash equivalents		$ 33,329,760	

The Clerk maintains a cash pool for the deposits of all governmental and agency funds. Each fund type's portion of these balances is presented as cash and cash equivalents in the accompanying financial statements. Interest income is allocated to each fund based on its proportionate balance in the pool.

3. Cash and Cash Equivalents (continued)

Cash and cash equivalents as of September 30, 2016 are reported as $8,126,709 and $25,203,051 in the governmental funds and fiduciary funds, respectively.

Custodial Credit Risk

At September 30, 2016, the Clerk's deposits were entirely covered by Federal Depository Insurance or by collateral pledged with the State Treasurer pursuant to Chapter 280, *Florida Statutes.* Under this Chapter, in the event of default by a participating financial institution (a qualified public depository), all participating institutions are obligated to reimburse the governmental entity for the loss.

Credit Risk

The Clerk's policy is to follow the guidance in Section 219.075, *Florida Statutes,* regarding the deposit of funds received and the investment of surplus funds. Sections 219.075 and 218.415, *Florida Statutes*, authorize the Clerk to invest in Florida PRIME or any intergovernmental investment pool authorized pursuant to the Florida Inter-local Cooperation Act; Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency; direct obligations of the United States Treasury, federal agencies and instrumentalities, or interest-bearing time deposits or savings accounts in banks organized under the laws of the United States and doing business and situated in the State of Florida, savings and loan associations which are under state supervision, or in federal savings and loan associations located in the State of Florida and organized under federal law and federal supervision, provided that any such deposits are secured by collateral as may be prescribed by law. Additionally, Florida Statutes allow local governments to place public funds with institutions that participate in a collateral pool under the Florida Security for Public Deposits Act. The pool is administered by the State Treasurer, who may make additional assessments to ensure that no public funds will be lost.

Interest Rate Risk

Investment of Clerk's funds is based on maintaining 24 hour liquidity. All Clerks funds are held in local banks or short term investment instruments.

4. Interest Income and Investment of County Funds

Pursuant to *Florida Statutes*, Section 28.33, the Clerk invests all County funds in excess of those required to meet expenses. Interest income is allocated to each fund based on its proportionate balance in the pool. Interest income of $15,209 is reported in the general fund for the year ended September 30, 2016, as the portion of interest earned on Clerk funds.

5. Capital Assets

Capital assets used by the governmental fund type operations are capitalized in the basic financial statements of Collier County, Florida rather than in the governmental funds of the Clerk. Upon acquisition, such assets are recorded as expenditures in the governmental funds of the Clerk and are capitalized at cost in the basic financial statements of Collier County, Florida. Capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their estimated fair value on the date received.

The Clerk maintains custodial responsibility for capital assets used by the office. No depreciation expense has been provided on capital assets in these financial statements. However, depreciation expense on these assets is recorded in the basic financial statements of Collier County, Florida.

The following is a summary of changes in capital assets, which are reported in the basic financial statements of Collier County, Florida:

	October 1, 2015	Additions	Deductions	Transfer-out	September 30, 2016
Capital assets depreciated:					
Machinery and equipment	$7,573,417	$ 347,453	$ (651,361)	$ (6,173)	$ 7,263,336
Less accumulated depreciation	(5,587,369)	(655,461)	651,359	6,173	(5,585,298)
Total capital assets depreciated	1,986,048	(308,008)	(2)	-	1,678,038
Total capital assets, net	$1,986,048	$(308,008)	$ (2)	$ -	$ 1,678,038

6. Long-Term Liabilities

The following is a summary of changes in long-term liabilities which are reported in the basic financial statements of Collier County, Florida:

	October 1, 2015	Additions	Deletions	September 30, 2016
Accrued compensated absences	$ 1,828,399	$ 887,990	$ (913,778)	$ 1,802,611

Of these liabilities, $901,306 is expected to be paid during the fiscal year ending September 30, 2017. These long-term liabilities are not reported in the financial statements of the Clerk since they have not matured.

7. Pension Plans

Background

The Florida Retirement System (FRS) was created by Chapter 121, *Florida Statutes*, to provide a defined benefit pension plan for participating public employees. The FRS was amended in 1998 to add the Deferred Retirement Option Program under the defined benefit plan and amended in 2000 to provide a defined contribution plan alternative to the defined benefit plan for FRS members effective July 1, 2002. This integrated defined contribution pension plan is the FRS Investment Plan. Chapter 112, *Florida Statutes*, established the Retiree Health Insurance Subsidy (HIS) Program, a cost-sharing multiple-employer defined benefit pension plan, to assist retired members of any State-administered retirement system in paying the costs of health insurance.

Essentially all regular employees of the Clerk are eligible to enroll as members of the State-administered FRS. Provisions relating to the FRS are established by Chapters 121 and 122, *Florida Statutes*; Chapter 112, Part IV, *Florida Statutes*; Chapter 238, *Florida Statutes*; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. Such provisions may be amended at any time by further action from the Florida Legislature. The FRS is a single retirement system administered by the Florida Department of Management Services, Division of Retirement, and consists of the two cost-sharing, multiple-employer defined benefit plans and other nonintegrated programs. A comprehensive annual financial report of the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from the Florida Department of Management Services' Web site (www.dms.myflorida.com).

7. Pension Plans (continued)

Florida Retirement System Pension Plan

Plan Description

The Florida Retirement System Pension Plan (FRS Plan) is a cost-sharing multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program (DROP) for eligible employees. The general classes of membership are as follows:

- *Regular Class* – Members of the FRS who do not qualify for membership in the other classes.
- *Elected County Officers Class* – Members who hold specified elective offices in local government.
- *Senior Management Service Class (SMSC)* – Members in senior management level positions.
- *Special Risk Class* – Members who are special risk employees, such as law enforcement officers, meet the criteria to qualify for this class.

Employees enrolled in the FRS Plan prior to July 1, 2011, vest at 6 years of creditable service and employees enrolled in the FRS Plan on or after July 1, 2011, vest at 8 years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62 or at any age after 30 years of service, except for members classified as special risk who are eligible for normal retirement benefits at age 55 or at any age after 25 years of service. All members enrolled in the FRS Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service, except for members classified as special risk who are eligible for normal retirement benefits at age 60 or at any age after 30 years of service. Employees enrolled in the FRS Plan may include up to 4 years of credit for military service toward creditable service. The FRS Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The FRS Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments to eligible participants.

DROP, subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the FRS Plan to defer receipt of monthly benefit payments while continuing employment with an FRS participating employer. An employee may participate in DROP for a period not to exceed 60 months after electing to participate, except that certain instructional personnel may participate for up to 96 months. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest. The net pension liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits.

7. Pension Plans (continued)

Benefits Provided

Benefits under the FRS Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the 5 highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the 8 highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement class to which the member belonged when the service credit was earned. Members are eligible for in-line-of-duty or regular disability and survivors' benefits.

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the FRS before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3% per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3% determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3%. FRS Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

Detailed information about the County's proportionate share of FRS's net pension liability, deferred outflows/inflows of resources, and pension expense are reported in the government-wide statements of the County.

Retiree Health Insurance Subsidy Program

Plan Description

The Retiree Health Insurance Subsidy Program (HIS Plan) is a cost-sharing multiple-employer defined benefit pension plan established under Section 112.363, Florida Statutes, and may be amended by the Florida Legislature at any time. The benefit is a monthly payment to assist retirees of State-administered retirement systems in paying their health insurance costs and is administered by the Florida Department of Management Services, Division of Retirement.

7. Pension Plans (continued)

Benefits Provided

For the fiscal year ended June 30, 2016, eligible retirees and beneficiaries received a monthly HIS payment of $5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of $30 and a maximum HIS payment of $150 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Detailed information about the County's proportionate share of HIS's net pension liability, deferred outflows/inflows of resources, and pension expense are reported in the government-wide statements of the County.

FRS Investment Plan

The Florida State Board of Administration (SBA) administers the defined contribution plan officially titled the FRS Investment Plan (Investment Plan). The Investment Plan is reported in the SBA's annual financial statements and in the State of Florida Comprehensive Annual Financial Report.

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. Clerk employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.), as the FRS defined benefit plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06% of payroll and by forfeited benefits of plan members.

7. Pension Plans (continued)

For all membership classes, employees are immediately vested in their own contributions and are vested after 1 year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Non-vested employer contributions are placed in a suspense account for up to 5 years. If the employee returns to FRS-covered employment within the 5-year period, the employee will regain control over their account. If the employee does not return within the 5-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended June 30, 2016, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the Clerk.

After termination and applying to receive benefits, the member may rollover vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lump-sum distribution, leave the funds invested for future distribution, or any combination of these options. Disability coverage is provided; the member may either transfer the account balance to the FRS Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the FRS Pension Plan, or remain in the Investment Plan and rely upon that account balance for retirement income.

Contributions

Participating employer contributions are based upon statewide rates established by the State of Florida. The Clerk's contributions made to the plans during the years ended September 30, 2016, 2015, and 2014 were $750,024, $754,154, and $738,661, respectively, equal to the actuarially determined contribution requirements for each year.

Additional information about pension plans can be found in the Collier County comprehensive annual financial report or County-wide financial statements.

8. Related Party Transactions

The Board provided funding for the Clerk in the amount of $6,014,400. The Supervisor of Elections provided funding in the amount of a $46,400 fee for financial services performed by the Clerk. At September 30, 2016, the Clerk had a payable due to the Board of $528,505, comprised as follows:

Distribution of excess fees	$ 196,634
Amounts due for various services	3,587
Agency funds due	328,284
Total due to Board of County Commissioners	$ 528,505

9. Risk Management

Collier County, Florida (County) is exposed to various risks of loss, including, but not limited to, general liability, health and life, property and casualty, auto and physical damage, and workers' compensation. The County is substantially self-insured and accounts for and finances its risk of uninsured losses through an internal service fund. All liabilities associated with these self-insured risks are reported in the basic financial statements of the County. During the year ended September 30, 2016, the Clerk was charged $2,424,957 by the County for participation in the risk management program.

The County retains the first $500,000 per claim for workers' compensation, and has purchased outside excess coverage for up to the statutory limits for each injury and illness. The County also provides coverage for up to $500,000 per occurrence for general liability and $300,000 per occurrence for auto liability coverage and has purchased outside excess coverage for up to $5 million per claim. Negligence claims in excess of the statutory limits set in Section 768.28, *Florida Statutes*, which provide for limited sovereign immunity of $200,000/$300,000 per occurrence can only be recovered through an act of the State Legislature. Property claims are subject to a 5% wind deductible and a $50,000 deductible for all other perils. The County retains the first $100,000 per claim/$200,000 per occurrence for public official errors and omissions and crime coverage and has purchased outside excess coverage for up to $5 million per claim. There have been no significant reductions in insurance coverage in the last year. Settled claims have not exceeded the insurance provided by third party carriers in any of the last three years.

The County is self-insured for health claims covering all of its employees and their eligible dependents. The County retains the first $400,000 per covered member and has purchased outside excess coverage for all claims exceeding this amount. An actuarial valuation is performed each year to estimate the amounts needed to pay prior and future claims and to establish reserves.

10. Other Postemployment Healthcare Benefits (OPEB) Plan

The Clerk follows GASB Statement 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits other than Pensions* in accounting for its post-employment benefits.

Plan Description

The Clerk participates in a group health care plan that covers eligible retirees, and their dependents, of the Board and all Constitutional Officers with the exception of the Sheriff. The Board administers the plan and establishes the benefits. The healthcare plan does not issue a stand-alone financial report; however, additional actuarial information regarding the plan as a whole is disclosed in the notes to the financial statements of Collier County, Florida.

Under Florida statutes, retirees originally hired prior to July 1, 2011, are eligible to participate in the active medical plan by paying the active rate if they have attained age 62 and have 6 years of service or have at least 30 years of service. Employees hired on or after July 1, 2011 are eligible to participate in the active medical plan by paying the active rate if they have attained age 65 and have 8 years of service or have at least 33 years of service. Employees eligible for a reduced benefit under the Florida Retirement System prior to age 62 (65 if hired on or after July 1, 2011) are also eligible to participate in the medical plan. The Clerk provides no subsidy to the retiree, or their dependents, for group health care.

Funding Policy

The contribution requirements of the plan members and the employers are established and may be amended by the County. The plans are financed by the participating agencies on a pay as you go basis through the County's self-insurance internal service fund. Participating agencies contribute an additional amount per each active employee to fund retiree health care. The Clerk had a net OPEB obligation of $56,221 as of September 30, 2016.

The annual other postemployment benefit cost is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with GASB Statement 45. The ARC represents a level of funding that, if paid by on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years. An actuarial valuation on the plan as a whole was performed on October 1, 2015. The notes to the financial statements of the County disclose additional information regarding the other post-employment benefit plan as a whole.

11. Claims and Contingencies

Litigation

The Clerk is routinely involved as defendant, plaintiff and as a "party in interest" in carrying out its statutorily and constitutionally assigned tasks. During the year ended September 30, 2016, the Clerk was involved in approximately 104,800 collection cases. These are court actions designed to collect fees and costs imposed by the courts in criminal cases. The Clerk was involved in approximately 250 bond forfeiture actions. Those cases involve collecting forfeitures of criminal appearance bonds. There are approximately 11 actions for foreclosure of property in which the Clerk has been a named defendant.

The Clerk was involved in litigation of a Florida Statute related to ownership of interest earned on monies paid into the registry of the court and an inverse condemnation allegation asserting that the Clerk has improperly retained interest accruing on funds in the court's registry. Two other cases with similar claims were filed in Florida. Both cases found against the respective plaintiffs. The plaintiffs filed a motion for the Florida Supreme Court to rule on the cases. The court denied the motion. The plaintiffs filed to have the U.S. Supreme Court hear the case. The Supreme Court chose not to hear the case and our case settled just after the close of the fiscal year.

The Clerk was involved in a litigation regarding fees for public records requests. There is currently a motion for recovery of attorney's fees in this case. The Clerk is contesting this claim.

The Clerk was involved in litigation against the County Manager and Purchasing Director joined by the Board of County Commissioners. This case has settled. There is currently a motion for recovery of costs in this case. These costs are being contested by the Clerk.

The Clerk submitted a demand notice for return of payment from a vendor. This matter is continuing and in negotiations for settlement.

The Clerk made payments pursuant to a garnishment order to a vendor. The BOCC has an intervention case against the Clerk, stating the Clerk had no authority to make these payments. The BOCC agreed to drop its intervention and authorized the Clerk to settle the claims.

In the opinion of the Clerk of the Circuit Court and legal counsel, the range of potential recoveries or liabilities from matters involving litigation will not materially affect the financial position of the Clerk of the Circuit Court.

Collier County, Florida
Clerk of the Circuit Court

Combining Statements of Fiduciary Net Position
All Agency Funds

September 30, 2016

	Clerk's Agency	Court Registry	Jury and Ordinary Witness	Total
Assets				
Cash and cash equivalents	$ 5,126,814	$ 20,070,784	$ 5,453	$ 25,203,051
Liabilities				
Due to Collier County, Florida Board of County Commissioners	$ 328,284	$ -	$ -	$ 328,284
Due to other governments	760,446	-	5,453	765,899
Deposits	4,038,084	20,070,784	-	24,108,868
Total liabilities	$ 5,126,814	$ 20,070,784	$ 5,453	$ 25,203,051

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*

Honorable Dwight E. Brock
Clerk of the Circuit Court
Collier County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of each major fund and the aggregate remaining fund information of the Collier County, Florida Clerk of the Circuit Court (Clerk), as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the Clerk's basic financial statements, and have issued our report thereon dated January 18, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Clerk'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 Clerk's internal control. Accordingly, we do not express an opinion on the effectiveness of the Clerk'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 was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Clerk's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 result 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.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Naples, Florida
January 18, 2017

MANAGEMENT LETTER

Honorable Dwight E. Brock
Clerk of the Circuit Court
Collier County, Florida

Report on the Financial Statements

We have audited the financial statements of the Collier County, Florida Clerk of the Circuit Court (Clerk), as of and for the fiscal year ended September 30, 2016 and have issued our report thereon dated January 18, 2017.

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; and Chapter 10.550, Rules of the Auditor General.

Other Reports

We have issued our 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* and Independent Accountants' Report on an examination conducted in accordance with *AICPA Professional Standards*, Section 601, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated January 18, 2017, 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 findings or recommendations made in the preceding annual financial audit 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. See Note 1 in the notes to the financial statements.

Other Matters

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

Section 10.554(1)(i)3., Rules of the Auditor General, requires that we address 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 other granting agencies, the Clerk and applicable management, and is not intended to be, and should not be used by anyone other than these specified parties.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Naples, Florida
January 18, 2017

CliftonLarsonAllen LLP
CLAconnect.com

INDEPENDENT ACCOUNTANTS' REPORT

Honorable Dwight E. Brock
Clerk of the Circuit Court
Collier County, Florida

We have examined the Collier County, Florida Clerk of the Circuit Court's (Clerk) compliance with Section 218.415, *Florida Statutes*, regarding the investment of public funds; Section 61.181, *Florida Statutes*, regarding alimony and child support payments; and Sections 28.35 and 28.36, *Florida Statutes*, regarding clerks of court performance standards and budgets, during the year ended September 30, 2016. Management is responsible for the Clerk's compliance with those requirements. Our responsibility is to express an opinion on the Clerk's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Clerk's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Clerk's compliance with specified requirements.

In our opinion, the Clerk complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2016.

This report is intended solely for the information and use of the Clerk and the Auditor General, State of Florida, and is not intended to be, and should not be used by anyone other than these specified parties.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Naples, Florida
January 18, 2017

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Collier County, Florida
Property Appraiser

Financial Statements and
Supplemental Reports

Year Ended September 30, 2016

Collier County, Florida
Property Appraiser

Financial Statements and Other Reports

Year Ended September 30, 2016

Contents

Independent Auditors' Report....1

Financial Statements

Balance Sheet – General Fund....3
Statement of Revenues, Expenditures, and Changes in Fund Balance – General Fund....4
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund....5
Notes to Financial Statements....6

Other Reports

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*....21
Management Letter....25
Independent Accountants' Report....28

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INDEPENDENT AUDITORS' REPORT

Honorable Abe Skinner
Property Appraiser
Collier County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the general fund of the Collier County, Florida Property Appraiser (Property Appraiser), as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the Property Appraiser's financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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 opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the general fund of the Property Appraiser as of September 30, 2016, and the changes in financial position and budgetary comparison of its general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of each major fund, only for that portion of the major funds of Collier County, Florida that is attributable to the Property Appraiser. They do not purport to, and do not, present fairly the financial position of Collier County, Florida as of September 30, 2016, and the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to these matters.

Other Matters

Required Supplementary Information

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report on our consideration of the Property Appraiser'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 included under the heading 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.* The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the result of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Property Appraiser's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Naples, Florida
January 12, 2017

Collier County, Florida
Property Appraiser

Balance Sheet – General Fund

September 30, 2016

Assets		
Cash and cash equivalents	$	839,955
Total assets	$	839,955
Liabilities and fund balance		
Liabilities:		
Accounts payable and accrued expenses	$	57,300
Due to Collier County, Florida Board of County Commissioners		706,795
Due to other taxing districts		75,860
Total liabilities		839,955
Fund balance		-
Total liabilities and fund balance	$	839,955

See accompanying Notes to Financial Statements.

Collier County, Florida
Property Appraiser

Statement of Revenues, Expenditures, and
Changes in Fund Balance
General Fund

Year Ended September 30, 2016

Revenues:	
Commissions and fees	$ 6,777,902
Miscellaneous	866,136
Interest	5,832
Total revenues	7,649,870
Expenditures:	
General government:	
Personal services	5,349,372
Operating	1,508,639
Capital outlay	9,204
Total expenditures	6,867,215
Excess of revenues over expenditures	782,655
Other financing uses:	
Distribution of excess fees and commissions to Collier County, Florida Board of County Commissioners	(706,795)
Distribution of excess fees and commissions to other governmental agencies	(75,860)
Total other financing uses	(782,655)
Net change in fund balance	-
Fund balance, beginning of year	-
Fund balance, end of year	$ -

See accompanying Notes to Financial Statements.

Collier County, Florida
Property Appraiser

Statement of Revenues, Expenditures,
and Changes in Fund Balance – Budget and Actual
General Fund

Year Ended September 30, 2016

	Budget			Variance With Final Budget Positive
	Original	**Final**	**Actual**	**(Negative)**
Revenues:				
Commissions and fees	$ 6,777,902	$ 6,777,902	$ 6,777,902	$ -
Interest Revenue	-	-	5,832	5,832
Miscellaneous	-	-	866,136	866,136
Total revenues	6,777,902	6,777,902	7,649,870	871,968
Expenditures:				
General government:				
Personal services	5,271,569	5,271,569	5,349,372	(77,803)
Operating	1,481,333	1,481,333	1,508,639	(27,306)
Capital outlay	25,000	25,000	9,204	15,796
Total expenditures	6,777,902	6,777,902	6,867,215	(89,313)
Excess of revenues over expenditures	-	-	782,655	782,655
Other financing uses:				
Distribution of excess fees to Collier County, Florida Board of County Commissioners	-	-	(706,795)	(706,795)
Distribution of excess commissions and fees to other governmental agencies	-	-	(75,860)	(75,860)
Total other financing uses	-	-	(782,655)	(782,655)
Net change in fund balance	-	-	-	-
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	$ -	$ -	$ -	$ -

See accompanying Notes to Financial Statements.

Collier County, Florida
Property Appraiser

Notes to Financial Statements

September 30, 2016

1. Summary of Significant Accounting Policies

The following is a summary of significant accounting principles and policies used in the preparation of the financial statements of the Collier County, Florida Property Appraiser (Property Appraiser).

Reporting Entity

The Property Appraiser is an elected official of the County, pursuant to the Constitution of the State of Florida, Article VIII, Section 1(d). The Property Appraiser is part of the primary government of the County. Although the Board and the Florida Department of Revenue approve the Property Appraiser's total operating budget, the Property Appraiser is responsible for the administration and the operation of the Property Appraiser's office. The Property Appraiser's financial statements include only the funds of the Property Appraiser's office. There are no separate legal entities (component units) for which the Property Appraiser is considered to be financially accountable.

The financial activities of the Property Appraiser, as a constitutional officer, are included in the Collier County, Florida Comprehensive Annual Financial Report.

Measurement Focus, Basis of Accounting, and Basis of Presentation

These financial statements have been prepared for the purpose of complying with Section 218.39(2), Florida Statutes, and Chapter 10.550, *Rules of the Auditor General – Local Governmental Entity Audits*, which allows the Property Appraiser to only present fund financial statements. These financial statements present only the portion of the funds of Collier County, Florida that are attributable to the Property Appraiser. They are not intended to present fairly the financial position and results of operations of Collier County, Florida in conformity with accounting principles generally accepted in the United States of America. The financial activities of the Property Appraiser, as a constitutional officer, are included in the Collier County, Florida Comprehensive Annual Financial Report.

These fund financial statements report detailed information about the Property Appraiser. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is reported in a separate column.

1. Summary of Significant Accounting Policies (continued)

Governmental Funds

Governmental funds are accounted for using the flow of current financial resources measurement focus. Only current assets and current liabilities, generally, are included on the balance sheet. Operating statements for these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets. The Property Appraiser's only governmental fund is the general fund. The general fund is used to account for the general operations of the Property Appraiser and includes all transactions not accounted for in another fund.

The modified accrual basis of accounting is used by governmental funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become measurable and available to finance liabilities of the current fiscal year). For this purpose, the Property Appraiser considers revenues to be available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred, except for certain compensated absences, which are recognized as expenditures to the extent they have matured.

Interest revenue and miscellaneous revenue are recognized as they are earned and become measurable and available to pay liabilities of the current period.

Substantially all of the Property Appraiser's revenue is received from taxing authorities. These monies are virtually unrestricted and are revocable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenue at the time of receipt; earlier if the "susceptible to accrual" criteria are met.

Florida Statutes provide that the amount by which revenues exceed annual expenditures be remitted to each governmental agency or the Board immediately following the fiscal year for which the funding was provided or following the fiscal year during which other revenue was recognized.

Capital outlays expended in the general fund operations are capitalized in the basic financial statements of Collier County, Florida rather than in the governmental funds of the Property Appraiser.

1. Summary of Significant Accounting Policies (continued)

Refund of "Excess Fees"

Florida Statutes further provide that the excess of revenues over expenditures held by the Property Appraiser be distributed to each governmental agency or the Board in the same proportion as the fees paid by each governmental agency bear to total fee revenues. The amount of this distribution is recorded as a liability and as an other financing use-transfer out in the accompanying financial statements.

Cash and Cash Equivalents

Cash and cash equivalents are highly liquid investments with original maturities of three months or less.

Compensated Absences

All full-time employees of the Property Appraiser are allowed to accumulate an unlimited number of hours of unused sick leave and up to 200 hours of unused vacation leave. Upon termination, employees receive 100% of allowable accumulated vacation hours and a percentage of unused sick leave, depending on years of service, not to exceed 1,040 hours. Vacation and sick leave payments are included in operating costs of the general fund when the payments are made to the employees. The Property Appraiser does not, nor is legally required to, accumulate financial resources for these unmatured obligations. Accordingly, the liability for compensated absences is not reported in the general fund of the Property Appraiser, but rather is reported in the basic financial statements of Collier County, Florida.

Prepaid Expenses

The Property Appraiser has elected to follow GASB Codification 1600.127 *Other Expenditure Recognition Alternatives* and expends maintenance costs as they are incurred and does not allocate the cost between periods.

1. Summary of Significant Accounting Policies (continued)

Use of Estimates

The preparation of the financial statements requires management of the Property Appraiser to make a number of estimates and assumptions relating to the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the period. Actual results could differ from those estimates.

2. Budgetary Process

Florida Statutes govern the preparation, adoption, and administration of the Property Appraiser's annual budget. The Property Appraiser prepares a budget for the general fund and submits it to the Florida Department of Revenue for approval. A copy of the approved budget is provided to the Board. Any subsequent amendments to the Property Appraiser's total budget must be approved by the Florida Department of Revenue. The annual budget serves as the legal authorization for expenditures. Expenditures may not legally exceed appropriations at the fund level. Appropriations lapse at year-end. Budget control is maintained at the departmental major object expenditure level. Budgetary changes within major object expenditure categories are made at the discretion of the Property Appraiser.

The original budget is the first complete appropriated budget. The final budget is the original budget adjusted by all reserves, transfers, allocations, supplemental appropriations, and other legally authorized changes applicable to the fiscal year, whenever legally authorized.

2. Budgetary Process (continued)

During the year, the Property Appraiser exceeded the budgeted amount for operating expenditures mainly as a result of other contractual services which were not expected at the time of the budget preparation. These budget overages were partially offset by budget savings in the personnel services category.

3. Cash

At September 30, 2016, the carrying value of the Property Appraiser's cash was as follows:

Type	Carrying Value
Cash on hand	$ 125
Demand deposits	839,830
Total cash	$ 839,955

Custodial Credit Risk

At September 30, 2016, the Property Appraiser's deposits were entirely covered by Federal Depository Insurance or by collateral pledged with the State Treasurer pursuant to Chapter 280, *Florida Statutes*. Under this Chapter, in the event of default by a participating financial institution (a qualified public depository), all participating institutions are obligated to reimburse the governmental entity for the loss.

3. Cash (continued)

Credit Risk

The Property Appraiser's policy is to follow the guidance in Section 219.075, *Florida Statutes*, regarding the deposit of funds received and the investment of surplus funds. Sections 219.075 and 218.415, *Florida Statutes*, authorize the Property Appraiser to invest in Florida PRIME (formerly the Local Government Surplus Funds Trust Fund) or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act; Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency; direct obligations of the United States Treasury; federal agencies and instrumentalities or interest-bearing time deposits or savings accounts in banks organized under the laws of the United States and doing business and situated in the State of Florida, savings and loan associations which are under state supervision; or in federal savings and loan associations located in the State of Florida and organized under federal law and federal supervision, provided that any such deposits are secured by collateral as may be prescribed by law.

Interest Rate Risk

The Property Appraiser has no specific investment policy regarding interest rate risk.

4. Capital Assets

Capital assets used by the Property Appraiser are capitalized in the basic financial statements of Collier County, Florida rather than in the governmental funds of the Property Appraiser. Upon acquisition, such assets are recorded as expenditures in the general fund of the Property Appraiser, and are capitalized at cost in the basic financial statements of Collier County, Florida. Capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their estimated fair value on the date received. The Property Appraiser maintains custodial responsibility for the capital assets used by the office. No depreciation expense has been provided on capital assets in these financial statements. However, depreciation expense on these assets is recorded in the basic financial statements of Collier County, Florida.

4. Capital Assets (continued)

The following is a summary of changes in capital assets for the year ended September 30, 2016:

	October 1, 2015	Additions	Deductions	September 30, 2016
Improvements other than buildings	$ 15,332	$ -	$ -	$ 15,332
Machinery and equipment	1,682,110	9,204	141,641	1,549,673
Total capital assets	1,697,442	9,204	141,641	1,565,005
Less accumulated depreciation	(1,368,063)	(98,658)	(141,641)	(1,325,080)
Total capital assets, net	$ 329,379	$ (89,454)	$ -	$ 239,925

5. Long-Term Liabilities

The following is a summary of changes in long-term liabilities, which are reported in the basic financial statements of Collier County, Florida:

	October 1, 2015	Increase	Decrease	September 30, 2016
Accrued compensated absences	$ 330,282	$ 342,551	$ 318,700	$ 354,133

5. Long-Term Liabilities (continued)

Of these liabilities, approximately $150,000 is expected to be paid during the fiscal year ending September 30, 2017, which will be included in the operating costs of the general fund when expended. These long-term liabilities are not reported in the financial statements of the Property Appraiser since they have not matured.

6. Pension Plans

Background

The Florida Retirement System (FRS) was created by Chapter 121, Florida Statutes, to provide a defined benefit pension plan for participating public employees. The FRS was amended in 1998 to add the Deferred Retirement Option Program under the defined benefit plan and amended in 2000 to provide a defined contribution plan alternative to the defined benefit plan for FRS members effective July 1, 2002. This integrated defined contribution pension plan is the FRS Investment Plan. Chapter 112, Florida Statutes, established the Retiree Health Insurance Subsidy (HIS) Program, a cost-sharing multiple-employer defined benefit pension plan, to assist retired members of any State-administered retirement system in paying the costs of health insurance.

Essentially all regular employees of the Property Appraiser are eligible to enroll as members of the State-administered FRS. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. Such provisions may be amended at any time by further action from the Florida Legislature. The FRS is a single retirement system administered by the Florida Department of Management Services, Division of Retirement, and consists of the two cost-sharing, multiple-employer defined benefit plans and other nonintegrated programs. A comprehensive annual financial report of the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from the Florida Department of Management Services' Web site (www.dms.myflorida.com).

6. Pension Plans (continued)

Florida Retirement System Pension Plan

Plan Description

The Florida Retirement System Pension Plan (FRS Plan) is a cost-sharing multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program (DROP) for eligible employees. The general classes of membership are as follows:

- *Regular Class* – Members of the FRS who do not qualify for membership in the other classes.
- *Elected County Officers Class* – Members who hold specified elective offices in local government.
- *Senior Management Service Class (SMSC)* – Members in senior management level positions.
- *Special Risk Class* – Members who are special risk employees, such as law enforcement officers, meet the criteria to qualify for this class.

Employees enrolled in the FRS Plan prior to July 1, 2011, vest at 6 years of creditable service and employees enrolled in the FRS Plan on or after July 1, 2011, vest at 8 years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62 or at any age after 30 years of service, except for members classified as special risk who are eligible for normal retirement benefits at age 55 or at any age after 25 years of service. All members enrolled in the FRS Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service, except for members classified as special risk who are eligible for normal retirement benefits at age 60 or at any age after 30 years of service. Employees enrolled in the FRS Plan may include up to 4 years of credit for military service toward creditable service. The FRS Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The FRS Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments to eligible participants.

6. Pension Plans (continued)

DROP, subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the FRS Plan to defer receipt of monthly benefit payments while continuing employment with an FRS participating employer. An employee may participate in DROP for a period not to exceed 60 months after electing to participate, except that certain instructional personnel may participate for up to 96 months. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest. The net pension liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits.

Benefits Provided

Benefits under the FRS Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the 5 highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the 8 highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement class to which the member belonged when the service credit was earned. Members are eligible for in-line-of-duty or regular disability and survivors' benefits.

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the FRS before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3 percent per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3 percent determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3 percent. FRS Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

Detailed information about the County's proportionate share of FRS's net pension liability, deferred outflows/inflows of resources, and pension expense are reported in the government-wide statements of the County.

6. Pension Plans (continued)

Retiree Health Insurance Subsidy Program

Plan Description

The Retiree Health Insurance Subsidy Program (HIS Plan) is a cost-sharing multiple-employer defined benefit pension plan established under Section 112.363, Florida Statutes, and may be amended by the Florida Legislature at any time. The benefit is a monthly payment to assist retirees of State-administered retirement systems in paying their health insurance costs and is administered by the Florida Department of Management Services, Division of Retirement.

Benefits Provided

For the fiscal year ended June 30, 2016, eligible retirees and beneficiaries received a monthly HIS payment of $5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of $30 and a maximum HIS payment of $150 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Detailed information about the County's proportionate share of HIS's net pension liability, deferred outflows/inflows of resources, and pension expense are reported in the government-wide statements of the County.

FRS Investment Plan

The Florida State Board of Administration (SBA) administers the defined contribution plan officially titled the FRS Investment Plan (Investment Plan). The Investment Plan is reported in the SBA's annual financial statements and in the State of Florida Comprehensive Annual Financial Report.

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. Property Appraiser employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds.

6. Pension Plans (continued)

Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.), as the FRS defined benefit plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06 percent of payroll and by forfeited benefits of plan members.

For all membership classes, employees are immediately vested in their own contributions and are vested after 1 year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Non-vested employer contributions are placed in a suspense account for up to 5 years. If the employee returns to FRS-covered employment within the 5-year period, the employee will regain control over their account. If the employee does not return within the 5-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended June 30, 2016, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the Property Appraiser.

After termination and applying to receive benefits, the member may rollover vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lump-sum distribution, leave the funds invested for future distribution, or any combination of these options. Disability coverage is provided; the member may either transfer the account balance to the FRS Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the FRS Pension Plan, or remain in the Investment Plan and rely upon that account balance for retirement income.

6. Pension Plans (continued)

Contributions

The contribution requirements of the Property Appraiser are established and may be amended by the State of Florida. The Property Appraiser's employer contributions to the plan for the years ended September 30, 2016, 2015 and 2014, were $451,635, $377,140, and $315,882, respectively, equal to the required contributions for each year.

Additional information about pension plans can be found in the County's comprehensive annual financial report or County-wide financial statements.

7. Other Postemployment Healthcare Benefits (OPEB) Plan

The Property Appraiser follows GASB Statement 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits other than Pensions* in accounting for postemployment benefits.

Plan Description

The Property Appraiser participates in a group health care plan that covers eligible retirees, and their dependents, of the Board and all Constitutional Officers with the exception of the Sheriff. The Board administers the plan and establishes the benefits. The healthcare plan does not issue a stand-alone financial report, however additional actuarial information regarding the plan as a whole is disclosed in the notes to the financial statements of Collier County, Florida (the County).

Under Florida Statutes, retirees originally hired prior to July 1, 2011 are eligible to participate in the active medical plan by paying the active rate if they have attained age 62 and have 6 years of service or have at least 30 years of service. Employees hired on or after July 1, 2011 are eligible to participate in the active medical plan by paying the active rate if they have attained age 65 and have 8 years of service or have at least 33 years of service. Employees eligible for a reduced benefit under the Florida Retirement System prior to age 62 (65 years of age if hired on or after July 1, 2011) are also eligible to participate in the medical plan. In addition, the Property Appraiser provides no subsidy to the retiree, or their dependents, for group health care.

7. Other Postemployment Healthcare Benefits (OPEB) Plan (continued)

Funding Policy

The contribution requirements of the plan members and the employers are established and may be amended by the County. The plans are financed by the participating agencies on a pay as you go basis through the County's self insurance internal service fund. Participating agencies contribute an additional amount per each active employee to fund retiree health care. The Property Appraiser had a net OPEB obligation of $50,327 as of September 30, 2016.

The annual other postemployment benefit cost is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with GASB Statement 45. The ARC represents a level of funding that, if paid by on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years. An actuarial valuation on the plan as a whole was performed in November 2013. The notes to the financial statements of the County disclose additional information regarding the other post employment benefit plan as a whole.

8. Related-Party Transactions

During the fiscal year ended September 30, 2016, the Board paid fees to the Property Appraiser that amounted to $6,120,340. At September 30, 2016, the Property Appraiser had a payable due to the Board of $706,795, respectively, comprised as follows:

Distribution of excess commissions and fees	$ 706,795

9. Risk Management

Collier County, Florida (County) is exposed to various risks of loss including but not limited to, general liability, health and life, property and casualty, auto and physical damage, and workers' compensation. The County is substantially self-insured and accounts for and finances its risk of uninsured losses through an internal service fund. All liabilities associated with these self-insured risks are reported in the basic financial statements of the County. The Property Appraiser participates in the County's self-insurance program. During the year ended September 30, 2016, the Property Appraiser was charged $1,044,773 by the County for participation in the risk management program.

9. Risk Management (continued)

The County retains the first $500,000 per claim for workers' compensation, and has purchased outside excess coverage for up to the statutory limits for each injury or illness. The County also provides coverage for up to $500,000 per occurrence for general liability and $300,000 per occurrence for auto liability coverage and has purchased outside excess coverage for up to $5 million per claim. Negligence claims in excess of the statutory limits set in Section 768.20, *Florida Statutes*, which provide for limited sovereign immunity of $200,000/$300,000 per occurrence can only be recovered through an act of the State Legislature. Property claims are subject to a 5% wind deductible and a $50,000 deductible for all other perils. The County retains the first $100,000 per claim/$200,000 per occurrence for public official errors and omissions and crime coverage and has purchased outside excess coverage for up to $5 million per claim. There have been no significant reductions in insurance coverage in the last year. Settled claims have not exceeded the insurance provided by third party carriers in any of the last three years.

The County is self-insured for health claims covering all of its employees and their eligible dependents. The County retains the first $400,000 per covered member and has purchased outside excess coverage for all claims exceeding this amount. An actuarial valuation is performed each year to estimate the amounts needed to pay prior and future claims and to establish reserves.

10. Commitments and Contingencies

Litigation

The Property Appraiser is involved as a defendant or plaintiff in certain litigation and claims arising from the ordinary course of operations. In the opinion of the Property Appraiser and legal counsel, the range of potential recoveries or liabilities will not materially affect the financial position of the Property Appraiser.

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*

Honorable Abe Skinner
Property Appraiser
Collier County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the general fund of the Collier County, Florida Property Appraiser (Property Appraiser), as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the Property Appraiser's financial statements, and have issued our report thereon dated January 12, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Property Appraiser'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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Property Appraiser's internal control. Accordingly, we do not express an opinion on the effectiveness of the Property Appraiser'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 was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify a certain deficiency in internal control, described below as item 2016-002, that we consider to be a material weakness.

2016-002 – Audit Adjustment

Criteria
The Property Appraiser is responsible for ensuring the accuracy of the financial statements.

Condition
A material audit adjustment was required to correct revenue, expenditures, and fund balance.

Cause
An erroneous entry was recorded to net revenue and expenditures for the amount that the Property Appraiser was over budget for the year.

Effect
Revenue and expenditures were understated.

Recommendation
We recommend that management and the Property Appraiser review the financial information to ensure the no journal entries are prepared that net revenue and expenditure items.

View of Responsible Officials and Planned Corrective Actions
Management agrees that the entry needed to be corrected. Management has put processes into place to ensure that all entries are reviewed for accuracy and approved.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Property Appraiser's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which is described below as item 2016-001.

2016-001 – Budget

Criteria

Florida Statutes 195.087 (1)(a) requires the Property Appraiser to submit a budget for operation of the Property Appraiser's office for the fiscal year to the Florida Department of Revenue (DOR) for review and approval. Total expenditures should not exceed the total appropriations as approved by DOR.

Condition

The Property Appraiser's total expenditures exceeded its final approved total appropriations.

Cause

A budget amendment was not submitted prior to the expenditure of additional amounts for capital outlay.

Effect

The Property Appraiser expended $89,313 in excess of final approved appropriations.

Recommendation

We recommend that management and the Property Appraiser periodically review budget to actual reports to determine if the Property Appraiser is adhering to its adopted budget. If circumstances arise that will cause the Property Appraiser to incur total expenditures in excess of approved total appropriations, the Property Appraiser should first submit a budget amendment to the DOR.

View of Responsible Officials and Planned Corrective Actions

Management encountered some unexpected expenses, such as increased insurance and a billing form FRS did not file a budget amendment. Management has added the budget to the accounting software to allow budget to actual to be monitored in a timely fashion.

Property Appraiser's Response to Findings

The Property Appraiser's responses to the findings identified in our audit are described previously. The Property Appraiser's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

Honorable Abe Skinner
Property Appraiser

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 result 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.

CliftonLarsonAllen LLP

Naples, Florida
January 12, 2017

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MANAGEMENT LETTER

Honorable Abe Skinner
Property Appraiser
Collier County, Florida

Report on the Financial Statements

We have audited the financial statements of the general fund of the Collier County, Florida Property Appraiser (Property Appraiser) as of and for the year ended September 30, 2016, and have issued our report thereon dated January 12, 2017.

Auditors' Responsibility

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 and Chapter 10.550, Rules of the Florida Auditor General.

Other Reports

We have issued our 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* and Independent Accountants' Report on an examination conducted in accordance with *AICPA Professional Standards*, Section 601, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports which are dated January 12, 2017 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. The status of significant finding and recommendations made in the preceding financial audit report are listed in Appendix A.

Official Title and Legal Authority

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

Other Matters

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

Section 10.554(1)(i)3., Rules of the Auditor General, requires that we address 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 other granting agencies, and the Property Appraiser and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Naples, Florida
January 12, 2017

COLLIER COUNTY, FLORIDA
PROPERTY APPRAISER
MANAGEMENT LETTER
SEPTEMBER 30, 2016

APPENDIX A – PRIOR YEAR FINDINGS AND RECOMMENDATIONS

Prior Year Findings		Current Year Status		
		Cleared	Partially Cleared	Not Cleared
2015-001 Budget Current year comment 2016-001 Budget	Compliance			X

INDEPENDENT ACCOUNTANTS' REPORT

Honorable Abe Skinner
Property Appraiser
Collier County, Florida

We have examined the Collier County, Florida Property Appraiser's (Property Appraiser) compliance with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended September 30, 2016. Management is responsible for the Property Appraiser's compliance with those requirements. Our responsibility is to express an opinion on the Property Appraiser's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Property Appraiser's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Property Appraiser's compliance with specified requirements.

In our opinion, the Property Appraiser complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2016.

This report is intended solely for the information and use of the Property Appraiser and the Auditor General, State of Florida, and is not intended to be and should not be used by anyone other than these specified parties.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Naples, Florida
January 12, 2017

Collier County, Florida
Sheriff

Financial Statements and Supplemental Reports

Year Ended September 30, 2016

Collier County, Florida
Sheriff

Financial Statements and Other Reports

Year Ended September 30, 2016

Contents

Independent Auditors' Report....1

Financial Statements

Balance Sheet – Governmental Funds....4
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds....5
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget (Non-GAAP) and Actual – General Fund....6
Statement of Net Position – Internal Service Fund....7
Statement of Revenues, Expenses, and Changes in Net Position – Internal Service Fund....8
Statement of Cash Flows – Internal Service Fund....9
Statement of Fiduciary Net Position – Agency Funds....10
Notes to Financial Statements....11

Required Supplementary Information

Schedule of Funding Progress for the Retiree Health Plan....35

Combining Financial Information

Combining Statement of Fiduciary Net Position – Agency Funds....36
Combining Statement of Changes in Assets and Liabilities – Agency Funds....37

Collier County, Florida
Sheriff

Financial Statements and Other Reports

Year Ended September 30, 2016

Contents (continued)

Other Reports

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*....38
Management Letter....40
Schedule of Findings and Responses....42
Independent Accountants' Report....44
Independent Accountants' Report on Applying Agreed-Upon Procedures....45

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INDEPENDENT AUDITORS' REPORT

Honorable Kevin Rambosk
Sheriff
Collier County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of each major fund and the aggregate remaining fund information of the Collier County, Florida Sheriff (Sheriff), as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the Sheriff's financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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 each major fund and the aggregate remaining fund information for the Sheriff as of September 30, 2016, and the respective changes in financial position and, where applicable, cash flows and budgetary comparison thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of each major fund, and the aggregate remaining fund information, only for that portion of the major funds, and the aggregate remaining fund information, of Collier County that is attributable to the Sheriff. They do not purport to, and do not, present fairly the financial position of Collier County as of September 30, 2016, and the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Schedule of Funding Progress for the Retiree Health Plan, as listed in the table of contents, be presented to supplement the financial statements. Such information, although not a required part of the financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the 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 financial statements, and other knowledge we obtained during our audit of the 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.

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Sheriff's financial statements. The combining statements, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the financial statements. The combining statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such 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 financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining statements are fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2016 on our consideration of the Sheriff'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 included under the heading 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*. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Sheriff's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Naples, Florida
December 20, 2016

Collier County, Florida
Sheriff

Balance Sheet – Governmental Funds

September 30, 2016

	General	Grant Special Revenue	Prisoner Welfare	Federal Equitable Sharing	Other Non-Major Special Revenue Funds	Total
Assets						
Cash and cash equivalents	$ 7,920,755	$ 424,490	$ 1,558,640	$ 879,204	$ –	$ 10,783,089
Accounts receivable	42,862	–	–	–	–	42,862
Due from other funds	3,650,206	–	25,000	–	–	3,675,206
Due from other governments	25,718	76,882	–	–	–	102,600
Due from Collier County, Florida Board of County Commissioners	8,130	88,513	–	–	84,924	181,567
Total assets	$ 11,647,671	$ 589,885	$ 1,583,640	$ 879,204	$ 84,924	$ 14,785,324
Liabilities and fund balances						
Liabilities:						
Accounts payable	$ 2,430,915	$ 27,510	$ 6,242	$ 5,558	$ 43,363	$ 2,513,588
Accrued expenses	9,179,329	–	–	–	–	9,179,329
Due to other funds	2,000	–	32,518	10,619	41,561	86,698
Due to Collier County, Florida Board of County Commissioners	35,427	–	–	–	–	35,427
Unearned revenue	–	39,414	–	–	–	39,414
Total liabilities	11,647,671	66,924	38,760	16,177	84,924	11,854,456
Fund balances:						
Restricted	–	522,961	1,544,880	863,027	–	2,930,868
Total liabilities and fund balances	$ 11,647,671	$ 589,885	$ 1,583,640	$ 879,204	$ 84,924	$ 14,785,324

See accompanying Notes to Financial Statements.

Collier County, Florida
Sheriff

Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds

Year Ended September 30, 2016

	General	Grant Special Revenue	Prisoner Welfare	Federal Equitable Sharing	Other Non-Major Special Revenue Funds	Total
Revenues:						
Grant revenue	$ –	$ 1,225,477	$ –	$ –	$ –	$ 1,225,477
Charges for services	1,426,310	–	863,025	–	–	2,289,335
Interest income	–	1,483	3,756	2,157	–	7,396
Other revenue	–	–	–	82,486	–	82,486
Total revenues	1,426,310	1,226,960	866,781	84,643	–	3,604,694
Expenditures:						
General government:						
Personal services	3,837,585	–	–	–	–	3,837,585
Operating expenditures	105,749	–	–	–	–	105,749
Capital outlay	24,969	–	–	–	–	24,969
Public safety:						
Personal services	119,108,879	639,864	228,444	–	941,622	120,918,809
Operating expenditures	21,903,054	196,904	141,052	81,893	1,504,975	23,827,878
Capital outlay	9,274,962	86,188	–	–	408,161	9,769,311
Debt Service - principal	560,283	–	–	–	–	560,283
Debt Service - interest	57,429	–	–	–	–	57,429
Total expenditures	154,872,910	922,956	369,496	81,893	2,854,758	159,102,013
Excess (deficiency) of revenues over (under) expenditures	(153,446,600)	304,004	497,285	2,750	(2,854,758)	(155,497,319)
Other financing sources (uses):						
Transfers in:						
Collier County, Florida Board of County Commissioners appropriations	152,607,400	–	–	–	–	152,607,400
Collier County, Florida Board of County Commissioners	867,135	–	–	–	2,854,758	3,721,893
Transfers out:						
Distribution of excess appropriations to Collier County, Florida Board of County Commissioners	(27,935)	–	–	–	–	(27,935)
Total other financing sources	153,446,600	–	–	–	2,854,758	156,301,358
Net change in fund balances	–	304,004	497,285	2,750	–	804,039
Fund balances – beginning of year	–	218,957	1,047,595	860,277	–	2,126,829
Fund balances – end of year	$ –	$ 522,961	$ 1,544,880	$ 863,027	$ –	$ 2,930,868

See accompanying Notes to Financial Statements.

Collier County, Florida
Sheriff

Statement of Revenues, Expenditures and Changes in Fund Balances – Budget (Non-GAAP) and Actual General Fund

Year Ended September 30, 2016

	Budget			Variance With Budget Positive
	Original	**Final**	**Actual**	**(Negative)**
Revenues:				
Charges for services	$ –	$ 1,305,000	$ 1,426,310	$ 121,310
Expenditures:				
General government:				
Personal services	3,689,800	3,689,800	3,837,585	(147,785)
Operating expenditures	167,400	167,400	105,749	61,651
Capital outlay	–	–	24,969	(24,969)
Public safety:				
Personal services	122,420,600	123,653,600	119,108,878	4,544,722
Operating expenditures	23,612,700	23,684,700	21,903,054	1,781,646
Capital outlay	2,716,900	2,716,900	9,025,540	(6,308,640)
Total expenditures	152,607,400	153,912,400	154,005,775	(93,375)
Excess of expenditures over revenues	(152,607,400)	(152,607,400)	(152,579,465)	27,935
Other financing sources (uses):				
Transfers in:				
Collier County, Florida Board of County Commissioners appropriations	152,607,400	152,607,400	152,607,400	–
Transfers out:				
Distribution of excess appropriations to Collier County, Florida Board of County Commissioners	–	–	(27,935)	(27,935)
Total other financing sources	152,607,400	152,607,400	152,579,465	(27,935)
Net change in fund balance	–	–	–	–
Fund balance – beginning of year	–	–	–	–
Fund balance – end of year	$ –	$ –	$ –	$ –

See accompanying Notes to Financial Statements.

Collier County, Florida
Sheriff

Statement of Net Position – Internal Service Fund

September 30, 2016

Assets		
Cash and cash equivalents	$	3,795,984
Investments		7,887,137
Due from other funds		2,000
Interest receivable		11,531
Total assets		11,696,652
Liabilities:		
Self insurance claims payable		2,379,000
Due to other funds		3,554,292
Net other postemployment benefit obligation		2,612,863
Total liabilities		8,546,155
Net position:		
Unrestricted		3,150,497
Total net position	$	3,150,497

See accompanying Notes to Financial Statements.

Collier County, Florida
Sheriff

Statement of Revenues, Expenses, and Changes in Net Position – Internal Service Fund

Year Ended September 30, 2016

Operating revenues:		
Charges for services	$	20,046,310
Operating expenses:		
Claims and claims expenses		21,035,931
Reinsurance premiums		981,425
Net other postemployment benefit expense		444,764
Administrative and other expenses		263,656
Total operating expenses		22,725,776
Operating loss		(2,679,466)
Nonoperating revenues:		
Interest income, net of management fees		69,114
Realized loss on sale of investments		(76,811)
Increase in fair value of investments		45,191
Total nonoperating revenues		37,494
Change in net position		(2,641,972)
Net position – beginning of year		5,792,469
Net position – end of year	$	3,150,497

See accompanying Notes to Financial Statements.

Collier County, Florida
Sheriff

Statement of Cash Flows – Internal Service Fund

Year Ended September 30, 2016

Operating activities		
Cash payments for claims and claims related services	$	(20,600,363)
Cash payments for reinsurance premiums		(981,425)
Cash payments for administrative services and supplies		(263,656)
Cash received from other funds for services		22,700,000
Cash received from retirees for services		900,602
Net cash provided by operating activities		1,755,158
Investing activities		
Interest earnings, net of management fees		57,583
Purchase of securities		(9,240,161)
Proceeds from sales of securities		9,050,000
Net cash used by investing activities		(132,578)
Net increase in cash, cash equivalents, and investments		1,622,580
Cash, cash equivalents, and investments – beginning of year		2,173,404
Cash, cash equivalents, and investments – end of year	$	3,795,984
Reconciliation of operating loss to net cash provided by operating activities		
Operating loss	$	(2,679,466)
Adjustments to reconcile operating loss to net cash used by operating activities:		
Decrease in other receivables		45,012
Increase in due to/from other funds		3,735,848
Increase in net other postemployment benefit obligation		444,764
Increase in self-insurance claims payable		209,000
Net cash provided by operating activities	$	1,755,158

See accompanying Notes to Financial Statements.

Collier County, Florida
Sheriff

Statement of Fiduciary Net Position – Agency Funds

September 30, 2016

Assets		
Cash and cash equivalents	$	628,987
Due from individuals and businesses		1,618
Total assets	$	630,605
Liabilities		
Due to other funds	$	70,034
Due to Collier County, Florida Board of County Commissioners		25,703
Due to individuals and businesses		534,868
Total liabilities	$	630,605

See accompanying Notes to Financial Statements.

1. Summary of Significant Accounting Policies

Reporting Entity

The Collier County, Florida Sheriff (Sheriff) is an elected constitutional officer as provided for by the Constitution of the State of Florida. Pursuant to Chapter 129, *Florida Statutes*, the Sheriff's budget is submitted to the Collier County, Florida Board of County Commissioners (Board) for approval. The Sheriff is the chief law enforcement officer of Collier County, Florida (County) and is responsible for operating the County's corrections facilities.

The financial statements include the general fund, special revenue funds, proprietary fund (internal service fund), and agency funds of the Sheriff's office. The accompanying financial statements were prepared for the purpose of complying with Section 218.39(2), *Florida Statutes*, and Chapter 10.550, *Rules of the Auditor General - Local Governmental Entity Audits*, which allows the Sheriff to only present fund financial statements. These financial statements present only the portion of the funds of Collier County, Florida that are attributable to the Sheriff. They are not intended to present fairly the financial positions and results of operations of Collier County, Florida in conformity with accounting principles generally accepted in the United States of America. There are no separate legal entities (component units) for which the Sheriff is financially accountable.

Chapter 10.550, *Rules of the Auditor General - Local Governmental Entity Audits* requires the Sheriff to only present fund financial statements. Accordingly, due to the omission of government-wide financial statements and related disclosures, including a management's discussion and analysis, these financial statements do not constitute a complete presentation of the financial position of the Sheriff as of September 30, 2016 and the changes in its financial position and its cash flows, where applicable, for the year then ended, in conformity with Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, but otherwise constitute financial statements prepared in conformity with accounting principles generally accepted in the United States of America.

As a result of the budgetary oversight by the Board and the financial dependency on the Board, the financial activities of the Sheriff are included in the Collier County, Florida Comprehensive Annual Financial Report.

1. Summary of Significant Accounting Policies (continued)

Measurement Focus, Basis of Accounting, and Basis of Presentation

Transfers are provided by appropriations from the Board pursuant to law. Estimated receipts and budgeted fund balances must equal appropriations. The Sheriff is required to refund to the Board all excess appropriations annually; therefore, no unappropriated general fund balance is carried forward.

The fund financial statements report detailed information about the Sheriff. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is reported in a separate column.

Governmental Funds

Governmental funds are accounted for using the flow of current financial resources measurement focus. Only current assets and current liabilities, generally, are included on the balance sheet. Operating statements for these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used by governmental funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become measurable and available to finance liabilities of the current fiscal year). For this purpose, the Sheriff considers revenues to be available if they are collected within 60 days after year-end with the exception of grants, which have a period of availability of one year. Grants are recognized as revenue as soon as all eligibility requirements have been met. Expenditures are recorded when the related fund liability is incurred, except for compensated absences, which are recognized as expenditures to the extent they have matured.

Substantially all of the Sheriff's funding is appropriated by the Board. In applying the susceptible to accrual concept to intergovernmental revenue, there are essentially two types of revenue. In one, money must be expended on the specific purpose or project before any amounts will be paid to the Sheriff; therefore, revenue is recognized based upon the expenditures incurred. In the other, money is virtually unrestricted and is revocable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenue at the time of receipt, or earlier, if the "susceptible to accrual" criteria are met.

Other revenue is recognized as earned and becomes measurable and available to pay liabilities of the current period.

1. Summary of Significant Accounting Policies (continued)

Governmental Funds (continued)

Florida Statutes provide that the amount by which revenues and transfers exceed annual expenditures be remitted to the Board immediately following the fiscal year for which the funding was provided or following the fiscal year during which other revenue was recognized. The amount of this distribution is recorded as a liability and as another financing use in the accompanying financial statements.

Capital outlays expended in governmental fund operations are capitalized in the basic financial statements of Collier County, Florida rather than in the governmental funds of the Sheriff.

The Sheriff has three major governmental funds:

General Fund – The general fund is used to account for the general operations of the Sheriff and includes all transactions which are not accounted for in another fund.

Grant Special Revenue Fund – This fund is used to account for the proceeds of federal and state grant revenues that are legally restricted to specified purposes.

Prisoner Welfare Fund – This fund is used to account for the proceeds of inmate related services and is legally restricted to specified purposes, which benefit the inmate population.

Federal Equitable Sharing Fund – The revenue from this fund is the result of joint investigations with federal agencies that result in the equitable sharing of the net proceeds of the forfeiture.

The Sheriff also has the following non-major funds:

Reported as Other Non-major Special Revenue Funds

Confiscated Trust Fund – This fund is used to account for the proceeds of funds collected pursuant to Florida Statute 932.705. Funds are used for local match for grants, drug abuse education and prevention programs, and for other law enforcement purposes as the Board deems appropriate.

1. Summary of Significant Accounting Policies (continued)

Governmental Funds (continued)

Civil Citation – This fund is used to account for the proceeds of funds collected pursuant to Florida Statute 775.083. Funds are used for local match for grants and to defray the costs for crime prevention programs in the county.

Education Trust Fund – This fund is used to account for the proceeds of funds collected pursuant to Florida Statute 943.25. Funds are used to defray training costs.

E911 – This fund is used to account for the proceeds of funds collected pursuant to Florida Statute 365.172. Funds are used to pay certain costs associated with the Emergency 911 System.

Criminal Justice Education and Training – Criminal Justice Education and Training – This fund is used to account for the proceeds of funds collected pursuant to Florida Statute 943.25. Funds are used to defray training costs.

Fund balances reported in these funds are to be used for the specified purpose of the respective fund.

Fiduciary Funds

Fiduciary Funds – Agency Funds – These funds are used to account for assets held by the Sheriff as an agent for individuals, private organizations, and other governments. Agency funds are custodial in nature (assets equal liabilities), and do not involve measurement of results of operations or have a measurement focus. Agency funds are accounted for using the accrual basis of accounting.

Proprietary Fund

Internal Service Fund – This fund is used to account for the health and dental insurance services provided to departments and retirees of the Sheriff on a cost-reimbursement basis. Proprietary funds are accounted for using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

1. Summary of Significant Accounting Policies (continued)

Cash Equivalents and Investments

Cash equivalents are defined as highly liquid investments with original maturities of three months or less.

The Sheriff invests funds throughout the year with Florida Prime, an investment pool administered by the State Board of Administration ("SBA"), under the regulatory oversight of the State of Florida. Investments in Florida PRIME are made pursuant to Chapter 125.31, *Florida Statutes.* Florida PRIME is considered a qualifying external investment pool that meets all the necessary criteria to elect to measure all of the investments at amortized cost. Therefore, the fair value of the Sheriff's position in the pool is the same as the value of the pool shares. The investments are not categorized because they are not evidenced by securities that exist in physical or book entry form. Throughout the year, and as of September 30, 2016, Florida PRIME contained certain floating and adjustable rate securities. These investments represented 27.6% of Florida PRIME's portfolio at September 30, 2016.

In accordance with GASB 79, as a participant in a qualifying external investment pool, the Sheriff should disclose the presence of any limitations or restrictions on withdrawals (such as redemption notice periods, maximum transaction amounts, and the qualifying external investment pool's authority to impose liquidity fees or redemption gates in the notes to the financial statements.

With regards to redemption gates, Chapter 218.409(8)(a), Florida Statutes, states that "The principal, and any part thereof, of each account constituting the trust fund is subject to payment at any time from the moneys in the trust fund. However, the Executive Director may, in good faith, on the occurrence of an event that has a material impact on liquidity or operations of the trust fund, for 48 hours limit contributions to or withdrawals from the trust fund to ensure that the Board can invest moneys entrusted to it in exercising its fiduciary responsibility. Such action must be immediately disclosed to all participants, the Trustees, the Joint Legislative Auditing Committee, the Investment Advisory Council, and the Participant Local Government Advisory council. The Trustees shall convene an emergency meeting before the expiration of the 48-hour moratorium on contributions and withdrawals, the moratorium may be extended by the Executive Director until the Trustees are able to meet to review the necessity for the moratorium. If the Trustees agree with such measures, the Trustees shall vote to continue any such measures before the expiration of the time limit set, but in no case may the time limit set by the Trustees exceed 15 days."

1. Summary of Significant Accounting Policies (continued)

Cash Equivalents and Investments (continued)

With regard to liquidity fees, Florida Statute 218.409(4) provides authority for the SBA to impose penalties for early withdrawal, subject to disclosure in the enrollment materials of the amount and purpose of such fees. At present, no such disclosure has been made.

At September 30, 2016, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100 percent of their account value.

Compensated Absences

All full-time employees of the Sheriff are allowed to accumulate an unlimited number of hours of unused sick time and up to 500 hours of unused vacation leave. Upon termination, employees receive 100% of allowable accumulated vacation hours. If the member leaves in good standing they will also receive a percentage of unused sick leave, depending on years of service, not to exceed 2,000 hours. Vacation time and sick leave are included in operating costs when the payments are made to the employees. The Sheriff does not, nor is the Sheriff legally required to, accumulate expendable financial resources for these unmatured obligations. Accordingly, the liability for compensated absences is not reported in the governmental funds, but rather is reported in the basic financial statements for the County.

Use of Estimates

The preparation of the financial statements requires management of the Sheriff to make a number of estimates and assumptions relating to the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the period. Significant items subject to such estimates and assumptions include the self-insurance claims payable. Actual results could differ from those estimates.

Fund Balance Reporting and Governmental Fund-Type Definitions

Fund balances are classified either as non-spendable or as spendable. Spendable fund balances are further classified in a hierarchy based on the extent to which there are external and/or internal constraints in how fund balance amounts may be spent.

1. Summary of Significant Accounting Policies (continued)

Fund Balance Reporting and Governmental Fund-Type Definitions (continued)

Non-spendable fund balances include amounts that cannot be spent because they are not in spendable form or are legally or contractually required to be maintained intact. The Sheriff did not have any non-spendable fund balances as of September 30, 2016.

Spendable fund balances are classified based on a hierarchy of the Sheriff's ability to control the spending of these fund balances and are reported in the following categories: restricted, committed, assigned and unassigned. The Sheriff's fund balances for the grant special revenue fund, prisoner welfare fund and federal equitable sharing fund fall into this category.

Fund balances maintained in the Grant Special Revenue Fund, Prisoner Welfare Fund and the Federal Equitable Sharing Fund are constrained for specific purposes that are externally imposed by grantors, laws, or regulations or imposed by law through constitutional provisions or enabling legislation, and are reports as restricted fund balances.

2. Budgetary Process

Florida Statutes govern the preparation, adoption, and administration of the Sheriff's annual budget. The Sheriff prepares a budget for the general fund and submits it to the Board for approval. The budget is prepared on a basis consistent with accounting principles generally accepted in the United States of America, except that the proceeds from capital leases and the related capital outlay are not budgeted and certain expenditures for long-term projects which are reimbursed by the Board are also not budgeted. Any subsequent amendments to the budget must be approved by the Board. The annual budget serves as the legal authorization for expenditures.

Expenditures may not legally exceed appropriations at the fund level. Appropriations lapse at year-end. Budgetary control is maintained at the departmental major object expenditure level. Budgetary changes within the major object expenditure categories are made at the discretion of the Sheriff.

The Sheriff does not budget for the grant special revenue fund as it is funded by federal and state grants and is governed by those documents. Additionally, the prisoner welfare and federal equitable sharing funds do not have legally adopted budgets.

The original budget is the first complete appropriated budget. The final budget is the original budget adjusted by all reserves, transfers, allocations, supplemental appropriations, and other legally authorized changes applicable to the fiscal year, whenever legally authorized.

2. Budgetary Process (continued)

The differences between the budgetary basis and the GAAP basis for the General Fund budget as discuss above are as follows:

Total expenditures - budgetary basis	$ 154,005,775
Expenditures not budgeted:	
Expenditures for multi-period projects that are not budgeted	867,135
Total expenditure - GAAP basis	$ 154,872,910
Total other financing sources (uses) - budgetary basis	$ 152,579,465
Transfers in from Collier County Florida Board of County Commissioners (non-appropriations)	867,135
Total other financing sources (uses) - GAAP basis	$ 153,446,600

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3. Cash, Cash Equivalents and Investments

At September 30, 2016, the carrying value of the Sheriff's cash, cash equivalents and investments was as follows:

Type	Maturity	Carrying Value	Credit Rating *
Cash on hand	N/A	$ 18,529	N/A
Demand deposits	N/A	14,339,347	N/A
Money Market	N/A	103,887	Not rated
Local government surplus funds trust fund:			
Florida Prime	N/A	746,297	AAAm
Total cash and cash equivalents		$ 15,208,060	
Treasury Note	2/2/2017	899,001	AA+
Treasury Note	3/2/2017	998,480	AA+
Treasury Note	4/27/2017	1,196,808	AA+
Treasury Note	8/17/2017	895,608	AA+
Federal Home Loan Mortgage Corp.	10/18/2016	500,990	AA+
Federal Home Loan Mortgage Corp.	1/11/2017	1,698,725	AA+
Federal Home Loan Mortgage Corp.	7/18/2017	497,920	AA+
Federal National Mortgage Association	12/14/2016	200,895	AA+
Federal Home Loan Bank	2/21/2017	998,710	AA+
Total Investments		7,887,137	
Total cash, cash equivalents, and investments		$ 23,095,197	

* Standard & Poor's

The total cash, cash equivalent and investments balances at September 30, 2016, were as follows:

General fund	$ 7,920,755
Grant special revenue fund	424,490
Prisoner welfare fund	1,558,640
Federal equitable sharing fund	879,204
Internal service fund	11,683,121
Agency funds	628,987
Total cash, cash equivalents, and investments	$ 23,095,197

3. Cash, Cash Equivalents and Investments (continued)

Custodial Credit Risk

At September 30, 2016, the Sheriff's demand deposits were entirely covered by Federal Depository Insurance or by collateral pledged with the State Treasurer pursuant to Chapter 280, *Florida Statutes.* Under this Chapter, in the event of default by a participating financial institution (a qualified public depository), all participating institutions are obligated to reimburse the government entity for the loss.

The investments in the Internal Service Fund are part of the Florida Sheriffs Multiple Employers Trust (FSMET) and are administered by Hunt Insurance Group. FMSET's policy required execution of a third-party custodial safekeeping agreement for purchased securities and collateral, and requires that securities be held in the Sheriff's name.

Credit Risk

The Sheriff's policy is to follow the guidance in Sections 218.415 and 219.075, *Florida Statutes*, regarding the deposit of funds received and the investment of surplus funds. The Sheriff's Investment Policy authorizes investments in Florida PRIME (formerly the Local Government Surplus Funds Trust Fund), or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act, as provided in s. 163.01, F.S.; Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency; interest-bearing time deposits or savings accounts in qualified public depositories, as defined in s. 280.02, F.S.; and direct obligations of the U.S. Treasury.

Additionally, Florida Statutes allow local governments to place public funds with institutions that participate in a collateral pool under the Florida Security for Public Deposits Act. The pool is administered by the State Treasurer, who may make additional assessments to ensure that no public funds will be lost.

Florida PRIME is administered by the State Board of Administration. Florida PRIME consisted of money market appropriate assets. At September 30, 2016, the Sheriff had $746,297 invested in Florida Prime. Florida Prime is rated "AAAm" by Standard & Poor's Ratings Services.

Interest Rate Risk

The Sheriff has no specific investment policy regarding interest rate risk.

3. Cash, Cash Equivalents and Investments (continued)

Concentration of Credit Risk

The Sheriff's investments are included in the internal service fund which is used to account for the Sheriff's self-insured health plan. The Florida Sheriff's Multiple Employer Trust (FSMET) administers the investments for the Sheriff's self-insured health plan and has an investment policy that allows for the investment of funds that exceed one month's required funding by more than $100,000. Investments can be made in government securities. The Sheriff's portfolio managed by FSMET includes investments in U.S. government instrumentalities, and demand deposits. There are also demand deposits that are not managed by FSMET and are available dollars managed by the Sheriff to cover daily operations.

The portion of the Sheriff's portfolio invested in FSMET is detailed as follows, at September 30, 2016:

	% of Portfolio
Federal Home Loan Mortgage Corp.	34%
Federal National Mortgage Association	3%
Federal Home Loan Bank	12%

Fair Value Measurements

The Sheriff categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The Sheriff has the following recurring fair value measurements as of September 30, 2016:

U.S. Treasury Notes classified as level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities.

U.S. Agency obligations classified as level 2 of the fair value hierarchy are valued using quoted prices for similar assets in active markets.

4. Capital Assets

Capital assets used by the Sheriff are capitalized in the basic financial statements of Collier County, Florida rather than in the governmental funds of the Sheriff. Upon acquisition, such assets are recorded as expenditures in the governmental funds of the Sheriff and are capitalized at cost in the basic financial statements of the County. Capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their estimated fair value on the date received. The Sheriff maintains custodial responsibility for the capital assets used by his office. No depreciation expense has been provided on capital assets in these financial statements. However, depreciation expense on these assets is recorded in the basic financial statements of Collier County, Florida.

The following is a summary of changes in capital assets which are reported in the basic financial statements of Collier County, Florida:

	October 1, 2015	Additions	Deductions/ Reclassifications	September 30, 2016
Governmental Activities				
Capital assets not depreciated:				
Construction in Progress	$ 1,370,437	$ 1,099,145	$ (193,260)	$ 2,276,323
Total capital assets not depreciated	1,370,437	1,099,145	(193,260)	2,276,323
Capital assets depreciated :				
Machinery and equipment	70,929,578	9,916,398	(5,966,230)	$ 74,879,746
Total capital assets depreciated	70,929,578	9,916,398	(5,966,230)	74,879,746
Less accumulated depreciation:				
Machinery and equipment	(58,894,794)	(6,585,526)	5,911,178	$ (59,569,142)
Total Accumulated depreciation	(58,894,794)	(6,585,526)	5,911,178	(59,569,142)
Total Depreciable capital assets, net	12,034,784	3,330,872	(55,052)	15,310,604
Total Governmental Activities capital assets, net	$ 13,405,221	$ 4,430,017	$ (248,312)	$ 17,586,927

5. Long-Term Liabilities

The Sheriff has entered into certain capital lease agreements under which the related equipment will become the property of the Sheriff's Office when all terms of the lease agreements are met.

	Stated Interest Rate	Present Value of Remaining Payments as of September 30, 2016
Governmental fund activities:		
Vehicles and related equipment	4.50%	$ 545,766
Telephone system	4.82%	238,107
Total Capital Lease Obligations		$ 783,873

Equipment and related accumulated depreciation under capital leases are as follows:

	Governmental Activities
Equipment	$ 1,926,980
Less: accumulated depreciated	(767,721)
Net Value	$ 1,159,259

As of September 30, 2016, capital lease annual amortization are as follows:

Year ending September 30:	Governmental Activities
2017	$ 633,509
2018	63,185
2019	63,185
2020	63,185
2021	10,531
Total minimum lease payments	833,595
Less: amount representing interest	(49,722)
Present value of remaining payments	$ 783,873

5. Long-Term Liabilities (continued)

The following is a summary of changes in long-term liabilities, which are reported in the basic financial statements of Collier County, Florida:

	October 1, 2015	Additions	Deductions/ Reclassifications	September 30, 2016
Capital lease agreements	$ 1,344,157	$ -	$ (560,284)	$ 783,873
Compensated Absences	12,443,462	6,174,965	(2,169,131)	16,449,296
Total	$ 13,787,619	$ 6,174,965	$ (2,729,415)	$ 17,233,169

Of these liabilities, approximately $1,160,000 is expected to be paid during the fiscal year ending September 30, 2016. These long-term liabilities are not reported in the financial statements of the Sheriff since they have not matured.

6. Interfund Balances and Transfers

Due from and due to other funds at September 30, 2016, were as follows:

	Due From	Due To
General fund	$ 3,650,206	$ 2,000
Prisoner welfare fund	25,000	32,518
Federal equitable sharing fund	-	10,619
Other non-major special revenue funds	-	41,561
Internal service fund	2,000	3,554,292
Agency funds	-	36,216
Total	$ 3,677,206	$ 3,677,206

Interfund receivables and payables generally represent recurring activities between funds.

7. Related Party Transactions

The Board provided funding for the Sheriff for the year of $156,329,293. At September 30, 2016, the Sheriff had a payable due to the Board of $61,130 comprised of the following:

General fund:	
Distribution of excess appropriations	$ 27,935
Distribution of interest collected	6,787
Miscellaneous payables	705
Agency funds	25,703
Total	$ 61,130

7. Related-Party Transactions (continued)

Additionally, the Sheriff had a receivable from the Board related to services provided to the County of $181,567 at September 30, 2016.

Agency Funds

The Sheriff's Office administers funds for the Collier County Sheriff's Office Explorers Program. The program is funded by donations from employees through payroll deduction and donations from outside organizations. The program is designed for students to explore the opportunity to learn about and interact with law enforcement and to help stimulate further interest in the possibility of a law enforcement career.

8. Pension Plans

Background

The Florida Retirement System (FRS) was created by Chapter 121, Florida Statutes, to provide a defined benefit pension plan for participating public employees. The FRS was amended in 1998 to add the Deferred Retirement Option Program under the defined benefit plan and amended in 2000 to provide a defined contribution plan alternative to the defined benefit plan for FRS members effective July 1, 2002. This integrated defined contribution pension plan is the FRS Investment Plan. Chapter 112, Florida Statutes, established the Retiree Health Insurance Subsidy (HIS) Program, a cost-sharing multiple-employer defined benefit pension plan, to assist retired members of any State-administered retirement system in paying the costs of health insurance.

Essentially all regular employees of the Sheriff are eligible to enroll as members of the State-administered FRS. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. Such provisions may be amended at any time by further action from the Florida Legislature. The FRS is a single retirement system administered by the Florida Department of Management Services, Division of Retirement, and consists of the two cost-sharing, multiple-employer defined benefit plans and other nonintegrated programs. A comprehensive annual financial report of the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from the Florida Department of Management Services' Web site (www.dms.myflorida.com).

8. Pension Plans (continued)

Florida Retirement System Pension Plan

Plan Description

The Florida Retirement System Pension Plan (FRS Plan) is a cost-sharing multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program (DROP) for eligible employees. The general classes of membership are as follows:

- *Regular Class* – Members of the FRS who do not qualify for membership in the other *classes*.
- *Elected County Officers Class* – Members who hold specified elective offices in local government.
- *Senior Management Service Class (SMSC)* – Members in senior management level positions.
- *Special Risk Class* – Members who are special risk employees, such as law enforcement officers, meet the criteria to qualify for this class.

Employees enrolled in the FRS Plan prior to July 1, 2011, vest at 6 years of creditable service and employees enrolled in the FRS Plan on or after July 1, 2011, vest at 8 years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62 or at any age after 30 years of service, except for members classified as special risk who are eligible for normal retirement benefits at age 55 or at any age after 25 years of service. All members enrolled in the FRS Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service, except for members classified as special risk who are eligible for normal retirement benefits at age 60 or at any age after 30 years of service. Employees enrolled in the FRS Plan may include up to 4 years of credit for military service toward creditable service. The FRS Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The FRS Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments to eligible participants.

DROP, subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the FRS Plan to defer receipt of monthly benefit payments while continuing employment with an FRS participating employer. An employee may participate in DROP for a period not to exceed 60 months after electing to participate, except that certain instructional personnel may participate for up to 96 months. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest. The net pension liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits.

8. Pension Plans (continued)

Benefits Provided

Benefits under the FRS Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the 5 highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the 8 highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement class to which the member belonged when the service credit was earned. Members are eligible for in-line-of-duty or regular disability and survivors' benefits.

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the FRS before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3 percent per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3 percent determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3 percent. FRS Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

Detailed information about the County's proportionate share of FRS's net pension liability, deferred outflows/inflows of resources, and pension expense are reported in the government-wide statements of the County.

Retiree Health Insurance Subsidy Program

Plan Description

The Retiree Health Insurance Subsidy Program (HIS Plan) is a cost-sharing multiple-employer defined benefit pension plan established under Section 112.363, Florida Statutes, and may be amended by the Florida Legislature at any time. The benefit is a monthly payment to assist retirees of State-administered retirement systems in paying their health insurance costs and is administered by the Florida Department of Management Services, Division of Retirement.

8. Pension Plans (continued)

Benefits Provided

For the fiscal year ended June 30, 2016, eligible retirees and beneficiaries received a monthly HIS payment of $5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of $30 and a maximum HIS payment of $150 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Detailed information about the County's proportionate share of HIS's net pension liability, deferred outflows/inflows of resources, and pension expense are reported in the government-wide statements of the County.

FRS Investment Plan

The Florida State Board of Administration (SBA) administers the defined contribution plan officially titled the FRS Investment Plan (Investment Plan). The Investment Plan is reported in the SBA's annual financial statements and in the State of Florida Comprehensive Annual Financial Report.

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. Sheriff employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.), as the FRS defined benefit plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06 percent of payroll and by forfeited benefits of plan members.

8. Pension Plans (continued)

For all membership classes, employees are immediately vested in their own contributions and are vested after 1 year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Non-vested employer contributions are placed in a suspense account for up to 5 years. If the employee returns to FRS-covered employment within the 5-year period, the employee will regain control over their account. If the employee does not return within the 5-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended June 30, 2016, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the Sheriff.

After termination and applying to receive benefits, the member may rollover vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lump-sum distribution, leave the funds invested for future distribution, or any combination of these options. Disability coverage is provided; the member may either transfer the account balance to the FRS Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the FRS Pension Plan, or remain in the Investment Plan and rely upon that account balance for retirement income.

Contributions

Participating employer contributions are based upon statewide rates established by the State of Florida. The Sheriff's contributions made to the plans during the years ended September 30, 2016, 2015, and 2014 were $15,023,011, $13,341,786, and $12,767,042, respectively, equal to the actuarially determined contribution requirements for each year.

Additional information about pension plans can be found in the County's comprehensive annual financial report.

9. Other Postemployment Benefits

The Sheriff follows the provisions of GASB Statement No. 45 *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions,* for its other postemployment benefits (OPEB).

Plan Description

The Sheriff administers a single-employer defined benefit plan (OPEB Plan) and can amend the benefit provisions. Prior to 2010, the Sheriff offered an OPEB Plan that subsidized the cost of health care for of retirees who have six years of creditable service with the Sheriff and who receive a monthly retirement benefit from the Florida Retirement System. The Sheriff subsidizes approximately 20% for both single coverage and family coverage for qualifying individuals. In 2010, the subsidy was no longer made available to eligible retirees who chose to continue their health insurance coverage. Approximately 46% of retirees receive the subsidy. Additionally, in accordance with Florida Statute 112.0801, Sheriff's employees who retire and immediately begin receiving benefits from the FRS have the option of paying premiums to continue in the Sheriff's health insurance plan at the same group rate as for active employees.

At September 30, 2016, the date of the latest actuarial valuation, the Sheriff's plan participation consisted of:

OPEB plan participants	1,105
Retirees receiving benefits	106

Funding Policy

The Sheriff has the authority to establish and amend funding policy. The OPEB Plan is currently being funded on a pay as you go basis. For the year ended September 30, 2016, the Sheriff contributed $818,021 to the OPEB Plan.

The annual other postemployment benefit cost for the plan is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years. An actuarial valuation on the plan as a whole was performed as of October 1, 2016.

9. Other Postemployment Benefits (continued)

Annual OPEB Cost and Net OPEB Obligation

The annual cost (expense) of the Sheriff's OPEB Plan is calculated based on the ARC. The following table shows the components of the Sheriff's annual OPEB Plan cost for the year ended September 30, 2016, the amount actually contributed, and the changes in the net OPEB Plan obligation.

Annual required contribution	$ 1,305,135
Interest on net OPEB obligation	65,043
Adjustment to annual required contribution	(107,393)
Annual OPEB cost (expense)	1,262,785
Contributions made	(818,021)
Increase in net OPEB obligation (asset)	444,764
Net OPEB obligation – beginning of year	2,168,099
Net OPEB obligation (asset) – end year	$ 2,612,863

No trust or agency fund has been established for the plan.

The Sheriff's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the year ended September 30, 2016 and the preceding years were as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
September 30, 2016	$ 1,262,785	64%	$ 2,612,863
September 30, 2015	$ 1,229,237	60%	$ 2,168,099
September 30, 2014	$ 1,112,653	70%	$ 1,681,238

Funded Status and Funding Progress

As of the September 30, 2016 actuarial valuation date, the OPEB Plan was 0% funded, the actuarial accrued liability for benefits was $15,684,350, and the actuarial value of assets was $0, resulting in an unfunded actuarial accrued liability (UAAL) of $15,684,350. The covered payroll (annual payroll of active employees covered by the OPEB Plan) was approximately $122.9 million, and the ratio of the UAAL to the covered payroll was 12.8%.

9. Other Post Employment Benefits (continued)

Funded Status and Funding Progress (continued)

The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial liabilities for benefits.

Actuarial Methods and Assumptions

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Calculations for financial reporting purposes are based on the benefits provided under terms of the plan as understood by the employer and the plan members in effect at the time of each valuation and on the pattern of sharing of costs between the employer and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and plan members in the future. Actuarial calculations reflect a long-term perspective. Consistent with that perspective, actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

The actuarial methods are:

Actuarial cost method	Projected Unit Credit Method
Amortization method	Closed
Amortization period	30 years, Level Dollar Amount

The actuarial assumptions are:

Investment rate of return	3%
Discount rate	3%
Healthcare cost trend rate	8% for the 2016 fiscal year grading to an ultimate rate of 5% for the 2023 fiscal year

10. Self-Insurance Program

The Sheriff's Office participates in the Statewide Florida Sheriff's Self-Insurance Fund (the Fund) for its professional liability insurance. The Fund is managed by representatives of the participating Sheriff offices and provides professional liability insurance to participating agencies. The Fund provides liability insurance coverage subject to the following limitations: $5,000,000 for any one incident, and $10,000,000 for an annual aggregate. The Sheriff also participates in the Fund for workers' compensation coverage. The Florida Sheriffs Workers' Compensation Self Insurance Program is a self-insurance program providing coverage for the first $500,000 of every claim. Reinsurance is purchased by the Program to cover claims exceeding $500,000 (or $350,000 where applicable) up to $10,000,000. Reinsurance coverage up to $20,000,000 any one person on a catastrophic basis is available when applicable. Settled claims have not exceeded the insurance provided by third-party carriers in any of the past three years.

Premiums charged to participating Sheriffs are based upon amounts believed by the Fund management to meet the estimated annual payout during the fiscal year and to pay for the estimated operating costs of the program. All liabilities associated with these self-insured risks are reported in the basic financial statements of the Fund.

The Sheriff has also established a self-funded employee health plan for active employees and retirees. An internal service fund is used to account for the activities of the plan. Excess coverage has been purchased which provides specific claim excess coverage for any one incident exceeding $200,000. In FY15 there was one covered member who had a deductible amount of $450,000 because of a history of high claims. Specific claim excess coverage for this individual was for claims exceeding $450,000. The maximum annual individual stop loss payment amount is unlimited. Payments to the internal service fund are based on actuarial estimates of amounts needed to pay prior year and current year claims including claims incurred but not yet reported.

The Sheriff's Office uses a Third-Party Administrator (TPA) to administer and pay claims for the health plan. Meritain Health, Inc. has been the TPA since July 1, 2013.

Changes in the balance of estimated insurance claims payable for the fiscal year ended September 30, 2016 and 2015 is as follows:

Fiscal year ending:	**Balance October 1**	**New Claims and Changes in Estimates**	**Claim Payments**	**Balance September 30**
2015	$ 2,078,000	$ 15,167,000	$ (19,415,000)	$ 2,170,000
2016	$ 2,170,000	$ 16,473,000	$ (21,022,000)	$ 2,379,000

11. Claims and Contingencies

Litigation

The Sheriff is involved in various claims and legal actions arising in the ordinary course of operations. In the opinion of management, the ultimate disposition of these matters will not have a material adverse effect on the Sheriff.

Federal and State Grants

Grant funds received by the Sheriff are subject to audit by grantor agencies. Audits of these grants may result in disallowed costs, which may constitute a liability of the Sheriff. In the opinion of management, disallowed costs, if any, would be immaterial to the financial position of the Sheriff.

Collier County, Florida
Sheriff

Schedule of Funding Progress for the Retiree Health Plan

September 30, 2016

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) – Projected Unit Credit	Unfunded AAL	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
10/1/2014	$ –	$ 14,207,209	$ 14,207,209	0.0%	$ 112,902,749	12.6%
10/1/2015	$ –	$ 15,133,114	$ 15,133,114	0.0%	$ 117,563,839	12.9%
10/1/2016	$ –	$ 15,685,350	$ 15,685,350	0.0%	$ 122,939,572	12.8%

Collier County, Florida
Sheriff

Combining Statement of Fiduciary Net Position – Agency Funds

September 30, 2016

	Civil Trust	Evidence Trust	Flexible Spending	Inmate Trust	Explorers	Total Agency Funds
Assets						
Cash and cash equivalents	$ 37,822	$ 230,157	$ 212,096	$ 132,407	$ 16,505	$ 628,987
Due from individuals and businesses	–	–	–	1,618	–	1,618
Total assets	$ 37,822	$ 230,157	$ 212,096	$ 134,025	$ 16,505	$ 630,605
Liabilities						
Due to other funds	$ –	$ –	$ –	$ 36,216	$ –	$ 36,216
Due to Collier County, Florida Board of County Commissioners	16,150	–	–	9,553	–	25,703
Due to individuals and businesses	21,672	230,157	212,096	88,256	16,505	568,686
Total liabilities	$ 37,822	$ 230,157	$ 212,096	$ 134,025	$ 16,505	$ 630,605

Collier County, Florida
Sheriff

Combining Statement of Changes in Assets and Liabilities – Agency Funds

Year Ended September 30, 2016

	October 1, 2015	Additions	Deletions	September 30, 2016
Assets				
Cash and cash equivalents	$ 566,302	$ 628,987	$ (566,302)	$ 628,987
Due from individuals and businesses	14,388	1,618	(14,388)	1,618
Total assets	$ 580,690	$ 630,605	$ (580,690)	$ 630,605
Liabilities				
Due to other funds	$ 36,232	$ 36,216	$ (36,232)	$ 36,216
Due to Collier County, Florida Board of County Commissioners	28,991	25,703	(28,991)	25,703
Due to individuals and businesses	515,467	568,686	(515,467)	568,686
Total liabilities	$ 580,690	$ 630,605	$ (580,690)	$ 630,605

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*

Honorable Kevin Rambosk
Sheriff
Collier County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of each major fund and the aggregate remaining fund information of the Collier County, Florida Sheriff (Sheriff), as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the Sheriff's basic financial statements, and have issued our report thereon dated December 20, 2016.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Sheriff'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 Sheriff's internal control. Accordingly, we do not express an opinion on the effectiveness of Sheriff'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 was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Honorable Kevin Rambosk
Sheriff

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Sheriff's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 result 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.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Naples, Florida
December 20, 2016

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MANAGEMENT LETTER

Honorable Kevin Rambosk
Sheriff
Collier County, Florida

Report on the Financial Statements

We have audited the financial statements of the Collier County, Florida Sheriff (Sheriff), as of and for the fiscal year ended September 30, 2016 and have issued our report thereon dated December 20, 2016.

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; and Chapter 10.550, Rules of the Auditor General.

Other Reports and Schedule

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*; Schedule of Findings and Responses; and Independent Accountants' Report on an examination conducted in accordance with *AICPA Professional Standards*, Section 601, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated December 20, 2016, 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 findings and recommendations made in the preceding annual financial audit 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. See Note 1 in the notes to the financial statements.

Other Matters

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we address in the management letter any recommendations to improve financial management. In connection with our audit, we made recommendations as listed in the following schedule of findings and responses.

The Sheriff's responses to the findings identified in our audit are described in the accompanying schedule of findings and responses. The Sheriff's responses were not subjected to the auditing procedures applied in the audit and, accordingly, we express no opinion on the responses.

Section 10.554(1)(i)3., Rules of the Auditor General, requires that we address 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 other granting agencies, and the Sheriff and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Naples, Florida
December 20, 2016

Current Year Findings and Recommendations

MLC 2016-001 User Access Rights

Criteria: Employee access rights to the system applications should be restricted to not include conflicting duties. Additionally, terminated employees should be removed from the system in a timely manner.

Condition: During the audit, CLA noted that fiscal payroll clerk user rights were not properly restricted for adding new employees. Additionally, two terminated employees had access rights that were not disabled/deleted timely.

Effect: There is an increased risk that access and user rights are inappropriately granted and are not appropriately restricted which could cause a lack of segregation of duties within the control environment of the Sheriff. Additionally, the IT department does not have a process in place to ensure a terminated employee's rights are disabled/deleted in a timely manner. This results in increased security risk and to network vulnerabilities.

Recommendation: The IT department should ensure that individuals are not granted conflicted access to the system and are appropriately restricted. Additionally, the IT department should develop a process to ensure terminated employees are removed from access to the system in a timely manner.

Management's Response: User rights for fiscal payroll clerks have been reviewed and modified so new employees can no longer be added.

Access rights to the finance system are periodically updated by the IT department to disable/delete terminated employees. It should be noted that when any employee is terminated from the agency, their network login (primary login for access to any agency programs) is disabled by the IT department upon the member's termination. Members cannot access any agency programs unless they are using any agency issued desktop or laptop computer. While the finance program access for the two noted employees was not immediately disabled, their network login was disabled upon their termination. This would have made it extremely difficult for either of them to access the finance program as they would have had to have access to an agency computer which had the finance program installed, and which another member was logged on to the network.

Measures have been put in place to disable/delete a member's access to finance programs when their employment has been terminated.

MLC 2016-002 E911 Expenditures

Criteria: Florida Statutes Section 365.172 defines allowable expenditures for E911 funding.

Condition: During the audit, CLA noted unallowable expenditures consisting of $12,361 of promotional items, $703 of auto insurance and $963 liability insurance that were paid from E911 funds.

Effect: The Sheriff did not comply with the restrictions on the use of E911 funding and monitoring procedures over the use of E911 funds and did not identify the issue.

Recommendation: Sheriff personnel should become familiar with and develop a clear understanding of the allowable expenditures under E911 funding and develop tools to assist in the effective monitoring of restrictions under this funding.

Management's Response: Measures have been put in place to thoroughly review any expenditures under E911 funding to ensure they are appropriate and in accordance with Florida Statute 365.172.

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INDEPENDENT ACCOUNTANTS' REPORT

Honorable Kevin Rambosk
Sheriff
Collier County, Florida

We have examined the Collier County, Florida Sheriff's (Sheriff) compliance with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended September 30, 2016. Management is responsible for the Sheriff's compliance with those requirements. Our responsibility is to express an opinion on the Sheriff's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Sheriff's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Sheriff's compliance with specified requirements.

In our opinion, the Sheriff complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2016.

This report is intended solely for the information and use of the Sheriff and the Auditor General, State of Florida, and is not intended to be and should not be used by anyone other than these specified parties.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Naples, Florida
December 20, 2016

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INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES

Honorable Kevin Rambosk
Sheriff
Collier County, Florida

We have performed the procedures enumerated below, which were agreed to by management of the Collier County, Florida Sheriff (Sheriff), solely to assist you in evaluating the procedures and policies as defined by the Sheriff over its investigative funds for the year ended September 30, 2016. The Sheriff's management is responsible for the Sheriff's compliance with those procedures and policies. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the party specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures we performed and our findings are summarized as follows:

We randomly selected 25 investigative fund disbursements during the fiscal year ended September 30, 2016 (the population sampled from included transactions from October 1, 2015 through September 30, 2016), and performed the following procedures with respect to the Sheriff's policies and procedures over investigative funds:

1. We obtained the "Disbursement for Investigation" form and observed that the form was properly completed and authorized by appropriate personnel.

2. We obtained the "Purchase of Evidence/Information Voucher" and observed that the form was properly completed to reflect the expenses incurred within the investigation procedures, that the investigative expenditures were properly supported, and that the use of funds was for authorized purposes. No exceptions were noted.

3. We observed that the unused funds returned, if applicable, agreed to the corresponding deposit and bank statement detail and observed that the amount deposited agreed to the amount returned per the "Receipt for Funds Received" form detail.

Honorable Kevin Rambosk
Sheriff

We were not engaged to, and did not, conduct an audit or examination, the objective of which would be the expression of an opinion on compliance. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the management of the Sheriff and is not intended to be, and should not be, used by anyone other than this specified party.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Naples, Florida
December 20, 2016

Collier County, Florida
Supervisor of Elections

Financial Statements and
Supplemental Reports

Year Ended September 30, 2016

Collier County, Florida
Supervisor of Elections

Financial Statements and Other Reports

Year Ended September 30, 2016

Contents

Independent Auditors' Report.....1

Financial Statements

Balance Sheet – Governmental Funds.....3
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds.....4
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual – General Fund.....5
Notes to Financial Statements.....6

Other Reports

Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance With *Government Auditing Standards*.....21
Management Letter.....23
Independent Accountants' Report.....25

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INDEPENDENT AUDITORS' REPORT

Honorable Jennifer J. Edwards
Supervisor of Elections
Collier County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of each major fund of the Collier County, Florida Supervisor of Elections (Supervisor), as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the entity's financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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 each major fund of the Supervisor as of September 30, 2016, and the respective changes in financial position and budgetary comparison of its general fund thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of each major fund, only for that portion of the major funds of Collier County, Florida that is attributable to the Supervisor. They do not purport to, and do not, present fairly the financial position of Collier County, Florida as of September 30, 2016, and the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated January 11, 2017 on our consideration of the Supervisor'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 included under the heading 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*. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Supervisors' internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Naples, Florida
January 11, 2017

Collier County, Florida
Supervisor of Elections

Balance Sheet – Governmental Funds

September 30, 2016

	General Fund	Grant Special Revenue	Total 2016
Assets			
Cash and cash equivalents	$ 166,741	$ -	$ 166,741
Accounts receivable	281	-	281
Total assets	$ 167,022	$ -	$ 167,022
Liabilities and fund balance			
Liabilities:			
Accounts payable	$ 30,203	$ -	$ 30,203
Accrued liabilities	91,107	-	91,107
Due to Collier County, Florida Board of County Commissioners	45,712	-	45,712
Total liabilities	167,022	-	167,022
Fund balances:			
Restricted	-	-	-
Total fund balances	-	-	-
Total liabilities and fund balance	$ 167,022	$ -	$ 167,022

See accompanying Notes to Financial Statements

Collier County, Florida
Supervisor of Elections

Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds

Year Ended September 30, 2016

	General Fund	Grant Special Revenue	Total 2016
Revenues:			
Intergovernmental	$ -	$ 33,116	$ 33,116
Interest	-	39	39
Total revenues	-	33,155	33,155
Expenditures:			
General government:			
Personal services	2,078,651	-	2,078,651
Operating	1,750,761	38,882	1,789,643
Capital outlay	119,009	-	119,009
Total expenditures	3,948,421	38,882	3,987,303
Excess (deficiency) of expenditures over revenues	(3,948,421)	(5,727)	(3,954,148)
Other financing sources (uses):			
Transfers in:			
General Fund	-	4,727	4,727
Collier County, Florida Board of County Commissioners appropriations	3,994,700	-	3,994,700
Transfers out:			
Special revenue fund	(4,727)	-	(4,727)
Distribution of excess appropriations:			
Collier County, Florida Board of County Commissioners	(41,552)	-	(41,552)
Total other financing sources (uses)	3,948,421	4,727	3,953,148
Net change in fund balance	-	(1,000)	(1,000)
Fund balance – beginning of the year	-	1,000	1,000
Fund balance – end of the year	$ -	$ -	$ -

See accompanying Notes to Financial Statements

Collier County, Florida
Supervisor of Elections

Statement of Revenues, Expenditures, and
Changes in Fund Balances – Budget and Actual
General Fund

Year Ended September 30, 2016

	Budget			Variance With Final Budget Positive (Negative)
	Original	**Final**	**Actual**	
Revenues	$ -	$ -	$ -	$ -
Expenditures:				
General government:				
Personal services	2,209,400	2,104,400	2,078,651	25,749
Operating	1,679,300	1,766,437	1,750,761	15,676
Capital outlay	106,000	119,136	119,009	127
Total expenditures	3,994,700	3,989,973	3,948,421	41,552
Excess (deficiency)of expenditures over revenues	(3,994,700)	(3,989,973)	(3,948,421)	41,552
Other financing sources (uses):				
Transfers in:				
Collier County, Florida Board of County Commissioners appropriations	3,994,700	3,994,700	3,994,700	-
Transfers out:				
Special Revenue Fund	-	(4,727)	(4,727)	-
Distribution of excess appropriations:				
Collier County, Florida Board of County Commissioners	-	-	(41,552)	(41,552)
Total other financing sources (uses)	3,994,700	3,989,973	3,948,421	(41,552)
Net change in fund balance	-	-	-	-
Fund balance – beginning of the year	-	-	-	-
Fund balance – end of the year	$ -	$ -	$ -	$ -

See accompanying Notes to Financial Statements

Collier County, Florida
Supervisor of Elections

Notes to Financial Statements

September 30, 2016

1. Summary of Significant Accounting Policies

Reporting Entity

The Collier County, Florida Supervisor of Elections (Supervisor) is an elected constitutional officer as provided for by the Constitution of the State of Florida. Pursuant to Chapter 129, *Florida Statutes*, the Supervisor of Elections' budget is submitted to the Collier County, Florida Board of County Commissioners (Board) for approval.

The financial statements presented include the general fund and grant special revenue fund of the Supervisor's office. The accompanying financial statements have been prepared for the purpose of complying with Section 218.39(2), Florida Statutes, and Chapter 10.550, *Rules of the Auditor General – Local Governmental Entity Audits*, which allows the Supervisor to only present fund financial statements. These financial statements present only the portion of the funds of Collier County, Florida that are attributable to the Supervisor. They are not intended to present fairly the financial position and results of operations of Collier County, Florida in conformity with accounting principles generally accepted in the United States of America.

The financial activities of the Supervisor, as a constitutional officer, are included in the Collier County, Florida Comprehensive Annual Financial Report. There are no separate legal entities (component units) for which the SOE is considered to be financially accountable.

The general operations of the SOE are funded by appropriations from the Collier County, Florida Board of County Commissioners (BOCC), and grant revenue is funded from the State of Florida. Pursuant to Chapter 218, *Florida Statutes*, funds remaining in the general fund at fiscal year-end, in excess of amounts expended, are returned to the Board. Excess revenues returned to the Board are reflected as transfers out in the SOE's general fund. The special revenue fund of the SOE is not budgeted and governed by grant agreements.

As a result of the budgetary oversight by the Board and financial dependency on the Board, the financial activities of the Supervisor are included in the Collier County, Florida Comprehensive Annual Financial Report.

1. Summary of Significant Accounting Policies (continued)

Measurement Focus, Basis of Accounting, and Basis of Presentation

These fund financial statements report detailed information about the Supervisor. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is reported in a separate column.

Governmental Funds

Governmental funds are accounted for using the flow of current financial resources measurement focus. Only current assets and current liabilities, generally, are included on the balance sheet. Operating statements for these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The Supervisor has the following major governmental funds:

General Fund – The general fund is used to account for the general operations of the Supervisor, and includes all revenues and expenditures which are not accounted for in another fund.

Grant Special Revenue Fund – The grants fund is used to account for the activities of voter education and poll worker training grants from the State of Florida.

The modified accrual basis of accounting is used by governmental funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become measurable and available to finance liabilities of the current fiscal year). For this purpose, the Supervisor considers revenues to be available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred, except for compensated absences, which are recognized as expenditures to the extent they have matured.

The appropriations from the Board are the primary source of funds considered to be susceptible to accrual.

Intergovernmental revenues are recognized when eligibility requirements are met and related amounts are available from the grantor.

1. Summary of Significant Accounting Policies (continued)

Interest income and other revenues are recognized as they are earned and become measurable and available to pay liabilities of the current period.

Florida Statutes provide that the amount by which revenues and transfers exceed annual expenditures be remitted to the Board immediately following the fiscal year for which the funding was provided or following the fiscal year during which other revenue was recognized. The amount of this distribution is recorded as a liability and as another financing use in the accompanying financial statements.

Capital outlays expended in general fund operations are capitalized in the basic financial statements of Collier County, Florida rather than in the governmental funds of the Supervisor.

Cash Equivalents

Cash equivalents are defined as highly liquid investments with original maturities of three months or less.

Compensated Absences

All full-time employees of the Supervisor are allowed to accumulate an unlimited number of hours of unused sick time and up to 440 hours of unused vacation leave. Effective October 1, 2007, the vacation leave limit was increased to 480 hours, with Supervisor approval. Upon termination, employees receive 100% of allowable accumulated vacation hours and a percentage of unused sick leave, depending on years of service. Vacation time and sick leave are included in operating costs of the general fund when the payments are made to employees. The Supervisor does not, nor is legally required to accumulate financial resources for these unmatured obligations. Accordingly, the liability for compensated absences is not reported in the general fund of the Supervisor, but rather is reported in the basic financial statements of Collier County, Florida.

1. Summary of Significant Accounting Policies (continued)

Use of Estimates

The preparation of the financial statements requires management of the Supervisor to make a number of estimates and assumptions relating to the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the period. Actual results could differ from those estimates.

Fund Balance Reporting and Governmental Fund-Type Definitions

Fund balances are classified either as non-spendable or as spendable. Spendable fund balances are further classified in a hierarchy based on the extent to which there are external and/or internal constraints in how fund balance amounts may be spent.

Non-spendable fund balances include amounts that cannot be spent because they are not in spendable form or are legally or contractually required to be maintained intact. The Supervisor did not have any non-spendable fund balances as of September 30, 2016.

Spendable fund balances are classified based on a hierarchy of the Supervisor's ability to control the spending of these fund balances and are reported in the following categories: restricted, committed, assigned and unassigned. The Supervisor's fund balances for the Grant Special Revenue Fund fall into the spendable restricted category. Fund balances maintained in the Grant Special Revenue Fund are restricted pursuant to specific grant agreements, and have been presented in the fund financial statements in accordance with GASB Statement No. 54.

2. Budgetary Process

Florida Statutes govern the preparation, adoption and administration of the Supervisor's annual budget. The Supervisor submits a budget for the general fund to the Board for approval. The budget is prepared on a basis consistent with accounting principles generally accepted in the United States of America. The annual budget serves as the legal authorization for expenditures. Any subsequent amendments to the Supervisor's total budget must be approved by the Board.

Expenditures may not legally exceed appropriations at the fund level. Appropriations lapse at year end. Budgetary control is maintained at the departmental major object expenditure level. Budgetary changes within major object expenditure categories are made at the discretion of the Supervisor.

The Supervisor does not budget for the grant special revenue fund as it is funded by State grants and is governed by those documents.

The original budget is the first complete appropriated budget. The final budget is the original budget adjusted by all reserves, transfers, allocations, supplemental appropriations, and other legally authorized changes applicable to the fiscal year, whenever legally authorized.

3. Cash and Cash Equivalents

At September 30, 2016, the carrying value of the Supervisor's cash and cash equivalents was as follows:

Type	Carrying Value	Credit Rating
Cash on hand	$ 200	N/A
Demand deposits	166,541	N/A
Total cash and cash equivalents	$ 166,741	

3. Cash and Cash Equivalents (continued)

Custodial Credit Risk

At September 30, 2016, the Supervisor's deposits were entirely covered by Federal Depository Insurance or by collateral pledged with the State Treasurer pursuant to Chapter 280, *Florida Statutes*. Under this Chapter, in the event of default by a participating financial institution (a qualified public depository), all participating institutions are obligated to reimburse the governmental entity for the loss.

Credit Risk

The Supervisor's policy is to follow the guidance in Section 219.075, *Florida Statutes*, regarding the deposit of funds received and the investment of surplus funds. Sections 219.075 and 218.415, *Florida Statutes*, authorize the Supervisor to invest in Florida PRIME (formerly the Local Government Surplus Funds Trust Fund) or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act; Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency; direct obligations of the United States Treasury; federal agencies and instrumentalities or interest-bearing time deposits or savings accounts in banks organized under the laws of the United States and doing business and situated in the State of Florida, savings and loan associations which are under state supervision, or in federal savings and loan associations located in the State of Florida and organized under federal law and federal supervision, provided that any such deposits are secured by collateral as may be prescribed by law. The pool is administered by the State Treasurer, who may make additional assessments to ensure that no public funds will be lost.

Interest Rate Risk

The Supervisor has no specific investment policy regarding interest rate risk.

4. Capital Assets

Capital assets used by the Supervisor are capitalized in the basic financial statements of Collier County, Florida rather than in the governmental funds of the Supervisor. Upon acquisition, such assets are recorded as expenditures in the general fund of the Supervisor and are capitalized at cost in the basic financial statements of Collier County, Florida. Capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their estimated fair value on the date received.

The Supervisor maintains custodial responsibility for the capital assets used by the office. No depreciation expense has been provided on capital assets in these financial statements. However, depreciation expense is recorded in the basic financial statements of Collier County, Florida.

The following is a summary of changes in capital assets, which are reported in the basic financial statements of Collier County, Florida:

	October 1, 2015	Additions	Deductions	September 30, 2016
Machinery and equipment	$ 1,113,822	$ 119,009	$ (39,589)	$ 1,193,242
Less accumulated depreciation	(955,377)	(73,164)	39,589	$ (988,952)
Machinery and equipment, net	$ 158,445	$ 45,845	$ -	$ 204,290

5. Long-Term Liabilities

The following is a summary of changes in long-term liabilities, which are reported in the basic financial statements of Collier County, Florida:

	October 1, 2015	Increase	Decrease	September 30, 2016
Accrued compensated absences	$ 155,737	$ 106,140	$ 61,167	$ 200,710

Of these liabilities, approximately $78,277 is expected to be paid during the fiscal year ending September 30, 2017, which will be included in the operating costs of the general fund when expended. These long-term liabilities are not reported in the financial statements of the Supervisor since they have not matured.

6. Pension Plans

Background

The Florida Retirement System (FRS) was created by Chapter 121, Florida Statutes, to provide a defined benefit pension plan for participating public employees. The FRS was amended in 1998 to add the Deferred Retirement Option Program under the defined benefit plan and amended in 2000 to provide a defined contribution plan alternative to the defined benefit plan for FRS members effective July 1, 2002. This integrated defined contribution pension plan is the FRS Investment Plan. Chapter 112, Florida Statutes, established the Retiree Health Insurance Subsidy (HIS) Program, a cost-sharing multiple-employer defined benefit pension plan, to assist retired members of any State-administered retirement system in paying the costs of health insurance.

Essentially all regular employees of the Supervisor are eligible to enroll as members of the State-administered FRS. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. Such provisions may be amended at any time by further action from the Florida Legislature. The FRS is a single retirement system administered by the Florida Department of Management Services, Division of Retirement, and consists of the two cost-sharing, multiple-employer defined benefit plans and other nonintegrated programs. A comprehensive annual financial report of the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from the Florida Department of Management Services' Web site (www.dms.myflorida.com).

Florida Retirement System Pension Plan

Plan Description

The Florida Retirement System Pension Plan (FRS Plan) is a cost-sharing multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program (DROP) for eligible employees. The general classes of membership are as follows:

Regular Class – Members of the FRS who do not qualify for membership in the other classes.

Elected County Officers Class – Members who hold specified elective offices in local government.

Senior Management Service Class (SMSC) – Members in senior management level positions.

Special Risk Class – Members who are special risk employees, such as law enforcement officers, meet the criteria to qualify for this class.

6. Pension Plans (continued)

Florida Retirement System Pension Plan (continued)

Plan Description (continued)

Employees enrolled in the FRS Plan prior to July 1, 2011, vest at 6 years of creditable service and employees enrolled in the FRS Plan on or after July 1, 2011, vest at 8 years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62 or at any age after 30 years of service, except for members classified as special risk who are eligible for normal retirement benefits at age 55 or at any age after 25 years of service. All members enrolled in the FRS Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service, except for members classified as special risk who are eligible for normal retirement benefits at age 60 or at any age after 30 years of service. Employees enrolled in the FRS Plan may include up to 4 years of credit for military service toward creditable service. The FRS Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The FRS Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments to eligible participants.

DROP, subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the FRS Plan to defer receipt of monthly benefit payments while continuing employment with an FRS participating employer. An employee may participate in DROP for a period not to exceed 60 months after electing to participate, except that certain instructional personnel may participate for up to 96 months. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest. The net pension liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits.

6. Pension Plans (continued)

Florida Retirement System Pension Plan (continued)

Benefits Provided

Benefits under the FRS Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the 5 highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the 8 highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement class to which the member belonged when the service credit was earned. Members are eligible for in-line-of-duty or regular disability and survivors' benefits.

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the FRS before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3 percent per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3 percent determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3 percent. FRS Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

Detailed information about the County's proportionate share of FRS's net pension liability, deferred outflows/inflows of resources, and pension expense are reported in the government-wide statements of the County.

Retiree Health Insurance Subsidy Program

Plan Description

The Retiree Health Insurance Subsidy Program (HIS Plan) is a cost-sharing multiple-employer defined benefit pension plan established under Section 112.363, Florida Statutes, and may be amended by the Florida Legislature at any time. The benefit is a monthly payment to assist retirees of State-administered retirement systems in paying their health insurance costs and is administered by the Florida Department of Management Services, Division of Retirement.

6. Pension Plans (continued)

Retiree Health Insurance Subsidy Program (continued)

Benefits Provided

For the fiscal year ended June 30, 2016, eligible retirees and beneficiaries received a monthly HIS payment of $5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of $30 and a maximum HIS payment of $150 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Detailed information about the County's proportionate share of HIS's net pension liability, deferred outflows/inflows of resources, and pension expense are reported in the government-wide statements of the County.

FRS Investment Plan

The Florida State Board of Administration (SBA) administers the defined contribution plan officially titled the FRS Investment Plan (Investment Plan). The Investment Plan is reported in the SBA's annual financial statements and in the State of Florida Comprehensive Annual Financial Report.

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. SOE employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.), as the FRS defined benefit plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06 percent of payroll and by forfeited benefits of plan members.

6. Pension Plans (continued)

FRS Investment Plan (continued)

For all membership classes, employees are immediately vested in their own contributions and are vested after 1 year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Non-vested employer contributions are placed in a suspense account for up to 5 years. If the employee returns to FRS-covered employment within the 5-year period, the employee will regain control over their account. If the employee does not return within the 5-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended June 30, 2016, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the SOE.

After termination and applying to receive benefits, the member may rollover vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lump-sum distribution, leave the funds invested for future distribution, or any combination of these options. Disability coverage is provided; the member may either transfer the account balance to the FRS Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the FRS Pension Plan, or remain in the Investment Plan and rely upon that account balance for retirement income.

Contributions

Participating employer contributions are based upon statewide rates established by the State of Florida. The Supervisor's contributions made to the plans during the years ended September 30, 2016, 2015 and 2014, were $114,600, $106,131 and $103,864, respectively, equal to the actuarially determined contribution requirements for each year.

Additional information about pension plans can be found in the County's comprehensive annual financial report.

7. Related-Party Transactions

For the year ended September 30, 2016, the Board provided funding for the Supervisor that amounted to $3,994,700. At September 30, 2016, the Supervisor had a payable due to the Board of $45,712 comprised as follows:

Distribution of excess appropriations	$	41,552
Distribution of interest earnings		2,909
Amounts due for various services		1,251
Total due to Board of County Commissioners	$	45,712

8. Risk Management

Collier County, Florida (County) is exposed to various risks of loss including, but not limited to, general liability, health and life, property and casualty, auto and physical damage and workers' compensation. The County is substantially self-insured and accounts for and finances its risk of uninsured losses through an internal service fund. All liabilities associated with these self-insured risks are reported in the basic financial statements of the County. The Supervisor participates in the County's self-insurance program. During the year ended September 30, 2016, the Supervisor was charged $293,099 by the County for participation in the risk management program.

The County retains the first $500,000 per claim for workers' compensation, and has purchased outside excess coverage for up to statutory limit for each injury or illness. The County also provides coverage for up to $500,000 per occurrence for general liability and $300,000 per occurrence for auto liability coverage and has purchased outside excess coverage for up to $5 million per claim. Negligence claims in excess of the statutory limits set in Section 768.28, *Florida Statutes*, which provide for limited sovereign immunity of $200,000/$300,000 per occurrence can only be recovered through an act of the State Legislature. Property claims are subject to a 5 percent wind deductible and a $50,000 deductible for all other perils. The County retains the first $100,000 per claim/$200,000 per occurrence for public official errors and omissions and crime coverage and has purchased outside excess coverage for up to $5 million per claim. There have been no significant reductions in insurance coverage in the last year. Settled claims have not exceeded the insurance provided by third party carriers in any of the last three years.

8. Risk Management (continued)

The County is self-insured for health claims covering all of its employees and their eligible dependents. The County retains the first $400,000 per covered member and has purchased outside excess coverage for all claims exceeding this amount. An actuarial valuation is performed each year to estimate the amounts needed to pay prior and future claims and to establish reserves.

9. Other Postemployment Healthcare Benefits (OPEB) Plan

The Supervisor follows GASB Statement 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits other than Pensions* in accounting for postemployment benefits.

Plan Description

The SOE participates in a group health care plan that covers eligible retirees, and their dependents, of the Board and all Constitutional Officers with the exception of the Sheriff. The Board administers the plan and establishes the benefits. The healthcare plan does not issue a stand-alone financial report; however, additional actuarial information regarding the plan as a whole is disclosed in the notes to the financial statements of Collier County, Florida.

Under Florida Statutes, retirees originally hired prior to July 1, 2011, are eligible to participate in the active medical plan by paying the active rate if they have attained age 62 and have 6 years of service or have at least 30 years of service. Employees hired on or after July 1, 2011 are eligible to participate in the active medical plan by paying the active rate if they have attained age 65 and have 8 years of service or have at least 33 years of service. Employees eligible for a reduced benefit under the Florida Retirement System prior to age 62 (65 if hired on or after July 1, 2011) are also eligible to participate in the medical plan. The Supervisor provides no subsidy to the retiree, or their dependents, for group health care.

Funding Policy

The contribution requirements of the plan members and the employers are established and may be amended by the County. The plans are financed by the participating agencies on a pay as you go basis through the County's self insurance internal service fund. Participating agencies contribute an additional amount per each active employee to fund retiree health care. The Supervisor had a net OPEB obligation of $18,147 as of September 30, 2016.

9. Other Postemployment Healthcare Benefits (OPEB) Plan (continued)

The annual other postemployment benefit cost is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with GASB Statement 45. The ARC represents a level of funding that, if paid by on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years. An actuarial valuation on the plan as a whole was performed in November 2014. The notes to the financial statements of the County disclose additional information regarding the other post-employment benefit plan as a whole.

10. Contingencies

Grant funds received by the Supervisor are subject to audit by grantor agencies. Audits of these grants may result in disallowed costs, which may constitute a liability of the office of the Supervisor. In the opinion of management, disallowed costs, if any, would not have a significant impact on the financial position of the Supervisor.

11. Transfers

Transfers between funds are for the purpose of providing matching funds to the Supervisor's grants. Transfers were required in the amount of $4,727 for the year ending September 30, 2016.

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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*

Honorable Jennifer J. Edwards
Supervisor of Elections
Collier County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of each major fund of the Collier County, Florida Supervisor of Elections (Supervisor), as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the Supervisor's financial statements, and have issued our report thereon dated January 11, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Supervisor'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 Supervisor's internal control. Accordingly, we do not express an opinion on the effectiveness of the Supervisor'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 was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Supervisor's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 result 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.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Naples, Florida
January 11, 2017

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MANAGEMENT LETTER

Honorable Jennifer J. Edwards
Supervisor of Elections
Collier County, Florida

Report on the Financial Statements

We have audited the financial statements of the each major fund of the Collier County, Florida Supervisor of Elections (Supervisor) as of and for the year ended September 30, 2016 and have issued our report thereon dated January 11, 2017.

Auditors' Responsibility

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 and Chapter 10.550, Rules of the Florida Auditor General.

Other Reports

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and Compliance and Other Matters based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountants' Report on an examination conducted in accordance with *AICPA Professional Standards*, Section 601, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports which are dated January 11, 2017 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 findings and recommendations reported in the preceding annual financial audit 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. See Note 1 in the notes to the financial statements.

Other Matters

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

Section 10.554(1)(i)3., Rules of the Auditor General, requires that we address 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 other granting agencies, and the Supervisor and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Naples, Florida
January 11, 2017

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INDEPENDENT ACCOUNTANTS' REPORT

Honorable Jennifer J. Edwards
Supervisor of Elections
Collier County, Florida

We have examined the Collier County, Florida Supervisor of Elections' (Supervisor) compliance with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended September 30, 2016. Management is responsible for the Supervisor's compliance with those requirements. Our responsibility is to express an opinion on the Supervisor's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Supervisor's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Supervisor's compliance with specified requirements.

In our opinion, the Supervisor complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2016.

This report is intended solely for the information and use of the Supervisor and the Auditor General, State of Florida, and is not intended to be and should not be used by anyone other than these specified parties.

CliftonLarsonAllen LLP

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Naples, Florida
January 11, 2017

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Collier County, Florida
Tax Collector

Financial Statements and
Supplemental Reports

Years Ended September 30, 2016 and 2015

Collier County, Florida
Tax Collector

Financial Statements and Other Reports

Years Ended September 30, 2016 and 2015

Contents

Independent Auditors' Report....1

Financial Statements

Balance Sheets – General Fund....3

Statements of Revenues, Expenditures, and Changes in Fund Balance – General Fund....4

Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund....5

Statements of Fiduciary Net Position – Agency Funds....6

Notes to Financial Statements....7

Other Reports

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*....25

Management Letter....27

Independent Accountants' Report....29

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INDEPENDENT AUDITORS' REPORT

Honorable Larry H. Ray
Tax Collector
Collier County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the general fund and the aggregate remaining fund information of the Collier County, Florida Tax Collector (Tax Collector), as of and for the years ended September 30, 2016 and 2015, and the related notes to the financial statements, which collectively comprise the Tax Collector's financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the general fund and the aggregate remaining fund information of the Tax Collector as of September 30, 2016 and 2015, and the respective changes in financial position for the years then ended and the budgetary comparison for the general fund thereof for the year ended September 30, 2016, in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of each major fund, and the aggregate remaining fund information, only for that portion of the major funds, and the aggregate remaining fund information, of Collier County, Florida that is attributable to the Tax Collector. They do not purport to, and do not, present fairly the financial position of Collier County, Florida as of September 30, 2016 and 2015, and the changes in its financial position for the fiscal years then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statement is not affected by this missing information.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 5, 2017 on our consideration of the Tax Collector'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 included under the heading 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*. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Tax Collector's internal control over financial reporting and compliance.

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Naples, Florida
January 5, 2017

Collier County, Florida
Tax Collector

Balance Sheets – General Fund

	September 30, 2016	September 30, 2015
Assets		
Cash and cash equivalents	$ 7,643,628	$ 7,118,870
Due from other funds	70,902	64,735
Prepaid rent	26,796	30,789
Prepaid expense	-	19,780
Security deposit	4,628	4,628
Total assets	$ 7,745,954	$ 7,238,802
Liabilities and fund balance		
Liabilities:		
Accounts payable	$ 17,329	$ 40,242
Due to Collier County, Florida Board of County Commissioners	6,865,518	6,364,300
Due to other governmental agencies	863,107	834,260
Total liabilities	7,745,954	7,238,802
Fund balance	-	-
Total liabilities and fund balance	$ 7,745,954	$ 7,238,802

See accompanying Notes to Financial Statements.

Collier County, Florida
Tax Collector

Statements of Revenues, Expenditures, and
Changes in Fund Balance
General Fund

	Year Ended September 30,	
	2016	**2015**
Revenues:		
Commissions and fees	$ 19,579,160	$ 18,285,749
Miscellaneous	277,346	254,225
Total revenues	19,856,506	18,539,974
Expenditures:		
General government:		
Personal services	10,126,106	9,708,288
Operating	1,675,462	1,587,856
Capital outlay	326,313	45,270
Total expenditures	12,127,881	11,341,414
Excess of revenues over expenditures	7,728,625	7,198,560
Other financing uses:		
Distribution of excess commissions and fees to Collier County, Florida Board of County Commissioners	(6,865,518)	(6,364,300)
Distribution of excess commissions and fees to other governmental agencies	(863,107)	(834,260)
Total other financing uses	(7,728,625)	(7,198,560)
Net change in fund balance	-	-
Fund balance, beginning of year	-	-
Fund balance, end of year	$ -	$ -

See accompanying Notes to Financial Statements.

Collier County, Florida
Tax Collector

Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget to Actual General Fund

Year Ended September 30, 2016

	Budget			Variance With Final Budget Positive
	Original	**Final**	**Actual**	**(Negative)**
Revenues:				
Commissions and fees	$ 18,975,914	$ 18,975,914	$ 19,579,160	$ 603,246
Miscellaneous	248,857	248,857	277,346	28,489
Total revenues	19,224,771	19,224,771	19,856,506	631,735
Expenditures:				
General government:				
Personal services	10,603,138	10,603,138	10,126,106	477,032
Operating	1,837,174	1,871,366	1,675,462	195,904
Capital outlay	296,600	346,930	326,313	20,617
Total expenditures	12,736,912	12,821,434	12,127,881	693,553
Balance of revenues over expenditures	6,487,859	6,403,337	7,728,625	1,325,288
Other financing uses:				
Distribution of excess commissions and fees to Collier County, Florida Board of County Commissioners	(5,763,317)	(5,688,234)	(6,865,518)	(1,177,284)
Distribution of excess commissions and fees to other governmental agencies	(724,542)	(715,103)	(863,107)	(148,004)
Total other financing uses	(6,487,859)	(6,403,337)	(7,728,625)	(1,325,288)
Net change in fund balance	-	-	-	-
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	$ -	$ -	$ -	$ -

See accompanying Notes to Financial Statements.

Collier County, Florida
Tax Collector

Statements of Fiduciary Net Position
Agency Funds

	September 30, 2016	September 30, 2015
Assets		
Cash and cash equivalents	$ 6,657,055	$ 7,152,324
Accounts receivable	27,270	18,820
Due from other funds	-	-
Total assets	$ 6,684,325	$ 7,171,144
Liabilities		
Due to other funds	$ 70,895	$ 64,735
Due to Collier County, Florida Board of County Commissioners	952,005	1,030,992
Due to other governmental agencies	5,608,295	6,048,339
Due to individuals and businesses	53,130	27,078
Total liabilities	$ 6,684,325	$ 7,171,144

See accompanying Notes to Financial Statements.

Collier County, Florida
Tax Collector

Notes to Financial Statements

September 30, 2016 and 2015

1. Summary of Significant Accounting Policies

Reporting Entity

The Tax Collector is an elected official of the County, pursuant to the Constitution of the State of Florida, Article VIII, Section 1(d). The Tax Collector is part of the primary government of the County. Although the Florida Department of Revenue approves the Tax Collector's operating budget, the Tax Collector is responsible for the administration and the operation of the Tax Collector's office. Upon approval, the operating budget is provided to the Collier County Board of County Commissioners (Board). The Tax Collector's financial statements include only the funds of the Tax Collector's office. There are no separate legal entities (component units) for which the Tax Collector is considered to be financially accountable.

Measurement Focus, Basis of Accounting, and Basis of Presentation

These financial statements have been prepared for the purpose of complying with Section 218.39(2), *Florida Statutes*, and Chapter 10.550, *Rules of the Auditor General – Local Governmental Entity Audits*, which allows the Tax Collector to only present fund financial statements. These financial statements present only the portion of the funds of Collier County, Florida that are attributable to the Tax Collector. They are not intended to present fairly the financial position and results of operations of Collier County, Florida in conformity with accounting principles generally accepted in the United States of America.

The financial activities of the Tax Collector, as a constitutional officer, are included in the Collier County, Florida Comprehensive Annual Financial Report.

These fund financial statements report detailed information about the Tax Collector. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is reported in a separate column.

1. Summary of Significant Accounting Policies (continued)

Governmental Funds

Governmental funds are accounted for using the flow of current financial resources measurement focus. Only current assets and current liabilities, generally, are included on the balance sheets. Operating statements for these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets. The Tax Collector's only governmental fund is the general fund. The general fund is used to account for the general operations of the Tax Collector and includes all transactions not accounted for in another fund.

The modified accrual basis of accounting is used by governmental funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become measurable and available to finance liabilities of the current fiscal year). For this purpose, the Tax Collector considers revenues to be available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred, except for certain compensated absences, which are recognized as expenditures to the extent they have matured.

Interest income and other revenue are recognized as they are earned and become measurable and available to pay liabilities of the current period.

Substantially all of the Tax Collector's revenue is received from taxing authorities. These monies are virtually unrestricted and are revocable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenue at the time of receipt; earlier if the "susceptible to accrual" criteria are met.

Florida Statutes provide that the amount by which revenues exceed annual expenditures be remitted to each governmental agency or the Board immediately following the fiscal year for which the funding was provided or following the fiscal year during which other revenue was recognized.

Capital outlays expended in the general fund operations are capitalized in the basic financial statements of Collier County, Florida rather than in the governmental funds of the Tax Collector.

1. Summary of Significant Accounting Policies (continued)

Fiduciary Funds

Agency funds – Fiduciary funds are used to account for assets held by the Tax Collector in a trustee capacity or as an agent for individuals, private organizations, and other governments. Agency funds are custodial in nature (assets equal liabilities), and do not involve measurement of results of operations or have a measurement focus. Agency funds are accounted for using the accrual basis of accounting.

Refund of "Excess Fees"

Florida Statutes further provide that the excess of revenues over expenditures held by the Tax Collector be distributed to each governmental agency or the Board in the same proportion as the fees paid by each governmental agency bear to total fee revenues. The amount of this distribution is recorded as a liability and as another financing use-transfer out in the accompanying financial statements.

Compensated Absences

All full-time employees of the Tax Collector are allowed to accumulate an unlimited number of hours of unused sick leave and up to 240 hours of unused vacation leave. Upon termination, employees receive 100% of allowable accumulated vacation hours and a percentage of unused sick leave, depending on years of service. Vacation and sick leave payments are included in operating costs of the general fund when the payments are made to the employees. The Tax Collector does not, nor is legally required to, accumulate financial resources for these unmatured obligations. Accordingly, the liability for compensated absences is not reported in the general fund of the Tax Collector, but rather is reported in the basic financial statements of Collier County, Florida.

1. Summary of Significant Accounting Policies (continued)

Property Taxes

Property taxes in Collier County are levied by the Board and other taxing authorities. The millage levies are determined on the basis of estimates of revenue needs and the total taxable valuations within the jurisdiction of the Board and other taxing authorities. No aggregate ad valorem tax millage in excess of 10 mills on the dollar can be levied by the Board against property in the County as specified in *Florida Statutes*, Section 200.071.

Each year the total taxable property valuation is established by the Collier County, Florida Property Appraiser, and the list of property assessments is submitted to the State Department of Revenue for approval. Taxes, assessed as of January 1 of each year, are due and payable on November 1 of each year or as soon thereafter as the assessment roll is opened for collection. Pursuant to Florida law, all owners of property have the responsibility of ascertaining the amount due and paying it before April 1 of the year following the year in which the tax was assessed.

Chapter 197, *Florida Statutes*, governs property tax collections as follows:

Current Taxes

All property taxes become due and payable on November 1, and are delinquent on April 1 of the following year. Discounts are allowed for early payment of 4% in November; 3% in December; 2% in January; and 1% for payment in February.

Unpaid Taxes – Sale of Tax Certificates

The Tax Collector advertises, as required by *Florida Statutes*, and sells tax certificates on all real property for unpaid taxes. The taxes assessed on the property are struck off the tax roll to the purchaser of the tax certificate. Certificates not sold are struck off to the County. The Tax Collector must receive payment before the certificates are delivered. Any person owning land upon which a tax certificate has been sold may redeem the tax certificate by paying the Tax Collector the face amount of the tax certificate plus interest and other costs.

Tax Deeds

Two years after the purchase of a tax certificate the owner may file an application for tax deed sale. The County, as a certificate owner, exercises similar procedures. Tax deeds are issued to the highest bidder for the property which is sold at public auction. The Clerk of the Circuit Court administers these sales.

1. Summary of Significant Accounting Policies (continued)

Use of Estimates

The preparation of these financial statements requires management of the Tax Collector to make a number of estimates and assumptions relating to the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the period. Actual results could differ from those estimates.

2. Budgetary Process

Florida Statutes govern the preparation, adoption, and administration of the Tax Collector's annual budget. The Tax Collector submits a budget for the general fund to the Florida Department of Revenue for approval. A copy of the approved budget is provided to the Board. Any subsequent amendments to the Tax Collector's total budget must be approved by the Florida Department of Revenue. The budget for the general fund is prepared on a basis consistent with accounting principles generally accepted in the United States of America. The annual budget serves as the legal authorization for expenditures.

Expenditures may not legally exceed appropriations at the fund level. Appropriations lapse at year-end. Budget control is maintained at the departmental major object expenditure level. Budgetary changes within major object expenditure categories are made at the discretion of the Tax Collector.

The original budget is the first complete appropriated budget. The final budget is the original budget adjusted by all reserves, transfers, allocations, supplemental appropriations, and other legally authorized changes applicable to the fiscal year, whenever legally authorized.

3. Cash

At September 30, 2016 and 2015, the carrying value of the Tax Collector's cash was as follows:

Type	2016 Carrying Value	2015 Carrying Value
Cash on hand	$ 35,443	$ 33,900
Demand deposits	14,265,240	14,237,294
Total cash and cash equivalents	$ 14,300,683	$ 14,271,194

Such amounts are reported as $7,643,628and $6,657,055 for 2016 and $7,118,870 and $7,152,324 for 2015 in the general and agency funds, respectively.

Custodial Credit Risk

At September 30, 2016, the Tax Collector's deposits were entirely covered by Federal Depository Insurance or by collateral pledged with the State Treasurer pursuant to Chapter 280, *Florida Statutes*. Under this Chapter, in the event of default by a participating financial institution (a qualified public depository), all participating institutions are obligated to reimburse the governmental entity for the loss.

Credit Risk

The Tax Collector's policy is to follow the guidance in Section 219.075, *Florida Statutes*, regarding the deposit of funds received and the investment of surplus funds. Sections 219.075 and 218.415, *Florida Statutes*, authorize the Tax Collector to invest in Florida PRIME or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act; Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency; direct obligations of the United States Treasury; federal agencies and instrumentalities or interest-bearing time deposits or savings accounts in banks organized under the laws of the United States and doing business and situated in the State of Florida, savings and loan associations which are under state supervision, or in federal savings and loan associations located in the state of Florida and organized under federal law and federal supervision, provided that any such deposits are secured by collateral as may be prescribed by law.

3. Cash (continued)

Interest Rate Risk

The Tax Collector has no specific investment policy regarding interest rate risk.

4. Capital Assets

Capital assets used by the Tax Collector are capitalized in the basic financial statements of Collier County, Florida rather than in the governmental funds of the Tax Collector. Upon acquisition, such assets are recorded as expenditures in the general fund of the Tax Collector, and are capitalized at cost in the basic financial statements of Collier County, Florida.

Capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their estimated fair value on the date received. The Tax Collector maintains custodial responsibility for the capital assets used by the office. No depreciation expense has been provided on capital assets in these financial statements. However, depreciation expense on these assets is recorded in the basic financial statements of Collier County, Florida.

The following is a summary of changes in capital assets for the year ended September 30, 2016:

	October 1, 2015	Additions	Deletions/ Reclassifications	September 30, 2016
Capital Assets not depreciated:				
Construction in progress	$ -	$ 20,384	$ -	$ 20,384
Total assets not depreciated	-	20,384	-	20,384
Infrastructure	11,735	-	-	11,735
Buildings	-	62,174	(62,174)	-
Improvements other than buildings	111,914	-	-	111,914
Machinery and equipment	2,222,198	243,755	(85,545)	2,380,408
Total Capital Assets	2,345,847	326,313	(147,719)	2,524,441
Less accumulated depreciation:	(2,157,216)	(117,334)	85,545	(2,189,005)
Total capital assets, net	$ 188,631	$ 208,979	$ (62,174)	$ 335,436

4. Capital Assets (continued)

The following is a summary of changes in capital assets for the year ended September 30, 2015:

	October 1, 2014	Additions	Deletions/ Reclassifications	September 30, 2015
Infrastructure	$ 11,735	$ -	$ -	$ 11,735
Improvements other than buildings	111,914	-	-	111,914
Machinery and equipment	2,251,583	45,270	(74,655)	2,222,198
Total Capital Assets	2,375,232	45,270	(74,655)	2,345,847
Less accumulated depreciation:	(2,105,422)	(126,245)	74,451	(2,157,216)
Total capital assets, net	$ 269,810	$ (80,975)	$ (204)	$ 188,631

5. Long-Term Liabilities

The following is a summary of changes in long-term liabilities which are reported in the basic financial statements of Collier County, Florida:

	October 1, 2015	Increase	Decrease	September 30, 2016
Accrued compensated absences	$ 1,224,908	$ 596,587	$ (647,657)	$ 1,173,838

	October 1, 2014	Increase	Decrease	September 30, 2015
Accrued compensated absences	$ 1,152,878	$ 670,017	$ (597,987)	$ 1,224,908

Of these liabilities, approximately $650,000 is expected to be paid during the fiscal year ending September 30, 2017, which will be included in the operating costs of the general fund when expended. These long-term liabilities are not reported in the financial statements of the Tax Collector since they have not matured.

6. Pension Plans

Background

The Florida Retirement System (FRS) was created by Chapter 121, Florida Statutes, to provide a defined benefit pension plan for participating public employees. The FRS was amended in 1998 to add the Deferred Retirement Option Program under the defined benefit plan and amended in 2000 to provide a defined contribution plan alternative to the defined benefit plan for FRS members effective July 1, 2002. This integrated defined contribution pension plan is the FRS Investment Plan. Chapter 112, *Florida Statutes*, established the Retiree Health Insurance Subsidy (HIS) Program, a cost-sharing multiple-employer defined benefit pension plan, to assist retired members of any State-administered retirement system in paying the costs of health insurance.

Essentially all regular employees of the Tax Collector are eligible to enroll as members of the State-administered FRS. Provisions relating to the FRS are established by Chapters 121 and 122, *Florida Statutes*; Chapter 112, Part IV, *Florida Statutes*; Chapter 238, *Florida Statutes*; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. Such provisions may be amended at any time by further action from the Florida Legislature. The FRS is a single retirement system administered by the Florida Department of Management Services, Division of Retirement, and consists of the two cost-sharing, multiple-employer defined benefit plans and other nonintegrated programs. A comprehensive annual financial report of the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from the Florida Department of Management Services' Web site (www.dms.myflorida.com).

6. Pension Plans (continued)

Florida Retirement System Pension Plan

Plan Description

The Florida Retirement System Pension Plan (FRS Plan) is a cost-sharing multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program (DROP) for eligible employees. The general classes of membership are as follows:

- *Regular Class* – Members of the FRS who do not qualify for membership in the other classes.
- *Elected County Officers Class* – Members who hold specified elective offices in local government.
- *Senior Management Service Class (SMSC)* – Members in senior management level positions.
- *Special Risk Class* – Members who are special risk employees, such as law enforcement officers, meet the criteria to qualify for this class.

Employees enrolled in the FRS Plan prior to July 1, 2011, vest at 6 years of creditable service and employees enrolled in the FRS Plan on or after July 1, 2011, vest at 8 years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62 or at any age after 30 years of service, except for members classified as special risk who are eligible for normal retirement benefits at age 55 or at any age after 25 years of service. All members enrolled in the FRS Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service, except for members classified as special risk who are eligible for normal retirement benefits at age 60 or at any age after 30 years of service. Employees enrolled in the FRS Plan may include up to 4 years of credit for military service toward creditable service. The FRS Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The FRS Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments to eligible participants.

6. Pension Plans (continued)

DROP, subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the FRS Plan to defer receipt of monthly benefit payments while continuing employment with an FRS participating employer. An employee may participate in DROP for a period not to exceed 60 months after electing to participate, except that certain instructional personnel may participate for up to 96 months. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest. The net pension liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits.

Benefits Provided

Benefits under the FRS Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the 5 highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the 8 highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement class to which the member belonged when the service credit was earned. Members are eligible for in-line-of-duty or regular disability and survivors' benefits.

As provided in Section 121.101, *Florida Statutes*, if the member is initially enrolled in the FRS before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3 percent per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3 percent determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3 percent. FRS Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

Detailed information about the County's proportionate share of FRS's net pension liability, deferred outflows/inflows of resources, and pension expense are reported in the government-wide statements of the County.

6. Pension Plans (continued)

Retiree Health Insurance Subsidy Program

Plan Description

The Retiree Health Insurance Subsidy Program (HIS Plan) is a cost-sharing multiple-employer defined benefit pension plan established under Section 112.363, *Florida Statutes*, and may be amended by the Florida Legislature at any time. The benefit is a monthly payment to assist retirees of State-administered retirement systems in paying their health insurance costs and is administered by the Florida Department of Management Services, Division of Retirement.

Benefits Provided

For the fiscal year ended June 30, 2016, eligible retirees and beneficiaries received a monthly HIS payment of $5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of $30 and a maximum HIS payment of $150 per month, pursuant to Section 112.363, *Florida Statutes*. To be eligible to receive a HIS Plan benefit, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Detailed information about the County's proportionate share of HIS's net pension liability, deferred outflows/inflows of resources, and pension expense are reported in the government-wide statements of the County.

FRS Investment Plan

The Florida State Board of Administration (SBA) administers the defined contribution plan officially titled the FRS Investment Plan (Investment Plan). The Investment Plan is reported in the SBA's annual financial statements and in the State of Florida Comprehensive Annual Financial Report.

6. Pension Plans (continued)

FRS Investment Plan (continued)

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. Tax Collector employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.), as the FRS defined benefit plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06 percent of payroll and by forfeited benefits of plan members.

For all membership classes, employees are immediately vested in their own contributions and are vested after 1 year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Non-vested employer contributions are placed in a suspense account for up to 5 years. If the employee returns to FRS-covered employment within the 5-year period, the employee will regain control over their account. If the employee does not return within the 5-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended June 30, 2016, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the Tax Collector.

6. Pension Plans (continued)

After termination and applying to receive benefits, the member may rollover vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lump-sum distribution, leave the funds invested for future distribution, or any combination of these options. Disability coverage is provided; the member may either transfer the account balance to the FRS Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the FRS Pension Plan, or remain in the Investment Plan and rely upon that account balance for retirement income.

Contributions

Participating employer contributions are based upon statewide rates established by the State of Florida. The Tax Collector's contributions made to the plans during the years ended September 30, 2016, 2015, and 2014 were $606,522, $598,808, and $545,011, respectively, equal to the actuarially determined contribution requirements for each year.

Additional information about pension plans can be found in the County's comprehensive annual financial report or County-wide financial statements.

7. Other Postemployment Healthcare Benefits (OPEB) Plan

The Tax Collector follows GASB Statement 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits other than Pensions* in accounting for postemployment benefits.

Plan Description

The Tax Collector participates in a group health care plan that covers eligible retirees, and their dependents, of the Board and all Constitutional Officers with the exception of the Sheriff. The Board administers the plan and establishes the benefits. The healthcare plan does not issue a stand-alone financial report; however additional actuarial information regarding the plan as a whole is disclosed in the notes to the financial statements of Collier County, Florida.

7. Other Postemployment Healthcare Benefits (OPEB) Plan (continued)

Under *Florida Statutes*, retirees originally hired prior to July 1, 2011 are eligible to participate in the active medical plan by paying the active rate if they have attained age 62 and have 6 years of service or have at least 30 years of service. Employees hired on or after July 1, 2011 are eligible to participate in the active medical plan by paying the active rate if they have attained age 65 and have 8 years of service or have at least 33 years of service. Employees eligible for a reduced benefit under the Florida Retirement System prior to age 62 (65 years of age if hired on or after July 1, 2011) are also eligible to participate in the medical plan. In addition, the Tax Collector provides a 100% subsidy for retirees between the ages of 55 and 65 with more than 10 years of service and 800 hours of accumulated sick leave to remit at the time of retirement for employees hired prior to June 1, 2015.

Funding Policy

The contribution requirements of the plan members and the employers are established and may be amended by the County. The plans are financed by the participating agencies on a pay as you go basis through the County's self insurance internal service fund. Participating agencies contribute an additional amount per each active employee to fund retiree health care. The Tax Collector had a net OPEB obligation of $10,638 and $13,851 as of September 30, 2016 and 2015, respectively.

The annual other postemployment benefit cost is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with GASB Statement 45. The ARC represents a level of funding that, if paid by on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years. An actuarial valuation on the plan as a whole was performed in October 1, 2015. The notes to the financial statements of the County disclose additional information regarding the other postemployment benefit plan as a whole.

8. Related-Party Transactions

During the fiscal years ended September 30, 2016 and 2015, the Board paid commissions and fees to the Tax Collector that amounted to $17,638,997 and $16,391,328, respectively.

At September 30, 2016 and 2015, the Tax Collector had a payable due to the Board of $7,817,523 and $7,395,292, respectively, comprised as follows:

	2016	2015
Distribution of unused commissions and fees	$ 6,865,518	$ 6,364,300
Agency funds due to the Board	952,005	1,030,992
	$ 7,817,523	$ 7,395,292

9. Risk Management

Collier County, Florida (County) is exposed to various risks of loss including but not limited to, general liability, health and life, property and casualty, auto and physical damage, and workers' compensation. The County is substantially self-insured and accounts for and finances its risk of uninsured losses through an internal service fund. All liabilities associated with these self-insured risks are reported in the basic financial statements of the County. The Tax Collector participates in the County's self-insurance program. During the years ended September 30, 2016 and 2015, the Tax Collector was charged $2,948,054 and $2,833,407, respectively, by the County for participation in the risk management program.

9. Risk Management (continued)

The County provides coverage for up to $500,000 per claim for workers' compensation, and has purchased outside excess coverage for up to the statutory limits for each injury or illness. The County also provides coverage for up to $500,000 per occurrence for general liability and $300,000 per occurrence for auto liability coverage and has purchased outside excess coverage for up to $5 million per claim. Negligence claims in excess of the statutory limits set in Section 768.20, *Florida Statutes*, which provide for limited sovereign immunity of $200,000/$300,000 per occurrence can only be recovered through an act of the State Legislature. Property claims are subject to a 5% wind deductible and a $50,000 deductible for all other perils. The County retains the first $100,000 per claim/$200,000 per occurrence for public official errors and omissions and crime coverage and has purchased outside excess coverage for up to $5 million per claim. There have been no significant reductions in insurance coverage in the last year. Settled claims have not exceeded the insurance provided by third party carriers in any of the last three years.

The County is self-insured for health claims covering all of its employees and their eligible dependents. The County retains the first $400,000 per covered member and has purchased outside excess coverage for all claims exceeding this amount. An actuarial valuation is performed each year to estimate the amounts needed to pay prior and future claims and to establish reserves.

10. Commitments and Contingencies

Leases

The Tax Collector has noncancelable operating leases for certain office facilities that were utilized solely by the Tax Collector for fiscal year 2016. The two current leases include options for a 5-year renewal with an annual escalation clauses ranging from 1-5% annually. The following is a schedule of future minimum lease payments under the operating leases:

Fiscal year ending September 30:	
2017	$ 238,798
2018	244,360
2019	250,334
2020	199,976
2021	146,800

10. Commitments and Contingencies (continued)

Rental expense for all operating leases in the aggregate was $378,915 and $362,182 for the years ended September 30, 2016 and 2015, respectively. There were no contingent rentals or sublease rentals associated with leases in effect at September 30, 2016 or 2015.

Litigation

The Tax Collector is involved as a defendant or plaintiff in certain litigation and claims arising from the ordinary course of operations. In the opinion of the Tax Collector and legal counsel, the range of potential recoveries or liabilities will not materially affect the financial position of the Tax Collector.

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*

Honorable Larry H. Ray
Tax Collector
Collier County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the general fund and the aggregate remaining fund information of the Collier County, Florida Tax Collector (Tax Collector), as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the Tax Collector's financial statements, and have issued our report thereon dated January 5, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Tax Collector'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 Tax Collector's internal control. Accordingly, we do not express an opinion on the effectiveness of the Tax Collector'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 was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Tax Collector's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 result of that testing, and not to provide an opinion on the effectiveness of the Tax Collector'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 Tax Collector's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Naples, Florida
January 5, 2017

MANAGEMENT LETTER

Honorable Larry H. Ray
Tax Collector
Collier County, Florida

Report on the Financial Statements

We have audited the financial statements of the general fund and the aggregate remaining fund information of the Collier County, Florida Tax Collector (Tax Collector) as of and for the year ended September 30, 2016, and have issued our report thereon dated January 5, 2017.

Auditors' Responsibility

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 and Chapter 10.550, Rules of the Florida Auditor General.

Other Reports

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and Compliance and Other Matters based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountants' Report on an examination conducted in accordance with *AICPA Professional Standards*, Section 601, regarding compliance requirements in accordance with Chapter 10.500, Rules of the Auditor General. Disclosures in those reports which are dated January 5, 2017 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 findings and recommendations reported in the preceding annual financial audit 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. See Note 1 in the notes to the financial statements.

Other Matters

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

Section 10.554(1)(i)3., Rules of the Auditor General, requires that we address 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 other granting agencies, the Tax Collector and applicable management, and is not intended to be, and should not be, used by anyone other than these specified parties.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Naples, Florida
January 5, 2017

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INDEPENDENT ACCOUNTANTS' REPORT

Honorable Larry Ray
Tax Collector
Collier County, Florida

We have examined the Collier County Tax Collector, Collier County, Florida's (Tax Collector) compliance with Section 218.415, *Florida Statutes*, regarding the investment of public funds during the year ended September 30, 2016. Management is responsible for the Tax Collector's compliance with those requirements. Our responsibility is to express an opinion on the Tax Collector's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Tax Collector's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Tax Collector's compliance with specified requirements.

In our opinion, the Tax Collector complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2016.

This report is intended solely for the information and use of the Tax Collector and the Auditor General, State of Florida, and is not intended to be, and should not be, used by anyone other than these specified parties.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Naples, Florida
January 5, 2017

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