

CITRUS COUNTY, FLORIDA

COMPREHENSIVE ANNUAL FINANCIAL REPORT



**FOR THE YEAR ENDED
SEPTEMBER 30, 2016**

CITRUS COUNTY, FLORIDA

COMPREHENSIVE ANNUAL FINANCIAL REPORT



SEPTEMBER 30, 2016

PREPARED BY:

FINANCIAL SERVICES

CLERK TO THE BOARD OF COUNTY COMMISSIONERS

ANGELA VICK



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ANGELA VICK

CLERK OF THE CIRCUIT COURT AND COMPTROLLER
CITRUS COUNTY, FLORIDA

Clerk of the County Court
Recorder of Deeds
Clerk and Accountant of the Board of County Commissioners
Custodian of County Funds
County Auditor

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March 20, 2017

Honorable Chairman
Members of the County Commission
Constitutional Officers
Citizens of Citrus County, Florida

The Comprehensive Annual Financial Report (CAFR) of Citrus County (County) for the fiscal year ended September 30, 2016, is hereby respectfully submitted. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the Clerk of Circuit Court and Comptroller as Chief Financial Officer of Citrus County. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner that presents fairly the financial position and results of operations of the various funds of the County. All disclosures necessary to enable the reader to gain an understanding of the County's financial activities have been included.

Generally accepted accounting principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements. This narrative is provided in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to compliment MD&A and should be read in conjunction with it. Citrus County's MD&A can be found immediately following the independent auditor's report in the Financial Section beginning on page 3.

An annual financial audit by independent Certified Public Accountants of the financial statements of Citrus County is required by Florida Statute, Chapter 218.39. This requirement has been met for the fiscal year ended September 30, 2016, and the opinion of the auditors was that these financial statements are presented in conformity with generally accepted accounting principles. The auditor's report has been included as the first component of the Financial Section of this report. The aforementioned audit was also designed to meet the requirements of the Single Audit Act of 1984 and amendments of 1996, the U.S. Office of Management and Budget's Uniform Guidance, and the Florida Single Audit Act. Information related to these requirements, including a schedule of expenditures of federal awards and state financial assistance, the independent auditor's reports on compliance and internal control over compliance applicable to each major federal program and state project, and a schedule of findings and questioned costs are included in the Compliance Section.

Internal control systems are established and maintained by the management of the County. These systems are designed to provide reasonable assurance that the assets of the County are safeguarded. In the implementation of any system, the costs must not exceed the benefit gained. It is management's belief that the current systems are adequate to safeguard its assets.

The County is the recipient of numerous federal and state financial assistance programs. In order to qualify for these programs, the County must provide assurance that proper internal controls are in place. The internal control system is subject to periodic examination by management and the internal audit staff of the Clerk of the Circuit Court and



Comptroller. As a part of the annual audit by the independent certified public accounting firm of Moore Stephens Lovelace, P.A., these internal controls are tested and a report is included in the Compliance Section of the CAFR on their findings.

An Internal Audit Division is maintained by the Clerk of the Circuit Court and Comptroller and provides services to the Board of County Commissioners and the Clerk of the Circuit Court and Comptroller.

Profile of the Government

Citrus County was established in 1887 by the Florida Legislature and is located in the west central portion of Florida. Primarily a retirement community, Citrus County's financial base includes small business, health care, agriculture, banking and related financial institutions, as well as a large utility company.

The financial reporting entity of Citrus County, Florida, includes all of the funds of the primary government, which includes the Board of County Commissioners and the elected Constitutional Officers: Clerk of the Circuit Court and Comptroller, Property Appraiser, Sheriff, Supervisor of Elections and Tax Collector. The operations of the Special Library District, the Fire Protection Taxing District, the Municipal Service Taxing District, the Special Lighting District, and the Citrus Information Cooperative are so intertwined with the Board of County Commissioners that they are the same as the primary government and have been blended for financial statement purposes. Nature Coast Emergency Medical Foundation, a non-profit corporation that provides Emergency Medical Services to Citrus County, is a component unit and is discretely presented in the CAFR. Additional information on the financial reporting entity may be found in the Notes to the Financial Statements, Note #1.

The County provides a full range of services, including public safety, transportation, physical environment, economic environment, human services, culture/recreation, and general governmental services. In keeping with the state-mandated Uniform Accounting System, costs are summarized consistent with these financial service classifications.

The annual budget serves as the foundation for Citrus County's financial planning and control. The Board is required to adopt a final budget by no later than September 30th of each year, which is the close of the fiscal year. The budget is prepared by fund, function, and department but the legal level of control is at the fund level, as prescribed by County Resolution #98-076.

Economic Condition and Outlook

The natural beauty of Citrus County, along with its Central Florida, coastal location makes it an attractive place to live. Citrus County is home to approximately 143,054 residents. According to information prepared by the Florida Legislature, Office of Economic and Demographic Research, the median age in Citrus County is 54.0 compared to 40.7 statewide. 15.9% of the population is under 18 years of age compared to 21.3% statewide. 31.9% of the population of Citrus County is over 64 years of age compared to 17.3% statewide. Citrus County is showing signs of economic recovery with a declining unemployment rate, increasing sales tax receipts, and increases in building permit revenues.

Long-term Financial Planning

Unassigned fund balance in the general fund falls within the policy guidelines used by the Office of Management and Budget for budgeting and planning purposes. The Citrus County Board of County Commissioners adopted a formal policy guideline in 2012 establishing a cash reserve range of 8% to 17% of the general fund's total budgeted operating expenses. This policy is designed to insulate the general fund from fluctuations in revenues, to be prepared in the event of a natural or man-made disaster, and to fund operating contingencies.



Relevant Financial Policies

Consistent with Management's Debt Policy, outstanding debt is continually monitored in relation to existing conditions in the debt market. When sufficient cost savings can be realized, the debt will be refunded. The County completed a \$44.5 million refunding of the 2007 Utility bond during the 2016 fiscal year to capture savings from favorable interest rates. Other debt activity for the 2016 fiscal year included issuance of \$10.8 million in revenue bonds for road construction and two new capital leases for heavy equipment at the landfill. Note 9 to the financial statements provides more details on the County's debt issues.

The Clerk's Financial Services Department monitors the cash needs of the County and invests the County's portfolio, focusing on safety, liquidity and yield, in that order. The portfolio is managed in accordance with the County's written investment policy. Note 2 to the financial statements provides additional information on the County's investments.

Major Initiatives - Current Year

2015-2016 Successes:

Board of County Commissioners:

- Administration implemented an electronic agenda process.
- Information Systems and the Building Department worked together to create the online Express Permitting program for licensed contractors. This online program is available 24/7 and was created in-house at no additional cost to the County.
- Ribbon Cutting was held for the Airport Road extension and revitalized Animal Services property in Inverness. Completion of the Inverness Airport Road project improved access to the airport and future industrial park.
- Improved Navigation on Homosassa River with improved buoys and markers
- Fitch, New York announced Citrus County Bond Rating has been upgraded to AA from AA- for the Issuer Default Rating (i.e. General Bond Rating) and to AA- from A+ for capital improvement and non-ad valorem revenue bonds. The upgraded IDR rating and related bond upgrades, reflect both the application of Fitch's revised criteria for U.S. state and local governments, and the improvement in credit quality of Citrus County.
- Construction of a forced water main on Fort Island Trail was completed.
- The Solid Waste Division executed a Restricted Covenant agreement with FDEP during the permit renewal process for landfill closure. In doing so restricted a sufficient amount of on-site soil for final landfill closure thus reduced the financial assurance requirements by \$2 million dollars.

Citrus County Clerk of Courts and Comptroller:

- Added automated agenda to commission records software
- Upgraded performance evaluation system to provide employees with more timely and constructive feedback
- Upgraded financial system software
- Upgraded accounts payable processing software further enabling county departments to approve and retrieve invoices online and allow the Clerk to manage records retention more effectively
- Upgraded cash receipting and miscellaneous billing to enhance internal controls over this process
- Upgraded special assessment software at a savings of more than \$10,000 per year to the taxpayers
- Upgraded tax deed system
- Upgraded to CCIS 3.0 (Comprehensive Case Information System)
- Increased safety for online payments meeting PCI compliance with NCourt
- Internal Audit implemented annual ethics and internal controls training



- Implemented new financial reporting software for the CAFR, PAFR and other reports
- Increased use of E-Recording

Citrus County Property Appraiser:

- VAB hearings continued at a reduced level over past years, with 223 scheduled for formal hearings. We settled 126 petitions in-house, thereby avoiding a formal VAB hearing.
- Continued implementing features of our upgraded Property Appraisal software system, while still successfully reducing our budget for 2016-17 by another \$18,744 (.5%), for a two year reduction total of \$93,643 (2.6%) over 2014-2015
- Implemented E-TRIM filing for the Assessment Roll Certification process, which enables a more efficient and accurate process for our office, the taxing authorities and Department of Revenue
- Renovated the second floor of the Annex building to bring the organization all together on one floor to maximize customer service and to improve productivity of staff. This also allowed for additional space needed by the Tax Collector, who took on additional services in the area of concealed weapons licensing.
- Implemented a homestead fraud hotline to assist in prevention of homestead fraud and thereby insure further accuracy of the assessment roll each year
- Continued with reorganization of our office staff including, hiring, training and reassigning of staff, due to the retirement of many key staff members
- Continued with leadership training and improving appraisal skills in a constant effort to raise the level of our performance and service

Citrus County Sheriff's Office:

- Implemented Phase II of the Human Resources pay plan study for better employee recruitment and retention
- Received grant funding and added two domestic violence detectives for decreased domestic battery arrests and enhanced victim services
- Began implementing the new dashboard-like Smart Force software application for enhanced crime-fighting, intelligence and information-sharing capabilities internally
- Expanded the Public Service Officer program to include volunteer Animal Control Officers
- Renovated the Sheriff's Office aging Aviation area for improved workplace for employees
- Renovated the Crystal River substation for improved customer service capabilities
- Renovated the Highland Fire Station to accommodate full time firefighters
- Completed making the Sheriff's Office website mobile-friendly

Citrus County Supervisor of Elections:

- Conducted Presidential Preference Primary Election March 15, 2016 with a 53.24% turnout.
- Conducted Primary Election on August 30, 2016 with a 33.65% turnout.
- Conducted General Election on November 8, 2016 with a 76.63% turnout. We were the first to report our results to the State in the General Election.
- Implemented electronic poll books (EVIDS) at the 31 voting precincts.
- Completed point to point voter registration project to further enhance the accuracy of voter registration addresses.
- Conducted voter education and registration programs for high school students. Help conduct elections for various grade levels.



Citrus County Tax Collector:

- In October 2015, we began the intake of Concealed Weapons License applications and processing renewals which provides an added convenience to the customer to submit their paperwork locally provides a one-stop shop as we intake the application, take the photos and fingerprints.
- Began signing up taxpayers for future e-billing of their taxes electronically providing a convenience to the taxpayer to receive a bill at multiple addresses
- Tax payment installment application process online: taxpayers can apply online to make quarterly payments.
- Enhancement of the cashier deposit process to eliminate paper and save time in this process
- Utilization of card readers to accept contactless payments (Apple Pay and Android Pay) providing an additional payment method in our office
- Migration to Microsoft Office 365 and a complete refresh with ultra-small form factor desktops to enhance internal operations and provide cost savings in equipment purchases, maintenance and energy usage
- Roll out of Windows 10 throughout the office

Major Initiatives - Future Years

Board of County Commissioners:

- Construction will begin in 2017 on County Road 491 Widening Plan
- Code Enforcement has launched a digital application (with the assistance of GIS) making it easy for the Code Officers to access information from the field utilizing tablets. This application begins the multi-year process of going paperless, saving the Division, Department and ultimately the tax payers quite a bit of money.
- Citrus County Tourism (Convention and Visitors Bureau) has seen four consecutive years of visitation growth and will complete its strategic plan in 2017 and begin to develop community tourism action plans (CTAP)
- Pending outcome of final discussions during future BOCC Presentation of the Solid Waste Management Strategy Report, the Solid Waste Division anticipates the implementation of future Solid Waste Service improvements. These improvements will include changes to our current contracted waste hauler certification program, development of new citizens service area, changes to current recycling program improving mandated waste reduction goals and eliminating illegal dumping at recycling drop off centers, the construction of new landfill cell and/or the construction of a transfer station.
- Design and marketing of the Inverness Airport Industrial Park continues.
- County staff will coordinate planning and engineering actions with the construction of Suncoast 2 Parkway, expected to start construction in 2017.
- The Local Road Resurfacing program continues, which is funded from Gas Tax. The BOCC authorized an additional \$3.0 Million in local road resurfacing.

Citrus County Clerk of Circuit Court and Comptroller:

- Implement in-court processing
- Implement electronic warrants
- Upgrade to mobile responsive website
- Upgrade timekeeping system
- Upgrade value adjustment board system
- Implement court docket lobby displays
- Implement customer queue management system
- Streamline court processing software



Citrus County Property Appraiser:

- To manage appeal and litigation process to minimize administrative costs and impact on property owners
- To fully implement online Homestead & TPP filing
- To continue public information discussions on topics of interest including navigating our website, new features of GIS and image technology, and use of existing tools
- To continue training of staff in leadership and appraisal skills as we further the implementation of our succession plan for the continual retirement of key personnel
- To further enhance our fraud prevention efforts in the area of homestead fraud
- To further enhance our customer service department through outreach efforts to educate our veterans and the general public on all exemption benefits available to them
- Continue implementing the usage of hand-held tablets in the field to streamline the collection and entry of property data into our computer system

Citrus County Sheriff's Office:

- Apply for a federally funded Staffing Adequate Fire Emergency Response (SAFER) grant that pays for a percentage of firefighter salaries and benefits for three years to increase staffing levels for improved firefighter and citizen safety and to help achieve national accreditation standards
- Create focus group to receive input from external stakeholders on current and future levels of fire service to assist in national accreditation process for Fire Rescue
- Apply for Assistance to Firefighters (AFG) grant to replace all SCBA (air) bottles because bottles are at end of life cycle (\$300k value)
- Begin Phase III of the Human Resources pay plan study for better employee recruitment and retention
- Fully implement Smart Force program as an analytical tool for law enforcement and to replace our internal SO-NET
- Expand the present volunteer program of 750+ to 1,000 to provide better customer service to residents
- Create a business roundtable consisting of community business leaders to determine how the Sheriff's Office can better serve our local businesses

Citrus County Supervisor of Elections:

- Purchase and implement a new voting system.
- Conduct mandatory Bi-Annual List Maintenance Program.
- Staff training in the Florida Certified Election Professional Program (FCEP).
- Staff training for cyber security.
- Create poll worker online training to supplement classroom hands on training.
- Continue to explore solutions for space needs issues.
- Strategically prepare for the retirement of key personnel over the next 5-10 years.

Citrus County Tax Collector:

- Streamline dealer services, Electronic Filing System (EFS) services and the addition of a dedicated DL written testing area by expanding the Meadowcrest location making this one location providing all of these services
- Revamping the IT Help Desk with an automated windows/ software patch management implementation allowing for all office computers to run the same version. This saves manual time to visit each computer and more efficiency for the running of the office



- Transition to the ORION software system for processing of dealer and title company work. Complete reduction of paperwork; all work processed online
- Utilizing "Title Express" software that will allow us to order title searches for tax deeds and provide the information to the Clerk of Circuit Court electronically saving time and paper
- Reduction of finance spreadsheets and manual data input; replace with reports being generated from tax software programs
- Working with our tax software vendor on the "Renew Express" import and the FRVIS high speed import. Will allow the elimination of manual data entry for computer generated reports
- Departments moving to use of SharePoint instead of S-Drive for word and excel documents. Can utilize offsite storage and employees can access their documents securely from other sources than their computers

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Citrus County for its comprehensive annual financial report for the fiscal year ended September 30, 2015. This was the eighteenth year the County 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.

The County also received the GFOA Award for Distinguished Budget Presentation for its annual appropriated budget dated October 1, 2013. This was the eighth year that Citrus County received this award. In order to qualify for the Distinguished Budget Presentation Award, the governmental 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 County received the Award for Outstanding Achievement in Popular Annual Financial Reporting for its inaugural annual report submission for fiscal year 2015. This program recognizes state and local governments that take the information in the comprehensive annual financial report and produce high quality popular annual financial reports which are specifically readily accessible and easily understandable to the general public and other interested parties without a background in public finance.

Acknowledgements

A great deal of staff time and dedication is involved in the preparation of this report on a timely basis. Many thanks to the dedicated efforts of the entire staff of the Financial Services Department of the Clerk of Circuit Court and Comptroller for their invaluable assistance in the preparation of this report. Our sincere thanks and appreciation go to the Board of County Commissioners, Constitutional Officers, County Administrator and their respective staffs, as well as our external auditors, Moore Stephens Lovelace, P.A. Without their assistance, cooperation, and support this report would not have been possible.

Respectfully submitted,

Angela Vick,
Clerk of the Circuit Court and Comptroller

Susan Sullivan, CPA
Financial Analyst



Government Finance Officers Association

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

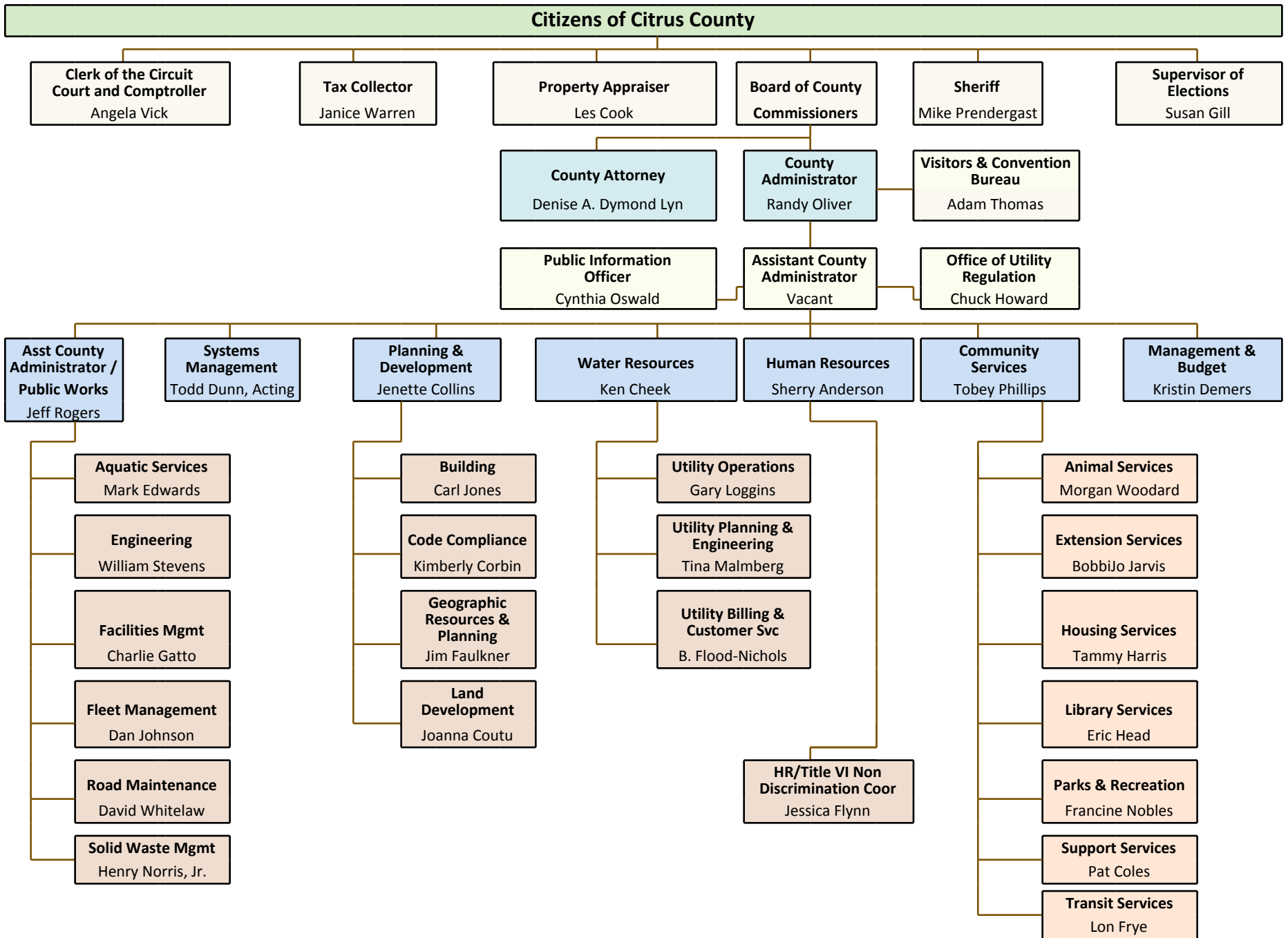
Presented to

**Citrus County
Florida**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2015

Executive Director/CEO





CITRUS COUNTY List of Elected and Appointed Officials

Elected Officials

County Commissioners

Scott E. Carnahan	-	District 5	-	Chairman
Ronald E. Kitchen	-	District 2	-	1 st Vice Chairman
Jeff Kinnard	-	District 4	-	2 nd Vice Chairman
Jimmie T. Smith	-	District 3	-	
Brian Coleman	-	District 1	-	

Constitutional Officers

Angela Vick	-	Clerk of the Circuit Court and Comptroller
Les Cook	-	Property Appraiser
Mike Prendergast	-	Sheriff
Susan Gill	-	Supervisor of Elections
Janice Warren	-	Tax Collector

Appointed Officials

Randy Oliver	-	County Administrator
Denise A. Dymond Lyn	-	County Attorney
Traci Phillips	-	Chief Deputy - Financial Services
Susan Sullivan	-	Financial Analyst
Kristin Demers	-	Management and Budget Department Director

FINANCIAL SECTION



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MOORE STEPHENS
LOVELACE, P.A.

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

Honorable Board of County Commissioners
Citrus County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activity, each major fund, and the aggregate remaining fund information of Citrus County, Florida (the "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, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Citrus Information Cooperative (the "CIC") enterprise fund, which represents 0.5%, 0.7%, and 1.4% of the assets, net position, and revenues of the business-type activities, respectively. We did not audit the financial statements of the Citrus County Sheriff's Internal Service Fund (the "CCSISF"), a fund of the Florida Sheriff's Multiple Employers Trust ("FSMET"), which represents 0.1%, 0%, and 3% of the assets, net position, and revenues of the governmental activities, respectively. It also represents 5%, 0%, and 16% of the assets, net position, and revenues of the aggregate remaining fund information of the County, respectively. We did not audit the financial statements of the Nature Coast Emergency Medical Services (the "EMS"), the discretely presented component unit on the accompanying basic financial statements. The CIC, CCSISF, and the EMS financial statements were audited by other auditors whose reports thereon have been furnished to us and, our opinion, insofar as it relates to the amounts included for the CIC, CCSISF, and the EMS, is based solely on the report of other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activity, 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 comparisons for the General Fund, County Transportation Trust Fund, Ship Grant Fund, HUD Section 8 Fund, and Special Assessments Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements as a whole. The introductory section, combining and individual fund statements and schedules, and the statistical section, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the financial statements.

The combining and individual fund statements and schedules 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 and individual fund statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 23, 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 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 County's internal control over financial reporting and compliance.

Moore Stephens Lovelace, P.A.

MOORE STEPHENS LOVELACE, P.A.
Certified Public Accountants

Orlando, Florida
March 23, 2017

CITRUS COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2016

This Management's Discussion and Analysis is presented to provide an overview of Citrus County's financial activities for the fiscal year ended September 30, 2016. We encourage readers to also consider the information that is presented in the Letter of Transmittal on pages i to ix in the Introductory Section of this report.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of Citrus County exceeded its liabilities and deferred inflows by \$757,567,457 in fiscal year 2016. Of this amount, \$54,793,818 may be used to meet the government's ongoing obligations to citizens and creditors.
- The County's total net position decreased \$19,432,296, or 2.50%.
- At September 30, 2016, the County's governmental funds reported a combined fund balance of \$62,333,784, a decrease of 6.36% from September 30, 2015.
- At September 30, 2016, unassigned fund balance for the general fund was \$10,944,024, or 14%, of total general fund expenditures and transfers out.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to Citrus County's basic financial statements. The County's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information that may be of interest to the reader.

Government-wide financial statements

The government-wide financial statements are designed to provide readers with a broad overview of the County's finances in a manner similar to a private-sector business. The two government-wide financial statements are the Statement of Net Position and the Statement of Activities.

The Statement of Net Position presents information showing how the government's net position changed during the fiscal year ended September 30, 2016. The difference between assets and deferred outflows and liabilities and deferred inflows is shown as net position. Changes in net position over time may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The Statement of Activities presents information showing how the government's net position changed during the fiscal year ended September 30, 2016. All changes in net position are reported as soon as the underlying event occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (for example, accounts payable and uncollected taxes).

Both statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). Governmental activities include general government, public safety, physical environment, transportation, economic environment, human services, and culture and recreation. Business-type activities include water and wastewater utilities and solid waste disposal. The government-wide financial statements can be found on pages 12 to 13 of this report.

Fund financial statements

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

Governmental funds

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

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

The County maintains numerous individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, County Transportation Trust Special Revenue Fund, SHIP Grant Special Revenue Fund, HUD Section 8 Special Revenue Fund, and Special Assessments Fund, all of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report. The basic governmental fund financial statements can be found on pages 13 to 23 of this report.

Proprietary funds

The County maintains two different types of proprietary funds: enterprise and internal service.

Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for the fiscal activities relating to solid waste disposal, water and wastewater utilities, information technology, and building inspections.

Internal service funds are an accounting tool used to accumulate and allocate costs internally among various functions. The County uses the internal service fund to account for its self-insurance, fleet management, and the Sheriff's self-insurance. Because these services predominately benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Solid Waste, Utility, Building Inspection, and Citrus Information Cooperative funds. The basic proprietary fund financial statements can be found on pages 24 to 28 of this report.

Fiduciary funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. The basic fiduciary fund financial statement can be found on page 29 of this report.

Notes to the financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 30 to 75 of this report.

Required Supplementary Information

Required supplementary information consists of schedules related to the County's other post-employment benefits and pension benefit plans. The required supplementary information can be found on pages 78 to 82 of this report.

Other information

The combining statements referred to earlier in connection with nonmajor governmental funds, nonmajor enterprise, and internal service funds are presented immediately following the notes to the financial statements. Combining and individual fund statements and schedules can be found on pages 89 to 147 of this report.

Statistical Section

The statistical section presents detailed information to aid in understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health. The statistical section can be found on pages 150 to 173 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Comparative data is presented below for Citrus County's net position (in thousands).

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Current and other assets	\$ 88,692	\$ 91,270	\$ 88,674	\$ 80,684	\$ 177,356	\$ 171,954
Capital assets	687,532	697,275	101,275	103,102	788,807	800,377
Total Assets	776,224	788,545	189,949	183,786	966,163	972,331
Deferred outflows	35,999	15,951	4,343	1,465	40,342	17,416
Long-term liabilities	127,568	93,689	67,650	59,904	195,218	153,593
Other liabilities	25,409	24,076	14,714	16,768	40,123	40,844
Total Liabilities	152,977	117,765	82,364	76,672	235,341	194,437
Deferred inflows	12,912	17,233	695	1,077	13,607	18,310
Net position:	646,334	669,498	111,233	107,502	757,557	759,584
Net investment in capital assets	622,904	638,762	35,040	50,389	657,944	689,151
Restricted	22,349	13,805	22,481	6,801	44,830	20,606
Unrestricted	1,081	16,931	53,712	50,312	54,783	67,243
Total net position	\$ 646,334	\$ 669,498	\$ 111,233	\$ 107,502	\$ 757,557	\$ 777,000

The net investment in capital assets comprises the largest portion of net position at 87%. Citrus County uses these capital assets to provide services to the citizens. Therefore, these assets are not available for future spending. Although the County's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets cannot be used to liquidate these liabilities.

Restricted net position of \$44.8 million represents 5.9% of net position. These resources are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position of \$54.8 million may be used to meet the government's ongoing obligations to citizens and creditors. At the end of the current fiscal year, Citrus County reports a decrease in net position for the government as a whole of \$19.4 million.

Citrus County, Florida - Changes in net position (in thousands)

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Revenues:						
Program Revenues:						
Charges for services	20,620	20,784	25,705	24,945	46,325	45,729
Operating grants and contributions	11,986	9,965	88	1,149	12,074	11,114
Capital grants and contributions	3,911	6,756	886	673	4,797	6,757
General Revenues:				—	—	—
Property taxes	65,519	67,498	—	—	65,519	67,498
Shared revenues	23,823	22,503	—	—	23,823	22,503
Investment income	404	587	373	401	777	988
Total revenues	126,262	128,093	27,052	27,168	153,314	155,261
Expenses:					—	—
General government	32,849	25,943	—	—	32,849	25,943
Public safety	62,207	52,026	—	—	62,207	52,026
Physical environment	3,257	3,578	—	—	3,257	3,578
Transportation	33,823	20,083	—	—	33,823	20,083
Economic environment	1,825	1,795	—	—	1,825	1,795
Human services	9,755	9,830	—	—	9,755	9,830
Culture and Recreation	4,978	4,313	—	—	4,978	4,313
Interest on long-term debt	2,819	2,502	—	—	2,819	2,502
Sanitary Landfill	—	—	2,705	6,047	2,705	6,047
Public Utility	—	—	15,922	15,582	15,922	15,582
Non-major enterprise funds	—	—	2,607	2,499	2,607	2,499
Total Expenses	151,513	120,070	21,234	24,128	172,747	144,198
Increase in net position before transfers	(25,251)	8,023	5,817	3,040	(19,434)	11,063
Transfers	2,087	1,852	(2,087)	(1,852)	—	—
Increase (decrease) in net position	(23,164)	9,875	3,731	1,188	(19,433)	11,063
Net position - beginning	669,498	659,623	107,502	106,314	777,000	765,937
Net position - ending	646,334	669,498	111,233	107,502	757,567	777,000

Governmental activities

Governmental activities resulted in a decrease of \$23.2 million in net position. Key elements of this decrease are as follows:

- While the net pension liability for governmental activities increased by \$27 million the associated deferred outflows increased by \$20 million and deferred inflows decreased by \$4.3 million, resulting in a net effect of a \$2.9 million negative effect on net position.
- Depreciation expense for the year was \$18 million.
- Governmental activities expenses increased more than \$30 million over 2015, a 26.19% increase explained in part, as follows:
 - The County is making significant investment in road resurfacing at \$9.7 million this fiscal year.
 - Public safety expenses were up \$9.8 million between increases of \$2.3 million for pension expense and other post-employment benefits and \$4.3 million in depreciation and \$1.9 in reclassification of prior year construction in progress to expense.
 - A \$3.1 million for loss was recorded for removal from the books for 27 traffic signals whose ownership was determined to be the State and not the County.

Business-type activities

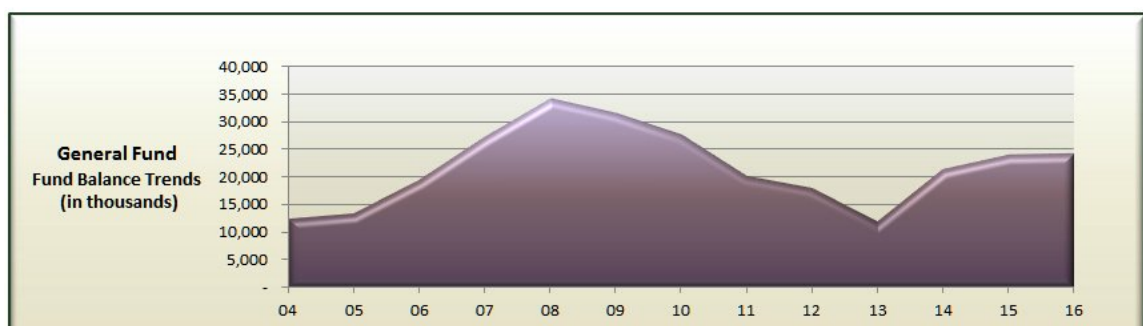
Business-type activities resulted in a \$3.7 million increase. Key elements of these results are:

- The Public Utilities net position increased \$1,349,881. Operating income for the public utility was \$2.7 million in 2016 compared to \$3.3 million in 2015.
- Solid Waste Management realized an increase in net position of \$2,040,557. Operating income of \$2.5 million reflected an anticipated adjustment in the long-term closure cost estimate that offset the prior year's loss due to the timing of this issue. Any analysis of operations are best viewed over several years and not based on either of these two years alone.

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

At year-end, the County's governmental funds reported a combined fund balance of \$62,333,784. Of the total fund balance, \$866,400 is non-spendable, \$38,451,788 is restricted, \$12,537,784 is assigned and \$10,477,812 is unassigned. Governmental funds reported a decrease in fund balance of \$4,233,908, or 6.36%.

Total governmental funds revenue decreased by approximately 1,990,000, or 2%, from 2015. Ad valorem tax revenue declined by \$2 million while sales tax revenue increased \$719,313, nearly 10%. A 13% increase in the tourist tax revenue is also good news to an economy that relies on tourism. The impact fee moratorium continued this year and will be revisited by the commission in the coming fiscal year.



CAPITAL ASSET AND DEBT ADMINISTRATION

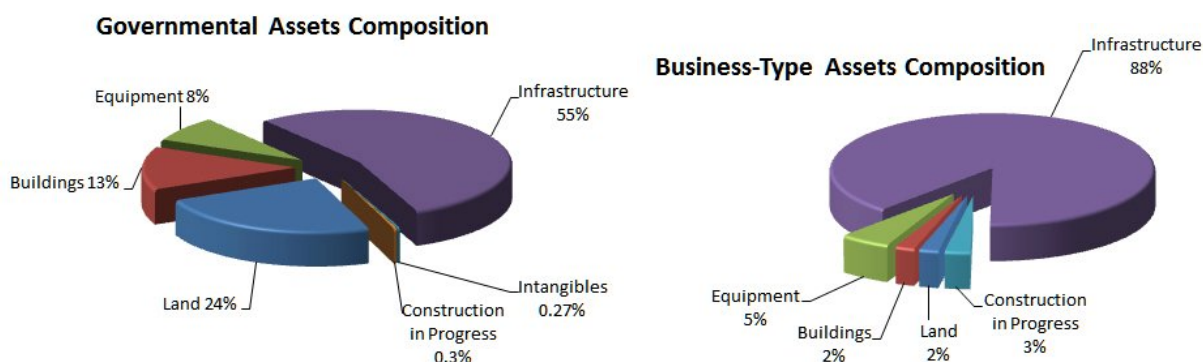
Capital Assets

Citrus County's investment in capital assets for its governmental and business-type activities as of September 30, 2016, amounts to \$788,806,937 (net of accumulated depreciation). This investment in capital assets includes land, buildings, machinery and equipment, park facilities, and roads, bridges, software, and other infrastructure assets. Included in general government infrastructure assets are the cost of all roads, bridges, and drainage structures acquired or built since 1980.

The net decrease in Citrus County's investment in capital assets for the current fiscal year was \$11.6 million. The net investment in governmental assets declined by \$12.3 million, reflecting the retirement of assets with a book value of \$3.8 million, and depreciation expense of \$18.6 million, offset by additions of \$19.4 million. The enterprise funds' investment in capital assets declined by \$1.8 million.

Following is a schedule of Citrus County's capital assets as of September 30, 2016:

	Governmental Activities	Business-type Activities	Total
Land	\$ 227,730,787	\$ 3,319,316	\$ 231,050,103
Buildings	126,588,199	3,280,669	129,868,868
Equipment	75,657,724	8,647,544	84,305,268
Infrastructure	521,517,854	150,261,776	671,779,630
Intangibles	2,628,564	—	2,628,564
Construction in Progress	3,138,724	4,299,193	7,437,917
Less: Accumulated Depreciation & Amortization	(269,729,678)	(68,533,735)	(338,263,413)
Capital Assets, net	\$ 687,532,174	\$ 101,274,763	\$ 788,806,937



Additional information on capital assets can be found in the Notes to the Financial Statements, Note 5.

Infrastructure represents 54.48% of governmental activities assets and 88.49% of business activities assets. The business infrastructure assets are comprised primarily of water and wastewater utility systems and the cells of the Sanitary Landfill. Business type activities construction in progress of 4.3 million consists primarily of Utility infrastructure projects.

BUDGETARY HIGHLIGHTS

General Fund

Below are explanations for the major variances comparing budget to actual for the General Fund revenues:

- Taxes and Special Assessments: Collections were approximately 96%, which is both normal and expected.
- Intergovernmental Revenues: Actual Sales Tax and State Revenue Sharing were up and resulted in increased collections, totaling approximately \$1.5M over budget.

Actual General Fund expenditures were \$3,142,101 less than final budget. This variance is due to a combination of factors, including:

- The County realized personnel cost savings of \$350,924 in the General Fund.
- The County realized public safety cost savings of \$374,000 in the General Fund due to actual detention facility costs and Department of Juvenile Justice expenditure savings.
- The General Fund carried \$640,000 in various projects forward and rolled \$350,000 in purchase orders into the next fiscal year.
- Physical environment includes \$653,040 in non-cash, non-budgeted expenditures for the use of donated chemicals.

The Constitutional Officers returned approximately \$698,200 in excess fees to the General Fund.

Transportation Trust Fund

An increases in gas tax rates resulted in increased collections, reaping a \$752,000 positive budget variance.

Actual Transportation Trust Fund expenditures were \$11,724,386 less than final budget resulting from the carry-forward of two large projects, CR491 Phase I and Residential Road Resurfacing, into the next fiscal year.

Special Revenue State Housing Initiatives Partnership (SHIP) Funds

The budget variances in the Special Revenue SHIP Fund are due to carrying 3 grants totaling approximately \$2.5M forward into the next fiscal year.

Special Revenue HUD Section 8 Fund

The budget variances in the Special Revenue HUD Section 8 Fund are due to carrying the grant totaling approximately \$1.4M forward into the next fiscal year.

LONG TERM DEBT

For the fiscal year ended September 30, 2016, the County's total outstanding debt was \$117,118,066. The majority of the debt represents bonds and notes payable, secured by specific revenue sources, such as water and wastewater revenue, sales tax and gas taxes. A total of \$3,035,000 is special assessment debt with the County's commitment to repay should the property owners default. The special assessments are non-ad valorem assessments collected in the same manner as property taxes. Outstanding bonds and notes are summarized below.

During this fiscal year the County refunded \$45.3 million in Utility Fund bonds to take advantage of lower interest rates. In so doing, the County achieved an economic savings of \$6.8 million.

Additionally, the County issued \$10.8 million in new bonds for road construction at a rate of 3.5%.

	Governmental Activities	Business-type Activities	Total
Revenue Bonds	\$ 49,344,548	\$ 50,479,936	\$ 99,824,484
Notes Payable	6,770,397	1,390,882	8,161,279
Special Assessment Notes Payable	3,035,000	—	3,035,000
Capital Lease	5,478,246	619,057	6,097,303
Total Long-Term Debt	\$ 64,628,191	\$ 52,489,875	\$ 117,118,066

Additional information on the County's Long-term Debt can be found on pages 58 to 61 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

- The ad valorem tax rate decreased from 8.4655 to 8.3297 in the 2017 Fiscal Year.
- The County's 2016 population estimate has increased 1.1% from 141,501 in 2015 to 143,054 in 2016.
- The 2015 per capita income rose by 3% from \$34,334 to \$35,323.
- The unemployment rate decreased from 7.1% in September 2015 to 6.7% in September 2016 and the County's workforce totals 47,485 as of December 2016.

REQUESTS FOR INFORMATION

This financial report is designed to provide an overview of the Citrus County finances for all of those interested in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the County Financial Reporting Accountant, 110 North Apopka Avenue, Inverness, Florida 34450.

The financial statements of the Nature Coast Emergency Medical Foundation, Inc. are available at 3876 W Country Hill Drive, Lecanto, FL 34461.

It is also suggested that you visit our website at www.bocc.citrus.fl.us for general information about Citrus County. This report and prior years' reports can be found on the Clerk of the Circuit Court and Comptroller's website at www.clerk.citrus.fl.us.

BASIC FINANCIAL STATEMENTS



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

	PRIMARY GOVERNMENT			COMPONENT UNIT
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	EMERGENCY MEDICAL SVCS
ASSETS				
Cash and cash equivalents	\$ 66,268,128	\$ 79,284,771	\$ 145,552,899	\$ 462,224
Investments	6,998,640	2,999,417	9,998,057	—
Receivables (net of allowance for uncollectibles)	6,398,320	2,520,924	8,919,244	1,418,086
Due from other governments	6,917,304	374,506	7,291,810	620,932
Internal balances	427,801	(427,801)	—	—
Inventories	484,236	469,610	953,846	368,676
Prepays	1,138,851	209,367	1,348,218	37,306
Contracts receivable	—	3,243,070	3,243,070	—
Capital assets not being depreciated: Land & CIP	230,869,511	7,618,509	238,488,020	441,583
Capital assets, net of accum deprecation & amortization	456,662,663	93,656,254	550,318,917	3,537,545
Total capital assets	687,532,174	101,274,763	788,806,937	3,979,128
Total assets	776,224,340	189,948,627	966,172,967	6,886,352
DEFERRED OUTFLOWS OF RESOURCES				
Deferred bond costs	—	2,140,282	2,140,282	—
Deferred pension outflows	35,999,470	2,203,127	38,202,597	—
Total deferred outflows of resources	35,999,470	4,343,409	40,342,879	298,215
LIABILITIES				
Accounts and contracts payable	7,087,954	591,297	7,679,251	191,613
Accrued liabilities	3,589,856	521,142	4,110,998	232,962
Unpaid claims liabilities	1,073,707	—	1,073,707	—
Deposits	797,752	1,562,802	2,360,554	—
Due to individuals	30,213	—	30,213	—
Due to other governments	513,338	158,983	672,321	—
Unearned revenue	3,972,156	10,809,752	14,781,908	—
Non-current liabilities:				
Due within one year:				
Notes payable	743,041	104,774	847,815	96,175
Bonds payable	3,310,344	415,000	3,725,344	—
Capital leases	527,276	73,675	600,951	34,065
Compensated absences	3,750,002	476,113	4,226,115	123,694
Due in more than one year:				
Notes payable	9,062,356	1,286,108	10,348,464	1,687,144
Bonds payable	46,034,204	50,064,936	96,099,140	—
Capital leases	4,950,970	545,382	5,496,352	126,516
Compensated absences	1,389,843	64,924	1,454,767	181,143
Other post-employment benefits	1,516,086	86,929	1,603,015	—
Net pension liability	64,614,080	4,823,319	69,437,399	—
Due to other governments	—	2,140,307	2,140,307	—
Landfill closure & post-closure	—	8,638,359	8,638,359	—
Total liabilities	152,977,116	82,363,802	235,340,918	2,673,312
DEFERRED INFLOWS OF RESOURCES				
Deferred pension inflows	12,912,154	695,317	13,607,471	—
Total deferred inflows of resources	12,912,154	695,317	13,607,471	—
NET POSITION				
Net investment in capital assets	622,903,983	35,039,691	657,943,674	2,035,228
Restricted for:				
General government	372,495	—	372,495	—
Capital projects	2,666,697	—	2,666,697	—
Debt service	53,311	—	53,311	—
Economic development	1,654,726	—	1,654,726	—
Human services	581,045	—	581,045	—
Public safety	2,393,300	—	2,393,300	—
Physical environment	4,722,969	22,480,905	27,203,874	—
Transportation	8,923,762	—	8,923,762	—
Culture and recreation	980,755	—	980,755	—
Unrestricted	1,081,497	53,712,321	54,793,818	1,933,487
Total Net Position	\$ 646,334,540	\$ 111,232,917	\$ 757,567,457	\$ 3,968,715

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

**CITRUS COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2016**

FUNCTIONS/PROGRAMS		PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS			COMPONENT UNIT
		EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	PRIMARY GOVERNMENT		
						GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	
Primary Government:								
1	General government	\$ 32,848,525	\$ 8,442,024	\$ 82,433	\$ 100,893	\$ (24,223,175)	\$ —	\$ (24,223,175)
2	Public safety	62,206,904	7,717,636	4,938,762	1,412,525	(48,137,981)	—	(48,137,981)
3	Physical environment	3,256,779	2,494,005	686,083	91,967	15,276	—	15,276
4	Transportation	33,822,913	1,174,766	1,516,931	2,301,964	(28,829,252)	—	(28,829,252)
5	Economic environment	1,824,686	65,499	630,903	3,344	(1,124,940)	—	(1,124,940)
6	Human services	9,754,984	491,926	3,650,381	—	(5,612,677)	—	(5,612,677)
7	Culture and recreation	4,977,906	234,019	480,465	—	(4,263,422)	—	(4,263,422)
8	Interest on long-term debt	2,819,058	—	—	—	(2,819,058)	—	(2,819,058)
Total governmental activities		<u>\$ 151,511,755</u>	<u>\$ 20,619,875</u>	<u>\$ 11,985,958</u>	<u>\$ 3,910,693</u>	<u>\$ (114,995,229)</u>	<u>\$ —</u>	<u>\$(114,995,229)</u>
Business-type Activities:								
9	Sanitary Landfill	\$ 2,705,494	\$ 5,070,106	\$ 57,100	\$ —	\$ —	\$ 2,421,712	\$ 2,421,712
10	Public Utility	15,921,869	17,222,229	31,018	886,244	—	2,217,622	2,217,622
11	Building Inspection	1,722,966	2,523,871	—	—	—	800,905	800,905
12	Citrus Information Cooperative	884,373	888,438	—	—	—	4,065	4,065
Total business-type activities		<u>21,234,702</u>	<u>25,704,644</u>	<u>88,118</u>	<u>886,244</u>	<u>—</u>	<u>5,444,304</u>	<u>5,444,304</u>
Total primary government		<u>\$ 172,746,457</u>	<u>\$ 46,324,519</u>	<u>\$ 12,074,076</u>	<u>\$ 4,796,937</u>	<u>(114,995,229)</u>	<u>5,444,304</u>	<u>(109,550,925)</u>
Component units:								
Emergency Medical Services		<u>\$ 11,665,497</u>	<u>\$ 9,106,300</u>	<u>\$ 1,630,552</u>	<u>\$ —</u>			<u>\$ (928,645)</u>
Total component units		<u>\$ 11,665,497</u>	<u>\$ 9,106,300</u>	<u>\$ 1,630,552</u>	<u>\$ —</u>			<u>\$ (928,645)</u>
General revenues:								
13	Property taxes					65,518,960	—	65,518,960
14	Sales taxes					8,209,650	—	8,209,650
15	Gas taxes					8,478,157	—	8,478,157
16	Business taxes					111,320	—	111,320
17	Tourist tax					975,489	—	975,489
18	Intergovernmental revenues (unrestricted)					4,339,239	—	4,339,239
19	Investment income					403,512	373,258	776,770
20	Communication services tax					1,709,044	—	1,709,044
21	Transfers					2,086,628	(2,086,628)	—
Total general revenues and transfers						<u>91,831,999</u>	<u>(1,713,370)</u>	<u>90,118,629</u>
Change in net position						<u>(23,163,230)</u>	<u>3,730,934</u>	<u>(19,432,296)</u>
Net position - beginning						<u>669,497,770</u>	<u>107,501,983</u>	<u>776,999,753</u>
Net position - ending						<u>\$ 646,334,540</u>	<u>\$ 111,232,917</u>	<u>\$ 757,567,457</u>
								<u>\$ 3,968,715</u>

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

CITRUS COUNTY, FLORIDA
BALANCE SHEETS - GOVERNMENTAL FUNDS
SEPTEMBER 30, 2016

	MAJOR FUNDS						
	GENERAL FUND	COUNTY TRANSPORTATION TRUST	SHIP GRANT	HUD SECTION 8	SPECIAL ASSESSMENTS	NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS							
Cash and investments	\$ 22,182,612	\$ 22,254,175	\$ 642,786	\$ 165,120	\$ 3,745,301	\$ 16,627,448	\$ 65,617,442
Cash with fiscal agent	—	—	—	—	—	2,156,833	2,156,833
Accounts receivable, net	309,328	—	—	2,134	344,664	31,311	687,437
Special assessments receivable	—	—	—	—	5,706,720	—	5,706,720
Due from other funds	3,847,143	—	—	—	70,098	—	3,917,241
Due from other governments	1,937,673	1,397,315	—	—	1,773	3,592,377	6,929,138
Inventory of supplies at cost	268,874	—	—	—	—	85,079	353,953
Prepaid items	314,711	65,885	1,764	104,077	—	26,010	512,447
TOTAL ASSETS	\$ 28,860,341	\$ 23,717,375	\$ 644,550	\$ 271,331	\$ 9,868,556	\$ 22,519,058	\$ 85,881,211
LIABILITIES							
Accounts payable	\$ 2,031,586	\$ 1,909,934	\$ 20,300	\$ 83	\$ 7,559	\$ 1,623,046	\$ 5,592,508
Contracts payable	6,697	538,413	—	—	—	149,005	694,115
Accrued liabilities	987,920	89,920	4,415	13,287	—	1,050,418	2,145,960
Due to other funds	18,009	—	—	—	23,170	3,761,016	3,802,195
Due to other governments	547,185	1,187	—	290	—	354	549,016
Due to individuals	30,213	—	—	—	—	—	30,213
Deposits	772,707	—	13	—	24,932	100	797,752
Unearned revenue	75,042	—	619,412	—	5,010,821	3,180,289	8,885,564
Advance from other funds	165,139	—	—	—	884,965	—	1,050,104
TOTAL LIABILITIES	4,634,498	2,539,454	644,140	13,660	5,951,447	9,764,228	23,547,427
FUND BALANCES							
Nonspendable	583,585	65,885	1,764	104,077	—	111,089	866,400
Restricted	160,450	21,112,036	—	153,594	3,917,109	13,108,599	38,451,788
Committed	—	—	—	—	—	—	—
Assigned	12,537,784	—	—	—	—	—	12,537,784
Unassigned	10,944,024	—	(1,354)	—	—	(464,858)	10,477,812
Total Fund Balances	24,225,843	21,177,921	410	257,671	3,917,109	12,754,830	62,333,784
TOTAL LIABILITIES & FUND BALANCES	\$ 28,860,341	\$ 23,717,375	\$ 644,550	\$ 271,331	\$ 9,868,556	\$ 22,519,058	\$ 85,881,211

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

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

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

Total fund balance of governmental funds	\$	62,333,784
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The cost of the assets is \$957,579,003 and the accumulated depreciation/amortization is \$269,637,412. This includes \$1,174,194 of net capital assets of the internal service funds.		687,532,174
The internal service funds are used by management to charge the cost of risk management and fleet management to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.		5,701,851
Long-term liabilities are not due and payable in the current period and, accordingly, are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities, both current and long-term, are reported in the statement of net position. Long-term liabilities at year end consist of:		
Bonds payable	\$ (48,957,978)	
Premium	(386,570)	
Notes payable	(9,805,397)	
Capital leases	(5,478,246)	
Accrued interest payable	(1,430,996)	
Compensated absences	(5,139,845)	
Net pension liability	(64,614,080)	
Other post-employment benefits liability	(1,518,294)	(137,331,406)
Deferred outflows/inflows of resources related to pensions:		
Deferred outflows for pensions	35,999,470	
Deferred inflows for pensions	(12,912,154)	23,087,316
Unearned revenues are recorded in the governmental funds for revenues that are earned but unavailable. These unearned revenues have been adjusted on the statement of net position.		5,010,821
Net position of governmental activities	\$	<u><u>646,334,540</u></u>

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

	MAJOR FUNDS					NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
	GENERAL FUND	COUNTY TRANSPORTATION TRUST	SHIP GRANT	HUD SECTION 8	SPECIAL ASSESSMENTS		
REVENUES							
Taxes and special assessments	\$ 54,441,430	\$ 12,290,834	\$ —	\$ —	\$ 807,036	\$ 13,318,744	\$ 80,858,044
Intergovernmental revenue	14,173,515	2,641,113	625,404	1,320,427	—	7,123,495	25,883,954
Charges for services	11,640,502	—	—	—	—	3,456,275	15,096,777
Fines and forfeitures	669,681	—	—	—	—	306,282	975,963
Miscellaneous revenue	2,402,427	489,650	1,833	541	178,219	969,699	4,042,369
Total revenues	83,327,555	15,421,597	627,237	1,320,968	985,255	25,174,495	126,857,107
EXPENDITURES							
Current:							
General government	24,839,041	—	—	—	—	150,969	24,990,010
Public safety	44,753,121	—	—	—	—	10,341,383	55,094,504
Physical environment	1,406,561	46,523	—	—	49,240	1,894,929	3,397,253
Transportation	78,069	16,843,321	—	—	67,459	6,984,508	23,973,357
Economic environment	315,592	—	626,786	—	—	840,361	1,782,739
Human services	5,010,757	—	—	1,307,663	—	2,495,525	8,813,945
Culture and recreation	1,130,930	—	—	—	—	3,224,393	4,355,323
Court-related expenditures	2,288,854	—	—	—	—	841,917	3,130,771
Capital outlay	—	490,681	—	—	—	8,553,082	9,043,763
Debt Service:							
Principal retirement	1,837,892	—	—	—	310,000	2,682,190	4,830,082
Interest and fiscal charges	673,604	—	—	—	145,892	1,731,793	2,551,289
Total expenditures	82,334,421	17,380,525	626,786	1,307,663	572,591	39,741,050	141,963,036
Excess (deficiency) of revenues over (under) expenditures	993,134	(1,958,928)	451	13,305	412,664	(14,566,555)	(15,105,929)
OTHER FINANCING SOURCES (USES)							
Debt proceeds	—	—	—	—	—	10,977,976	10,977,976
Transfers in	5,193,619	1,664,200	—	—	—	5,824,256	12,682,075
Transfers out	(5,952,928)	(4,940,774)	—	—	(338,594)	(1,555,734)	(12,788,030)
Total other financing sources (uses)	(759,309)	(3,276,574)	—	—	(338,594)	15,246,498	10,872,021
Net change in fund balances	233,825	(5,235,502)	451	13,305	74,070	679,943	(4,233,908)
Fund balances - beginning	23,992,018	26,413,423	(41)	244,366	3,843,039	12,074,887	66,567,692
Fund balances - ending	\$ 24,225,843	\$ 21,177,921	\$ 410	\$ 257,671	\$ 3,917,109	\$ 12,754,830	\$ 62,333,784

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

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

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

Net change in fund balances - total governmental funds		\$ (4,233,908)
Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital outlay	\$ 9,043,763	
Capital expenditures recorded in functional expenditures	3,668,925	
Depreciation expense (not including Internal Service Funds)	(18,451,297)	
Amortization	(165,987)	(5,904,596)
The net effect of various transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase net assets.		
In the statement of activities, the loss on the sale of capital assets is reported. However, in the governmental fund, the proceeds from the sale increase financial resources. The change in net assets differs from the change in fund balance by the cost of the capital assets sold.	(3,829,220)	
Donations of capital assets increase net assets, but do not appear in the governmental fund statements because they are not financial resources.	158,735	(3,670,485)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. However, neither transaction has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The amounts comprising these differences in the treatment of long-term debt and related items are:		
Debt issued or incurred:		
Issuance of debt	(10,977,976)	
Principal repayments	4,830,082	(6,147,894)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. Revenues recognized in the Statement of Activities in prior years became available for recognition in the funds.		
		1,375,050
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds. The amounts comprising the difference in the treatment of expenses are:		
Accrued interest	(300,797)	
Amortization of bond discount/premium, insurance	33,028	
Other post-employment benefits	(319,348)	
Settlement	400,000	
Pension expense	(2,908,442)	
Compensated absences	(289,889)	(3,385,448)
Internal Service Funds are used by management to charge the costs of fleet management and risk management to individual funds.		
Distribution of Internal Service Fund losses	(1,110,567)	
Incorporation of external activities	(97,223)	
Inclusion of investment earnings	11,841	(1,195,949)
Change in net position of governmental activities		<u>\$ (23,163,230)</u>

CITRUS COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2016

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Taxes and special assessments	\$ 56,717,126	\$ 56,717,126	\$ 54,441,430	\$ (2,275,696)
Intergovernmental revenue	12,268,733	11,895,116	14,173,515	2,278,399
Charges for services	9,644,835	11,372,459	11,640,502	268,043
Fines and forfeitures	665,326	665,326	669,681	4,355
Miscellaneous revenue	1,810,736	2,339,093	2,402,427	63,334
Less statutory deduction	(3,722,224)	(3,722,224)	—	3,722,224
Total Revenue	<u>77,384,532</u>	<u>79,266,896</u>	<u>83,327,555</u>	<u>4,060,659</u>
EXPENDITURES				
Current:				
General government	26,935,413	27,451,609	24,839,041	2,612,568
Public safety	41,923,872	44,908,241	44,753,121	155,120
Physical environment	936,452	939,626	1,406,561	(466,935)
Transportation	95,920	140,870	78,069	62,801
Economic environment	327,065	327,065	315,592	11,473
Human services	5,492,772	5,433,327	5,010,757	422,570
Culture and recreation	1,397,618	1,411,051	1,130,930	280,121
Court-related expenditures	2,354,512	2,270,581	2,288,854	(18,273)
Debt Service:				
Principal retirement	1,904,038	1,904,038	1,837,892	66,146
Interest and fiscal charges	690,114	690,114	673,604	16,510
Total Expenditures	<u>82,057,776</u>	<u>85,476,522</u>	<u>82,334,421</u>	<u>3,142,101</u>
Excess (deficiency) of Revenues Over (Under) Expenditures	(4,673,244)	(6,209,626)	993,134	918,558
OTHER FINANCING SOURCES (USES)				
Transfers in	3,952,486	3,772,481	5,193,619	1,421,138
Transfers out	(4,723,633)	(5,924,286)	(5,952,928)	28,642
Total other financing sources (uses)	<u>(771,147)</u>	<u>(2,151,805)</u>	<u>(759,309)</u>	<u>1,449,780</u>
Net Change in Fund Balances	(5,444,391)	(8,361,431)	233,825	2,368,338
Fund balance - beginning	23,992,018	23,992,018	23,992,018	—
Fund balance - ending	<u>\$ 18,547,627</u>	<u>\$ 15,630,587</u>	<u>\$ 24,225,843</u>	<u>\$ 2,368,338</u>

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

CITRUS COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
MAJOR FUND - SPECIAL REVENUE FUND - COUNTY TRANSPORTATION TRUST
FOR THE YEAR ENDED SEPTEMBER 30, 2016

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Taxes and special assessments	\$ 12,157,554	\$ 12,157,554	\$ 12,290,834	\$ 133,280
Intergovernmental revenue	2,356,000	2,356,000	2,641,113	285,113
Miscellaneous revenue	196,185	336,633	489,650	153,017
Less statutory deduction	(346,149)	(346,149)	—	346,149
Total revenues	14,363,590	14,504,038	15,421,597	917,559
EXPENDITURES				
Physical environment	68,627	91,780	46,523	45,257
Transportation	17,924,564	21,385,014	16,843,321	4,541,693
Capital outlay	7,691,270	7,628,117	490,681	7,137,436
Total expenditures	25,684,461	29,104,911	17,380,525	11,724,386
Excess (deficiency) of revenues over (under) expenditures	(11,320,871)	(14,600,873)	(1,958,928)	12,641,945
OTHER FINANCING SOURCES (USES)				
Transfers in	1,664,200	1,664,200	1,664,200	—
Transfers out	(4,003,293)	(4,958,290)	(4,940,774)	17,516
Total other financing sources (uses)	(2,339,093)	(3,294,090)	(3,276,574)	17,516
Net change in fund balance	(13,659,964)	(17,894,963)	(5,235,502)	12,659,461
Fund balance - beginning	26,413,423	26,413,423	26,413,423	—
Fund balance - ending	\$ 12,753,459	\$ 8,518,460	\$ 21,177,921	\$ 12,659,461

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

CITRUS COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
MAJOR FUND - SPECIAL REVENUE FUND - SHIP
FOR THE YEAR ENDED SEPTEMBER 30, 2016

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES				
Intergovernmental revenue	\$ —	\$ 2,667,496	\$ 625,404	\$ (2,042,092)
Miscellaneous revenue	—	1,294	1,833	539
Total revenues	<u>—</u>	<u>2,668,790</u>	<u>627,237</u>	<u>(2,041,553)</u>
EXPENDITURES				
Economic environment	—	2,672,468	626,786	2,045,682
Total expenditures	<u>—</u>	<u>2,672,468</u>	<u>626,786</u>	<u>2,045,682</u>
Net change in fund balances	—	(3,678)	451	(4,087,235)
Fund balance - beginning	<u>(41)</u>	<u>(41)</u>	<u>(41)</u>	<u>—</u>
Fund balance - ending	<u>\$ (41)</u>	<u>\$ (3,719)</u>	<u>\$ 410</u>	<u>\$ 4,129</u>

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

CITRUS COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
MAJOR FUND - SPECIAL REVENUE FUND - HUD SECTION 8
FOR THE YEAR ENDED SEPTEMBER 30, 2016

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES				
Intergovernmental revenue	\$ —	\$ 2,585,432	\$ 1,320,427	\$ (1,265,005)
Miscellaneous revenue	—	—	541	541
Total revenues	<u>—</u>	<u>2,585,432</u>	<u>1,320,968</u>	<u>(1,264,464)</u>
EXPENDITURES				
Human Services	—	2,633,882	1,307,663	1,326,219
Total expenditures	<u>—</u>	<u>2,633,882</u>	<u>1,307,663</u>	<u>1,326,219</u>
Net change in fund balances	—	(48,450)	13,305	(2,590,683)
Fund balance - beginning	<u>244,366</u>	<u>244,366</u>	<u>244,366</u>	<u>—</u>
Fund balance - ending	<u>\$ 244,366</u>	<u>\$ 195,916</u>	<u>\$ 257,671</u>	<u>\$ 61,755</u>

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

CITRUS COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
MAJOR FUND - SPECIAL REVENUE FUND - SPECIAL ASSESSMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2016

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Special assessments	\$ 719,077	\$ 719,077	\$ 807,036	\$ 87,959
Miscellaneous revenue	346,220	354,720	178,219	(176,501)
Total revenues	<u>1,065,297</u>	<u>1,073,797</u>	<u>985,255</u>	<u>(88,542)</u>
EXPENDITURES				
Physical environment	38,178	50,736	49,240	1,496
Transportation	542,658	559,608	67,459	492,149
Debt Service:				
Principal retirement	413,831	413,831	310,000	103,831
Interest and fiscal charges	145,900	145,900	145,892	8
Total Expenditures	<u>1,140,567</u>	<u>1,170,075</u>	<u>572,591</u>	<u>597,484</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(75,270)</u>	<u>(96,278)</u>	<u>412,664</u>	<u>508,942</u>
OTHER FINANCING (USES)				
Transfers out	(339,824)	(338,594)	(338,594)	—
Total other financing (uses)	<u>(339,824)</u>	<u>(338,594)</u>	<u>(338,594)</u>	<u>—</u>
Net change in fund balances	<u>(415,094)</u>	<u>(434,872)</u>	<u>74,070</u>	<u>508,942</u>
Fund balance - beginning	<u>3,843,039</u>	<u>3,843,039</u>	<u>3,843,039</u>	<u>—</u>
Fund balance - ending	<u>\$ 3,427,945</u>	<u>\$ 3,408,167</u>	<u>\$ 3,917,109</u>	<u>\$ 508,942</u>

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

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

	BUSINESS-TYPE ACTIVITIES				GOVERNMENTAL ACTIVITIES
	MAJOR FUNDS		NONMAJOR ENTERPRISE FUNDS	TOTAL ENTERPRISE FUNDS	INTERNAL SERVICE FUNDS
	SANITARY LANDFILL	PUBLIC UTILITY			
ASSETS					
Current Assets:					
Cash and cash equivalents	\$ 17,121,603	\$ 22,506,675	\$ 4,191,196	\$ 43,819,474	\$ 5,492,493
Investments	2,999,417	—	—	2,999,417	—
Restricted cash and cash equivalents	—	2,592,175	—	2,592,175	—
Accounts and connections receivable (net of allowance for uncollectibles)	424,428	2,096,496	—	2,520,924	4,163
Due from other funds	—	—	—	—	—
Due from other governments	16,697	182,609	175,200	374,506	13,955
Inventory	44,778	424,832	—	469,610	130,283
Prepaid items	19,854	165,948	23,565	209,367	626,404
Total Current Assets	20,626,777	27,968,735	4,389,961	52,985,473	6,267,298
Noncurrent Assets:					
Restricted cash and cash equivalents:					
Unspent bond proceeds	—	11,840,192	—	11,840,192	—
Landfill closure	10,736,051	—	—	10,736,051	—
Customer deposits	52,300	1,392,435	118,067	1,562,802	—
Connection fees	—	6,592,277	—	6,592,277	—
Renewal and replacement	—	2,141,800	—	2,141,800	—
Advances to other funds	636,724	343,282	—	980,006	—
Contracts receivable	—	3,243,070	—	3,243,070	—
Capital Assets:					
Land	739,979	2,579,337	—	3,319,316	—
Buildings	910,133	2,370,536	—	3,280,669	505,491
Equipment	3,348,839	4,856,207	442,498	8,647,544	2,571,190
Infrastructure	20,648,503	129,613,273	—	150,261,776	—
Construction in progress	—	4,299,193	—	4,299,193	—
Less: Accumulated depreciation	(18,783,764)	(49,387,044)	(362,927)	(68,533,735)	(1,902,487)
Total capital assets	6,863,690	94,331,502	79,571	101,274,763	1,174,194
Total Noncurrent Assets	18,288,765	119,884,558	197,638	138,370,961	1,174,194
Total Assets	38,915,542	147,853,293	4,587,599	191,356,434	7,441,492
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows bond refinancing	—	2,140,282	—	2,140,282	—
Deferred outflows for pension	432,969	1,292,619	477,539	2,203,127	215,198
Total deferred outflows of resources	432,969	3,432,901	477,539	4,343,409	215,198

Continued

CITRUS COUNTY, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS (CONCLUDED)
SEPTEMBER 30, 2016

	BUSINESS-TYPE ACTIVITIES			GOVERNMENTAL ACTIVITIES
	MAJOR FUNDS		TOTAL ENTERPRISE FUNDS	INTERNAL SERVICE FUNDS
	SANITARY LANDFILL	PUBLIC UTILITY	NONMAJOR ENTERPRISE FUNDS	
LIABILITIES				
Current Liabilities:				
Payable from current assets:				
Accounts and contracts payable	181,692	403,737	5,868	801,331
Other accrued liabilities and compensated absences	100,301	754,572	142,382	69,537
Due to other funds	—	—	—	—
Due to other governments	—	—	158,983	103
Unearned revenue	150,147	—	157,477	97,413
Unpaid claims liability	—	—	—	1,073,707
Current portion - notes payable	—	104,774	—	—
Current portion - capital lease payable	73,675	—	—	—
Payable from restricted assets:				
Current portion - bonds payable	—	415,000	—	—
Total Current Liabilities	505,815	1,678,083	464,710	2,042,091
Noncurrent Liabilities:				
Unearned revenue	—	10,502,128	—	—
Customer deposits	52,300	1,392,435	118,067	—
Due to other governments for renewal and replacement	—	2,140,307	—	—
Accrued postclosure and closure costs	8,638,359	—	—	—
Notes payable	—	1,286,108	—	—
Capital lease payable	545,382	—	—	—
Bonds payable (net of unamortized discounts)	—	50,064,936	—	—
Compensated absences	9,469	39,469	15,986	8,024
Other post-employment benefits	19,227	48,152	19,550	10,418
Net pension liability	884,399	2,826,923	1,111,997	497,875
Total Noncurrent Liabilities	10,149,136	68,300,458	1,265,600	516,317
Total Liabilities	10,654,951	69,978,541	1,730,310	2,558,408
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows for pension	136,647	407,956	150,714	67,917
Total deferred inflows of resources	136,647	407,956	150,714	67,917
NET POSITION				
Net investment in capital assets	6,244,633	28,839,465	79,571	1,174,194
Restricted for capital projects	—	22,431,320	375,000	—
Unrestricted	22,312,280	29,628,912	2,729,543	3,856,171
Total net position	\$ 28,556,913	\$ 80,899,697	\$ 3,184,114	\$ 5,030,365
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds			(1,407,807)	
Net position of business-type activities			\$ 111,232,917	

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

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

	BUSINESS-TYPE ACTIVITIES				GOVERNMENTAL ACTIVITIES
	MAJOR FUNDS				INTERNAL SERVICE FUNDS
	SANITARY LANDFILL	PUBLIC UTILITY	NONMAJOR ENTERPRISE FUNDS	TOTAL ENTERPRISE FUNDS	
Operating revenues:					
Charges for services	\$ 5,003,860	\$ 16,993,566	\$ 3,412,239	\$ 25,409,665	\$ 10,003,188
Miscellaneous operating revenues	66,246	136,106	70	202,422	991,151
Total operating revenues	5,070,106	17,129,672	3,412,309	25,612,087	10,994,339
Operating Expenses:					
Personal services	1,364,373	4,101,204	1,576,112	7,041,689	649,335
Contractual services	1,032,847	1,153,400	486,711	2,672,958	1,195,927
General operating	806,135	3,683,610	497,357	4,987,102	601,747
Purchased water	—	406,457	—	406,457	—
Claims and premiums	—	—	—	—	9,834,191
Depreciation	743,069	5,065,385	18,528	5,826,982	202,141
Provision for long-term care and closure costs	(1,423,330)	—	—	(1,423,330)	—
Total operating expenses	2,523,094	14,410,056	2,578,708	19,511,858	12,483,341
Operating income (loss)	2,547,012	2,719,616	833,601	6,100,229	(1,489,002)
Nonoperating revenues (expenses):					
Gain (loss) on disposal of capital assets	(99,472)	92,557	—	(6,915)	—
Operating grants	—	31,018	—	31,018	—
Other income	57,100	—	—	57,100	—
Interest income	117,489	247,842	7,927	373,258	11,841
Interest expense	(13,424)	(1,367,370)	—	(1,380,794)	—
Amortization	—	38,624	—	38,624	—
Total nonoperating revenues (expenses)	61,693	(699,415)	7,927	(629,795)	11,841
Income (loss) before capital contributions and transfers	2,608,705	2,020,201	841,528	5,470,434	(1,477,161)
Capital contributions	—	628,330	—	628,330	—
Transfers in	351,800	590,708	156,300	1,098,808	2,255,307
Transfers out	(919,948)	(1,889,358)	(376,130)	(3,185,436)	(62,724)
Total capital contributions and transfers	(568,148)	(670,320)	(219,830)	(1,458,298)	2,192,583
Change in net position	2,040,557	1,349,881	621,698	4,012,136	715,422
Net position - beginning	26,516,356	79,549,816	2,562,416		4,314,943
Net position - ending	\$ 28,556,913	\$ 80,899,697	\$ 3,184,114		\$ 5,030,365
Adjustment for the net effect of the current year activity between the internal service funds and the enterprise funds				281,202	
Change in net position of business-type activities				\$ 3,720,942	

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

CITRUS COUNTY, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2016

	BUSINESS-TYPE ACTIVITIES				GOVERNMENTAL ACTIVITIES
	MAJOR FUNDS		NONMAJOR ENTERPRISE FUNDS	TOTAL ENTERPRISE FUNDS	INTERNAL SERVICE FUNDS
	SANITARY LANDFILL	PUBLIC UTILITY			
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash received from customers	\$ 5,775,038	\$ 17,419,040	\$ 3,211,667	\$ 26,405,745	\$ 9,949,333
Cash payments to suppliers for goods and services	(1,788,264)	(6,583,338)	(990,244)	(9,361,846)	(11,328,710)
Cash payments to employees for services	(1,352,535)	(4,022,981)	(1,564,597)	(6,940,113)	(684,947)
Customer deposits	(215,650)	262,841	82,947	130,138	—
Other operating receipts	66,246	136,106	70	202,422	991,150
Net cash provided by (used for) operating activities	2,484,835	7,211,668	739,843	10,436,346	(1,073,174)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Operating grants received	—	288,932	—	288,932	—
Advances to other funds	89,152	29,650	—	118,802	—
Transfers from other funds	351,800	593,198	156,300	1,101,298	2,255,307
Transfer to other funds	(919,948)	(1,889,358)	(376,130)	(3,185,436)	(62,724)
Net cash provided by (used for) noncapital financing activities	(478,996)	(977,578)	(219,830)	(1,676,404)	2,192,583
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Principal paid on note payable/capital leases	(55,991)	(44,345,408)	—	(44,401,399)	—
Capital financing	675,048	50,540,005	—	51,215,053	—
Interest paid	(5,924)	(1,961,698)	—	(1,967,622)	—
Acquisition of capital assets	(435,228)	(3,953,657)	(69,348)	(4,458,233)	(34,664)
Net cash provided by (used for) capital and related financing activities	177,905	279,242	(69,348)	387,799	(34,664)
CASH FLOWS FROM INVESTING ACTIVITIES					
Investment income	117,489	247,842	7,927	373,258	12,151
Net cash provided by investing activities	117,489	247,842	7,927	373,258	12,151
Net increase (decrease) in cash	2,301,233	6,761,174	458,592	9,520,999	1,096,896
Cash at beginning of year	28,608,138	40,304,380	3,850,671	72,763,189	4,395,597
Cash at end of year	30,909,371	47,065,554	4,309,263	82,284,188	5,492,493
Classified as:					
Cash and investments	20,121,020	22,506,675	4,191,196	46,818,891	5,492,493
Restricted cash and investments	10,788,351	24,558,879	118,067	35,465,297	—
Total	30,909,371	47,065,554	4,309,263	82,284,188	5,492,493

Continued

CITRUS COUNTY, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2016

	SANITARY LANDFILL	PUBLIC UTILITY	NONMAJOR ENTERPRISE FUNDS	TOTAL ENTERPRISE FUNDS	INTERNAL SERVICE FUNDS
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities					
Operating income (loss)	\$ 2,547,012	\$ 2,719,616	\$ 833,601	\$ 6,100,229	\$ (1,489,002)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:					
Depreciation expense	743,069	5,065,385	18,528	5,826,982	202,141
Other income	—	—	—	—	—
(Increase) Decrease in:					
Accounts receivable	(136,506)	126,871	—	(9,635)	(107)
Due from other governments	871,338	490,985	(165,779)	1,196,544	126,296
Due from other funds	—	(35,002)	—	(35,002)	—
Inventory	2,164	(38,117)	—	(35,953)	224,585
Prepaid items	273	12,458	(7,159)	5,572	114,417
Deferred pension outflows	(213,913)	(567,570)	(183,920)	(965,403)	(84,114)
Increase (Decrease) in:					
Accounts and contracts payable	40,047	(790,389)	983	(749,359)	50,787
Due to other governments	—	35,904	(16,574)	19,330	57
Due to other funds	—	35,002	—	35,002	—
Accrued liabilities	(23,196)	(654,832)	(42,497)	(720,525)	(59,875)
Net pension liability	309,285	923,364	341,124	1,573,773	153,724
Unearned revenue	36,346	(157,380)	(18,219)	(139,253)	24,435
Unpaid claims liability	—	—	—	—	(291,170)
Customer deposits	(215,650)	262,841	82,947	130,138	—
Deferred pension inflows	(54,032)	(223,170)	(104,869)	(382,071)	(46,186)
Other post-employment benefits	1,929	5,702	1,677	9,308	838
Accrued landfill closure costs	(1,423,331)	—	—	(1,423,331)	—
Total Adjustments	(62,177)	4,492,052	(93,758)	4,336,117	415,828
Net cash provided by (used for) operating activities	<u>\$ 2,484,835</u>	<u>\$ 7,211,668</u>	<u>\$ 739,843</u>	<u>\$ 10,436,346</u>	<u>\$ (1,073,174)</u>
Non-cash investing, financing and capital activities:					
Contributions of capital assets	<u>\$ —</u>	<u>\$ 628,330</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>

CITRUS COUNTY, FLORIDA
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUNDS
SEPTEMBER 30, 2016

	AGENCY FUNDS
ASSETS	
Cash and cash equivalents	\$ 6,961,577
Accounts receivable	95,161
Due from other funds	13,938
Assets held not forfeited	6,132
Total assets	<u>\$ 7,076,808</u>
LIABILITIES	
Due to individuals	\$ 3,068,416
Due to other funds	58,886
Due to other governments	3,949,506
Total liabilities	<u>\$ 7,076,808</u>

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

CITRUS COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

THE REPORTING ENTITY

Citrus County was created in 1887 as a political subdivision of the State of Florida, under the Florida Constitution of 1885, Chapter 3772(92). It is governed by an elected Board of County Commissioners (the "Board"), which is governed by state statutes and regulations. In addition to the members of the Board, there are five elected Constitutional Officers: Clerk of the Circuit Court, Property Appraiser, Sheriff, Supervisor of Elections, and Tax Collector. The Constitutional Officers maintain separate accounting records and budgets. The Board and Constitutional Officers provide the following services: public safety (police, fire and rescue), highways and streets, sanitation, water and sewer utilities, health and social services, culture/recreation, public improvements, planning and zoning, and general administrative services.

In accordance with the provision of accounting standards generally accepted in the United States of America, these financial statements present the financial position, results of operations, and changes in cash flows of the applicable fund types governed by the Board of County Commissioners of Citrus County, Florida. As required by the Governmental Accounting Standards Board these financial statements include the Board (the primary government) and its component units, entities for which the Board is considered to be financially accountable. The Board is financially accountable if (a) it appoints a voting majority of the organization's governing board and (1) it is able to impose its will on the organization or (2) there is a potential for the organization to provide specific financial benefit to or impose specific financial burden on the Board; (b) the organization is fiscally dependent upon the Board; or (c) it would cause the financial statements to be misleading by excluding the organization.

The reporting entity's financial statements should allow users to distinguish between the primary government (the County) and its component units. However, some component units, because of the closeness of their relationships with the County should be blended as though they were part of the County. Otherwise, component units should be discretely presented. To accomplish this goal, the County's financial statements present the fund types of the County, including component units that have been blended, and provides an overview of the discretely presented component units in a separate column.

Blended Component Units

The following component units are included in the accompanying financial statements as part of the primary government because they satisfy the criteria for blending:

Citrus County Fire Protection Taxing District - The governing body of the Citrus County Fire Protection Taxing District is the Board of County Commissioners, which has full financial responsibility for the district as well as management operational responsibility for the activity of the District. Accordingly, the Citrus County Fire Protection Taxing District is reported as a blended component unit of Citrus County. Specific individual financial information on the Fire District is available at the office of the Sheriff's finance director. It was created under County Ordinance 74-02, as authorized by Chapter 125 of the Florida Statutes, and is responsible for fire protection in the unincorporated areas of the County.

Citrus County Special Library District - The governing body of the Citrus County Special Library District is the Board of County Commissioners, which has full financial and management operational responsibility for the activity of the district. Accordingly, the Citrus County Special Library District is reported as a blended

CITRUS COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

component unit of Citrus County. It was created by County Ordinance 84-01, as authorized by Chapter 125 of the Florida Statutes, and provides regional library services to the County. Specific financial information on the Library District is available in the Financial Services Department of the Clerk's office.

Citrus County Municipal Service Taxing District - The governing body of the Citrus County Municipal Service Taxing District is the Board of County Commissioners, which has full financial and management operational responsibility for the activity of the district. Accordingly, the Citrus County Municipal Service Benefit Unit is reported as a blended component unit of Citrus County. It was created by County Ordinance 95-07, as authorized by Chapter 125.01 of the Florida Statutes, and provides building, zoning and other public safety services to unincorporated areas of the County. Specific financial information on the Municipal Service Benefit Unit is available in the Financial Services Department of the Clerk's office.

Citrus County Special Lighting District - The governing body of the Citrus County Special Lighting District is the Board of County Commissioners, which has full financial and management operational responsibility for the activity of the district. Accordingly, the Citrus County Special Lighting District is reported as a blended component unit of Citrus County. It is comprised of twenty-one (21) separate taxing districts created by County ordinances, as authorized by Chapter 125 of the Florida Statutes, and provides regional lighting services to the County. Specific financial information on the Lighting District is available in the Financial Services Department of the Clerk's office.

Citrus Information Cooperative - The governing body of the Citrus Information Cooperative (the "CIC") is made up of one member of each participant and governs the activities and administration of the CIC. The participants consist of the Citrus County Property Appraiser, Citrus County Tax Collector, and the cities of Inverness and Crystal River, thus the County controls the governing board. The CIC was financially dependent on funds provided by the Property Appraiser and the Tax Collector and they were able to impose their will on the CIC. Because of the makeup of the CIC governing board and the fact that the CIC services area almost entirely provided to the County, the CIC is reported as a blended component unit of the County. Specific individual information on the CIC is available at the office of the Property Appraiser's finance director.

The CIC is an independent special district created on June 1, 1999, by an interlocal agreement executed on September 28, 2001, pursuant to Section 163.01, Florida Statutes, and started operations in October 2001. The CIC was formed to provide services that may include imaging, record retention, purchasing, equipment maintenance, data processing, preparation of tax rolls and creation of a multi-agency geographical collaborative information system, as defined in Section 163.62, Florida Statutes.

Discretely Presented Component Unit - Business Type

The following component unit has been included in the accompanying financial statements as a discretely presented component unit in accordance with the provisions of generally accepted governmental accounting standards:

Nature Coast Emergency Medical Foundation, Inc. - The Nature Coast Emergency Medical Foundation, Inc. (Emergency Medical Services) was formed to provide the emergency medical response and transportation operation of Citrus County. The County has the responsibility for any deficit incurred by the Foundation and has budgetary authority. The Foundation's capital assets revert to the County in the event the contract between the County and the Foundation is terminated. Those capital assets represent a significant economic

CITRUS COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

resource to the County. Accordingly, the Foundation is reported as a discretely presented component unit of Citrus County. Specific information on the Foundation is available in the Financial Services Department of the Clerk's office.

Because the component unit has been reported as if it is part of the County, there are limited instances where special note reference will be required. If no separate reference or categorization is made, the user should assume that information presented is equally applicable.

GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The basic financial statements are composed of the Government-wide Financial Statements, the Fund Financial Statements and the Notes to the Financial Statements.

Government-wide Financial Statements

The government-wide financial statements consist of a Statement of Net Position and a Statement of Activities. These statements report on the non-fiduciary activities of the government as a whole and include separate columns for the governmental and business-type activities of the primary government. An additional separate column is presented for the discretely presented component unit for which the County is accountable.

The Statement of Net Position presents information on all of the assets and liabilities of the County. The difference between assets and liabilities is reported as net position. Changes in net position may serve as an indicator of whether the financial position of the County is improving or deteriorating.

The Statement of Activities reports functional categories of programs provided by the County, and demonstrates how and to what degree those programs are supported by specific revenue. The "Expenses" column reports direct expenses that are clearly identifiable with a specific function or program. "Program Revenues" are directly attributable to a specific function or program and are categorized as charges for services, operating grants and contributions, and capital grants and contributions. The net of program expenses less program revenues reflects the net cost of each function or program.

The general revenues section includes revenues that are not program specific, such as taxes and investment earnings.

As a general rule, the effect of interfund activity has been removed from the government-wide financial statements, except for the residual amounts between governmental and business-type activities reported as "internal balances." These statements distinguish between the governmental and business-type activities of the County. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

Fund Financial Statements

The underlying accounting system of the County is organized and operated on the basis of separate funds. A fund is a group of related accounts that are used to maintain control over resources that have been segregated for specific activities or purposes.

CITRUS COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund accounting is used to ensure and demonstrate compliance with legal, legislative, contractual and other finance-related provisions. All of the funds of the County may be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

The County's major funds are reported as separate columns in the fund financial statements, and nonmajor funds are aggregated and presented as a single column on each statement. Fund financial statements are presented after the government-wide financial statements. A reconciliation is provided that converts the results of governmental fund accounting to the government-wide presentation.

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

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

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

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

Non-spendable Fund Balance includes amounts that are not in spendable form, such as inventories, prepaid amounts and property acquired for resale. It also includes amounts that are legally or contractually required to be maintained intact, such as the principal of a permanent fund.

There are four Spendable Fund Balance classifications: 1) Restricted Fund Balance which are amounts that can only be spent for a specific purpose as stipulated by an external resource provider (grantor, contributor or laws or regulations of other governments); or that are imposed by law through the Constitution or enabling legislation; 2) Committed Fund Balance which are amounts that can only be used for a specific purpose as determined by formal action of the Board of County Commissioners, the County's highest level of decision-making authority. These commitments can be lifted or changed by the Board by taking the same action that imposed the commitment; 3) Assigned Fund Balance which includes spendable fund balance amounts that the Board of County Commissioners intend to be used for a specific purpose but are neither considered restricted or committed; and 4) Unassigned Fund Balance which is the residual classification for the general fund. It contains fund balance that has not been restricted, committed or assigned. Unassigned may also include negative balances for any other governmental fund if expenditures exceed amounts restricted, committed, or assigned.

CITRUS COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

When both restricted and unrestricted fund balance is available and it is not prohibited by legal documents, grant agreements or contracts, the County spends restricted amounts first. Also, the County uses committed fund balance, followed by assigned fund balance and then unassigned fund balance when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The accounting policies of the County conform to accounting principles generally accepted in the United States of America, as applicable to governments, in accordance with the Government Accounting Standards Board (GASB). GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant policies:

Basis of accounting refers to when revenues and expenditures, or expenses, are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The government-wide financial statements, as well as the proprietary fund financial statements, are prepared on a full accrual basis using the economic resources measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred. Property taxes are recognized in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all of the eligibility requirements have been met.

Proprietary funds record both operating and non-operating revenues and expenses. Operating revenues are those that are obtained from the operations of the proprietary fund, such as user fees. Non-operating revenues are not related to the operations of the proprietary fund and include interest income and grants.

Operating expenses represent the cost of operations, which includes depreciation. Non-operating expenses are not related to operations, such as interest expense.

Governmental fund financial statements are prepared on the modified accrual basis using the current financial resources measurement focus. Under the modified accrual basis, revenues are recognized when they become measurable and available as net current assets. The County considers all revenues available if they are collected within forty-five days after year-end with the exception of grant revenue, which is considered susceptible to accrual if collected within six months of year-end. Primary revenues, such as property taxes, special assessments, intergovernmental revenues, charges for services and interest, are treated as susceptible to accrual under the modified accrual basis and so have been recognized as revenues. Expenditures reported in governmental fund financial statements are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. An exception to this general rule includes accumulated sick and vacation pay and principal and interest on general long-term debt, which are recognized when they have matured.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

CITRUS COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

GASB pronouncements set forth minimum criteria for the determination of what are to be considered major funds for financial statement presentation, which the County has used for major fund determination. The nonmajor funds are combined into one column in the fund financial statements and are detailed in the combining schedules, which appear after the notes.

The following are reported as major governmental funds:

General Fund - This fund is the general operating fund of the County. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

County Transportation Trust - This fund is used to account for the proceeds of gas taxes and other revenues for the construction and maintenance of County roads.

SHIP Funds - These funds account for housing projects and programs that are financed in whole or part by agencies of the Federal Government and the State of Florida.

HUD Section 8 - These funds account for Section 8 housing projects and programs that are financed in whole or part by agencies of the Federal Government.

Special Assessments - These funds are used to account for the imposition and collection of special assessments levied on benefiting property owners to recover the cost of capital improvements that directly benefit them, such as road paving and water and sewer line construction.

The following are reported as major enterprise funds:

Sanitary Landfill - Accounts for operations of the County's sanitary landfill.

Public Utility - Accounts for the operation of water and wastewater facilities.

The County also reports the following funds:

Internal Service Funds - These funds are used to account for insurance and fleet management services provided by one department to other departments of the County or to other governmental units on a cost-reimbursement basis.

Agency Funds - These funds are clearing accounts for the collection and disbursement of funds by the County for developer bonds, Clerk of the Court functions, property taxes and certain law enforcement functions, on behalf of individuals, private organizations, other governments or other funds. They are custodial in nature and are, therefore, excluded from the government-wide financial statements.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

BUDGETARY INFORMATION

Budgets and Budgetary Accounting

The annual budget, formally adopted by the Board of County Commissioners, serves as the legal authorization for expenditures. Legal budgetary authority and control is established on a fund basis in accordance with Florida Statute 129.03. Budget to actual reports are presented for all funds with legally adopted budgets. The adopted budget can only be changed by a budget amendment or a budget supplement. Management can transfer appropriations within a fund without the Board of County Commissioners' approval, unless the transfer affects a budgeted reserve. Pursuant to Florida Statute 129.06, budget amendments require the approval of the Board of County Commissioners whenever the effect of the amendment is to increase the total appropriations of the fund, to transfer monies between the lower of the department or fund level, or to transfer budgeted reserve funds.

The County's annual budgetary process is governed by Florida Statutes, Chapters 129 and 200. The total of the estimated receipts, including balances brought forward, must equal the total of the appropriations and reserves, therefore, enabling a balanced budget. During the budgeting process, budgets are prepared on a basis consistent with accounting principles generally accepted in the United States of America. All appropriations lapse at year-end.

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 executive changes applicable to the fiscal year, whenever legally authorized.

Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the General, Special Revenue, Capital Projects and Debt Service Funds. Encumbrances outstanding at year-end are reported in the fund financial statements as assigned fund balances since they do not constitute expenditures or liabilities.

ASSETS, LIABILITIES AND NET POSITION OR FUND BALANCE

Cash and Cash Equivalents

The County considers cash and cash equivalents to be cash on hand, demand deposits, highly liquid investments, including those held as restricted assets, with original maturities of three months or less when purchased.

Receivables and Payables

The accounts receivable of the County are recorded in the government-wide and fund financial statements, and are net of allowance for uncollectibles, which generally is equivalent to the receivables that are over 90 days in arrears.

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund

CITRUS COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

loans) or “advances to/from other funds” (i.e., the non-current portion of interfund loans). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.”

Inventories and Prepaid Items

Inventories are determined by physical count and are valued at cost using the first-in, first-out method. The cost of inventory is recorded as an expenditure using the consumption method at the time the individual items are used. Houses available for sale are recorded at cost. Certain payments to vendors represent costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. Prepaid items are recorded as expenditures using the consumption method at the time the items are used.

Capital Assets

Capital assets, which include property, plant, equipment, infrastructure assets (e.g., roads, bridges, sidewalks and similar items), and intangible assets (e.g., software purchases, internally generated additions to software, etc.) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements, as well as the proprietary fund financial statements.

The County has established the following thresholds for additions to capital assets, and estimated useful lives for depreciation purposes:

	Threshold	Useful Life in Years
Land	\$ 5,000	0
Buildings	5,000	10 - 50
Infrastructure	50,000	10 - 30
Improvements Other Than Buildings	5,000	10 - 30
Improvements - Water/Sewer Lines	5,000	30
Equipment	5,000	5 - 20
Software	50,000	7 - 20

Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation. Interest incurred during the construction phase of capital assets in business-type activities is included as part of the capitalized value of the assets constructed.

Depreciation is calculated using the straight-line method over the estimated useful lives of the related assets. Depreciation is charged as an expense against the operations of the governmental and business-type activities in the government-wide financial statements. Depreciation of assets in the proprietary funds is also charged as an expense at the fund level.

Since the purpose of the governmental fund level statements is to show the sources and uses of current assets, capital assets and depreciation are not shown.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital assets purchased by the CIC are recorded at cost. Depreciation has been provided over estimated useful lives of 3-5 years, using the straight-line method. Capital assets are defined as assets with an initial individual cost of more than \$1,500 and an estimated useful life in excess of three years.

Compensated Absences

The County incurs a liability for employees' rights to receive compensation for future absences when certain conditions are met. Both the current and long-term portion of compensated absences are accrued and reported in the government-wide and proprietary fund financial statements.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Long-Term Obligations

In the government-wide financial statements and proprietary fund financial statements, material discount, premium and bond issuance costs related to long-term debt are deferred and amortized over the life of the bonds using the straight-line method of accounting. Discount, premium and issuance costs related to debt in the governmental fund financial statements are recorded as expenditures when paid and, therefore, are not accounted for in subsequent periods.

State and federal laws and regulations require the Sanitary Landfill to place a final cover on the landfill cells when they stop accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and post-closure care costs will be paid only near or after the date that the landfill stops accepting waste, the landfill reports an estimated portion of these closure and post-closure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date.

Property Taxes

Property tax collections, sales, and liens are governed by Chapter 197 of the Florida Statutes. Assessed Value is established by the Property Appraiser as of January 1 for the subsequent fiscal year of the County for tax roll preparation. Taxable Value is computed after deducting from assessed value various exemptions, including governmental, educational, religious, health care and scientific properties and qualified exemptions; \$25,000 homestead exemption and added exemptions if a widow or disabled.

All property taxes are levied and become due and payable on November 1 of each year, and are delinquent on April 1 of the following year. Discounts are allowed for early payment of 4%, 3%, 2% and 1% in November through February, respectively. Delinquent taxes on real property may be paid after the date of delinquency but prior to the sale of a tax certificate by paying all taxes, costs, advertising charges, and interest of 18%

CITRUS COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

per annum. For all real property with delinquent taxes, the Tax Collector advertises, as required by Statute, and sells tax certificates. All unsold certificates are issued to the County.

Any person owning real property upon which a tax certificate has been sold may redeem the property by paying the face amount of the tax certificate, plus interest and costs associated with the sale of the certificate.

After taxes have been delinquent (April 1) for two years, the owner of a tax certificate may file an application for tax deed sale. The County is able to do the same for two years after taxes were due (November 1). All taxes imposed on any property become a first lien, superior to all other liens, as of January 1, of the year the taxes are levied.

Due from Other Governments

Receivables from other governments include amounts due for entitlements for state revenue sharing, gas taxes, sales taxes, and other amounts collected by the State on behalf of the County and various grants.

Post-Retirement Health Plan

The County allows retired employees to purchase health and dental insurance through the County plan. The County pays a blended rate for active employees, effectively subsidizing the rate paid by retirees for this coverage.

Classifications of Fund Balances

Governmental fund types contain certain fund balances that are not available for appropriation as expenditures in future periods.

A summary of fund balances classifications is provided in Note 19.

Restricted Net Position

In the accompanying statement of net position, restricted net position is subject to legal restrictions. The restriction is either externally imposed (for instance, by creditors, grantors, contributors, or laws/regulations of other governments) or is imposed by law through constitutional provisions or enabling legislation. It is the practice of the County to utilize restricted net position before unrestricted net position.

CITRUS COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2016

NOTE 2: CASH AND INVESTMENTS

The County maintains a pooled cash and investment account that is available for use by all funds, except those whose cash and investments must be segregated due to bond covenants or other legal restrictions.

Cash and Cash Equivalents

At September 30, 2016, the carrying value of cash and cash equivalents totaled \$152,514,476, which is presented as \$145,552,899 in the statement of net position and \$6,961,577 in the statement of fiduciary net position. The County's cash consisted of cash on hand, money market and savings accounts in the amount \$81,944,773. Deposits in banks and savings and loans are collateralized as public funds through a State procedure provided for in Chapter 280, Florida Statutes. Financial institutions qualifying as public depositories place with the State Board of Administration securities that have a market value equal to 50% of the average daily balances for each month of all public deposits in excess of applicable deposit insurance. The Public Deposit Security Trust Fund has a procedure to allocate and recover losses in the event of a bank default or insolvency. When deposits are made in accordance with Chapter 280, no public depositor shall be liable for any loss thereon.

The County has funds on deposit with the State Board of Administration for participation in the Local Government Surplus Funds Trust Fund (Florida PRIME) investment pool created by Section 218.405, Florida Statutes. On September 30, 2016, the County had \$52,655,285 invested with the State Board of Administration (SBA). This account is a 2a7-like pool which is carried at amortized cost, which approximates market. A 2a7-like pool is not registered with the SEC as an investment company, but has a policy that it will, and does operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940, the rules governing money market funds. Thus, the Prime operates essentially as a money market fund, but is classified as an external investment pool. There were no liquidity restrictions on this pool, and Prime's weighted average days to maturity (WAM) is 50 days. The weighted average life (WAL) is 70 days. At September 30, 2016, the Prime pool was rated AAAM by Standard and Poor's Rating Agency.

The County is a member of the Florida Education Investment Trust Fund (FEITF), a local government investment pool, which is administered by a Board of Trustees made up of school board members and superintendents, and an Advisory Committee of senior finance officers from member Districts. The Florida School Boards Association (FSBA) and the Florida Association of District School Superintendents (FADSS) sponsor the Fund. The pool was rated AAAM by Standard and Poor's Rating Agency and has a WAM of 47 days, functioning essentially as a money market fund. At September 30, 2016, the County had \$10,065,488 invested with FEITF.

The County also participates in the Florida Local Government Investment Trust (FLGIT), which is administered by a Board of Trustees appointed by the Florida Association of Court Clerks and County Comptrollers, and the Florida Association of Counties, Inc. The FLGIT was created in December 1991 to provide a means for public entities to pool surplus funds to maximize net earnings. FLGIT reports all share information at NAV and reflects share value, in accordance with GASB guidance. FLGIT is rated AAAM for Credit Quality and S1 for Bond Fund Volatility by Standard and Poor's Ratings Agency. At September 30, 2016, the County had \$7,419,410 invested with FLGIT.

Investments

The County's investment policy allows investments in the Local Government Surplus Trust Fund (Florida PRIME), Intergovernmental Investment Pools, all Treasury securities guaranteed by the U.S. Government, U.S. Government Agency securities, Federal Instrumentalities, Time Certificates of Deposit, State and/or

CITRUS COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2016

NOTE 2: CASH AND INVESTMENTS (CONTINUED)

Local Government Debt, Repurchase Agreements and registered money market mutual funds. Section 218.415, Florida Statutes, limits the types of investments that a government can invest in unless specifically

authorized in an investment policy. The remaining Constitutional Officers have not adopted a written investment policy and are thus limited to the investments allowed by Section 218.415, Florida Statutes. As of September 30, 2016, the Constitutional Officers' investments consist of the Local Government Surplus Funds Trust Fund (Florida PRIME). All other funds of the Constitutional Officers are placed with public depositories under the Florida Security for Public Deposits Act.

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

- U.S. Treasury securities of \$2,523,737 are valued using quoted prices in an active market for identical assets (Level 1 inputs)
- Municipal bonds of \$40,024 are valued using quoted prices in an active market for identical assets (Level 1 inputs)
- Commercial mortgage backed securities of \$5,009,712 are valued using quoted prices in an active market for identical assets (Level 1 inputs)
- Corporate bonds of \$2,424,584 are valued using quoted prices in an active market for identical assets (Level 1 inputs)

Weighted averages and credited ratings are summarized below:

Effective Duration by Security Type	Fair Value	Weighted Average Duration (Years)	Credit Rating
U.S. Treasury Notes	\$ 2,523,737	1.78	AA+
Agency Notes	5,009,712	2.30	AA+
Corporate Notes	2,424,584	1.06	A-1, A-1+
Revenue Bonds	40,024	1.75	
Total Fair Value	<u>\$ 9,998,057</u>		

In addition, the County maintains a money market account to facilitate liquidations and reinvestments of these instruments. The balance at September 30, 2016 in the account was \$223,477.

Interest Rate Risk

The Board's investment policy sets limits for investment maturities to match known cash needs and anticipated cash flow requirements. Investments of construction funds shall have a term appropriate to the need for funds in accordance with construction schedules.

CITRUS COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2016

NOTE 2: CASH AND INVESTMENTS (CONTINUED)

Credit Risk

The Board's investment policy permits the purchase of investments with credit-quality ratings from nationally recognized rating agencies, as described below.

State and/or Local Government Taxable and/or Tax-Exempt Debt, general obligation and/or revenue bonds, rated at least "Aa" by Moody's or "AA" by Standard & Poor's for long-term debt, or rated at least "MIG-2" by Moody's or "SP-2" by Standard & Poor's for short-term debt.

Money Market Mutual Funds which are open-end and no-load money market funds, provided such funds are registered under the Federal Investment Company Act of 1940 and operate in accordance with 17 C.F.R. § 270.2a-7, which stipulates that money market funds must have an average weighted maturity of 90 days or less. In addition, the share value of the money market funds must be equal to \$1.00. The money market funds shall be rated "AAM" or "AAM-G" or better by Standard & Poor's or the equivalent by another rating agency. As of September 30, 2015, the Board's investment securities in U.S. Treasury obligations were rated AA+. The County's investment in Florida PRIME was rated "AAAm" by Standard & Poor's. The County's investment in FLGIT was rated AAAf by Standard & Poor's. The County's cash deposits are in qualified, public depositories, as required by Chapter 280, Florida Statutes.

Custodial Credit Risk

The Board's investment policy requires all securities, with the exception of certificates of deposit, to be held with a third-party custodian; and all securities purchased by, and all collateral obtained by; the County should be properly designated as an asset of the County. The securities must be held in an account separate and apart from the assets of the financial institution. A third-party custodian is defined as any bank depository chartered by the Federal Government, the State of Florida, or any other state or territory of the United States which has a branch or principal place of business in the State of Florida, as defined in Section 658.12, Florida Statutes, or by a national association organized and existing under the laws of the United States which is authorized to accept and execute trusts and which is doing business in the State of Florida. Certificates of deposit will be placed in the provider's safekeeping department for the term of the deposit.

As of September 30, 2016, the Board's investment portfolio was held with a third-party custodian, as required by the Board's investment policy, in the County's name and, therefore, not subject to Custodial Credit Risk. The Board's investment in external investment pools and in money market mutual funds are not exposed to Custodial Credit Risk because their existence is not evidenced by securities that exist in physical or book entry form.

Foreign Currency Risk

The Board's investment policy does not allow for investments in foreign currency and thus the County has no exposure to this type of risk.

Concentration of Credit Risk

The Board's investment policy established asset allocation and issuer limits, which are designed to reduce concentration of credit risk of the County's investment portfolio. The County's investment in U.S. Government notes and external investment pools are not subject to Concentration of Credit Risk. Following are those limits.

CITRUS COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2016

NOTE 2: CASH AND INVESTMENTS (CONTINUED)

Security Type	Minimum Rating	Maximum Allocation	Maximum Issuer Limit
Florida PRIME	AAAm	50%	N/A
United States Government Securities	N/A	100%	N/A
United States Government Agencies	N/A	50%	25%
Federal Instrumentalities	N/A	80%	40%
Mortgage-Backed Securities	N/A	20%	15%
Non-Negotiable Interest Bearing Time Certificates of Deposit	N/A	50%	25%
Repurchase Agreements	N/A	20%	20%
Commercial Paper	P-1/A-1	25%	5%
Corporate Notes	A	25%	5%
State and/or Local Government Debt	A	25%	5%
Intergovernmental Investment Pool	AAA	25%	N/A

NOTE 3: ACCOUNTS RECEIVABLE

Accounts receivable at September 30, 2016, for the County's individual major funds and nonmajor funds in total, including applicable allowances for uncollectibles, were as follows:

	Accounts Receivable, Gross	Allowance for Uncollectibles	Accounts Receivable, Net
Primary Government:			
General Fund	\$ 309,328	\$ —	\$ 309,328
County Transportation Trust		—	—
HUD Section 8	2,134	—	2,134
Special Assessments	6,051,384	—	6,051,384
Sanitary Landfill	424,428	—	424,428
Utility Fund	2,208,265	111,769	2,096,496
Nonmajor governmental funds	31,311	—	31,311
Internal Service Funds	4,163	—	4,163
Nonmajor enterprise funds	—	—	—
Agency Funds		—	—
Total Primary Government	<u>\$ 9,031,013</u>	<u>\$ 111,769</u>	<u>\$ 8,919,244</u>
Component Unit:			
Emergency medical charges	\$ 2,886,488	\$ 1,468,402	\$ 1,418,086
Total Component Unit	<u>\$ 2,886,488</u>	<u>\$ 1,468,402</u>	<u>\$ 1,418,086</u>

CITRUS COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2016

NOTE 4: INTERFUND TRANSACTIONS

Due to/Due from Other Funds

Interfund receivables and payables generally represent recurring activities between funds, as well as temporary deficit cash balances.

In the interfund payables, \$814,866 in the Special Assessments and \$165,140 in the General fund, represent advances from the Sanitary Landfill and Public Utilities which will be paid back in annual installments each year until September 30, 2022, when the final payments will be made.

Individual interfund receivable and payable balances, all of which are expected to be repaid within one year and are recurring in nature, were as follows:

	Interfund Receivable	Interfund Payable
Governmental funds:		
General Fund	\$ 3,847,143	\$ 183,148
SHIP Grant	—	—
Special Assessments	70,098	908,135
Non-major governmental funds:		
Grants in Aid	—	1,312,147
Other Special Revenue	—	9,992
Sheriff Special Revenue	—	292,516
County Road 491 Widening	—	554,229
2010 Bonds	—	1,592,132
Total governmental funds	3,917,241	4,852,299
Business funds:		
Sanitary Landfill	636,724	—
Public Utilities	343,282	—
	980,006	—
Agency Funds	13,938	58,886
Total Due To/Due From Other Funds	\$ 4,911,185	\$ 4,911,185

CITRUS COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2016

NOTE 4: INTERFUND TRANSACTIONS (CONTINUED)

Interfund Transfers

Individual interfund transfers were as follows:

	Transfers In	Transfers Out
Governmental activities:		
General Fund	\$ 5,193,619	\$ 5,952,928
Transportation Trust	1,664,200	4,940,774
Special Assessments	—	338,594
Nonmajor governmental funds:		
Impact Fees Fund	—	238,972
Grants in Aid	1,480,295	332,241
County Libraries	25,000	345,570
Municipal Service Taxing District	40,365	43,334
Other Special Revenue	24,188	84,710
Special Lighting District	—	25,337
Supervisor of Elections Grants	2,447	—
Fire Special Taxing District	—	238,538
Courts Special Revenue	318,472	247,032
Debt Service Funds	3,933,489	—
Capital Projects Funds	—	—
Total governmental funds	12,682,075	12,788,030
Business-type activities:		
Sanitary Landfill	351,800	919,948
Public Utilities	590,708	1,889,358
Nonmajor enterprise funds:		
Building Inspection	6,300	376,130
Citrus Information Cooperative	150,000	—
Total business-type funds	1,098,808	3,185,436
Internal Service Funds	2,255,307	62,724
Total Transfers In / Transfers Out	\$ 16,036,190	\$ 16,036,190

Transfers between funds are primarily to move unrestricted revenues collected in funds to finance various programs accounted for in other funds in accordance with budgetary authorizations.

CITRUS COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2016

NOTE 5: CAPITAL ASSETS

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

PRIMARY GOVERNMENT

	Beginning Balance	Increases	Decreases	Ending Balance
<u>Governmental activities:</u>				
Capital assets, not being depreciated:				
Land	\$ 227,034,524	\$ 746,088	\$ 49,825	\$ 227,730,787
Construction in Progress	8,017,191	1,427,929	6,306,396	3,138,724
Total capital assets, not being depreciated	235,051,715	2,174,017	6,356,221	230,869,511
Capital assets, being depreciated:				
Buildings	126,621,578	264,576	297,955	126,588,199
Infrastructure	510,607,215	10,913,336	2,697	521,517,854
Machinery and Equipment	79,746,485	5,739,269	9,828,030	75,657,724
Intangible Assets - Software	2,541,943	86,621	—	2,628,564
Total capital assets being depreciated	719,517,221	17,003,802	10,128,682	726,392,341
Less accumulated depreciation for:				
Buildings	34,293,762	2,883,785	5,852	37,171,695
Infrastructure	169,766,174	11,034,565	—	180,800,739
Machinery and Equipment	52,133,110	4,735,983	6,378,993	50,490,100
Intangible Assets - Software	1,101,157	165,987	—	1,267,144
Total accumulated depreciation	257,294,203	18,820,320	6,384,845	269,729,678
Total capital assets being depreciated, net	462,223,018	(1,816,518)	3,743,837	456,662,663
Governmental activities capital assets, net	\$ 697,274,733	\$ 357,499	\$ 10,100,058	\$ 687,532,174

CITRUS COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2016

NOTE 5: CAPITAL ASSETS (CONTINUED)

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 2,803,817	\$ 515,499	\$ —	\$ 3,319,316
Construction in Progress	6,406,876	1,860,930	3,968,613	4,299,193
Total capital assets, not being depreciated	9,210,693	2,376,429	3,968,613	7,618,509
Capital assets, being depreciated:				
Buildings	3,246,018	34,651		3,280,669
Infrastructure	145,718,426	4,595,595	52,245	150,261,776
Machinery and Equipment	8,849,907	1,490,263	1,692,626	8,647,544
Total capital assets being depreciated	157,814,351	6,120,509	1,744,871	162,189,989
Less accumulated depreciation for:				
Buildings	1,233,550	90,648	—	1,324,198
Infrastructure	56,840,625	4,896,311	28,844	61,708,092
Machinery and Equipment	5,849,216	840,023	1,187,794	5,501,445
Total accumulated depreciation	63,923,391	5,826,982	1,216,638	68,533,735
Total capital assets, being depreciated, net	93,890,960	293,527	528,233	93,656,254
Business-type activities capital assets, net	\$ 103,101,653	\$ 2,669,956	\$ 4,496,846	\$ 101,274,763

Depreciation expense was charged to functions, as follows:

Governmental activities:		Business-type activities:	
General Government	\$ 1,242,274	General Government	\$ 13,574
Public Safety	4,320,583	Public Safety	4,954
Physical Environment	88,824	Physical Environment	5,808,454
Transportation	11,314,098	Total depreciation/amortization for business-type activities	\$ 5,826,982
Economic Environment	21,438		
Human Services	854,039		
Culture and Recreation	979,064		
Total depreciation/amortization for governmental activities	\$ 18,820,320		

CITRUS COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2016

NOTE 5: CAPITAL ASSETS (CONTINUED)

COMPONENT UNIT

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

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 441,583	\$ —	\$ —	\$ 441,583
Total capital assets, not being depreciated	441,583	—	—	441,583
Capital assets, being depreciated:				
Buildings	\$ 2,666,640	\$ —	\$ —	\$ 2,666,640
Machinery and Equipment	4,562,062	291,400	—	4,853,462
Less accumulated depreciation	(3,537,483)	(445,074)	—	(3,982,557)
Capital assets, being depreciated:	3,691,219	(153,674)	—	3,537,545
Capital assets, net	\$ 4,132,802	\$ (153,674)	\$ —	\$ 3,979,128

NOTE 6: EMPLOYEE RETIREMENT SYSTEM

The County's employees participate in the Florida Retirement System ("FRS"), a multiple-employer, cost-sharing, retirement system, administered by the Florida Department of Management Services. The County's employees have the option of choosing between either a Defined Contribution plan or a Defined Benefit plan. As a general rule, membership in the FRS is compulsory for all employees working in a regularly established position for a state agency, county government, district school board, state university, community college, or a participating city or special district within the State of Florida. Contribution rates are established statewide for all participating governmental units. Accordingly, the actuarial information and related disclosures attributable to the County's employees are not determinable.

The System provides for vesting of benefits based upon date of hire. Employees hired before July 1, 2012, are vested after 6 years of creditable service. For those hired on or after July 1, 2012, vesting of benefits occurs after the completion of 8 years of creditable service. The normal retirement date has also changed depending on hire date. Normal retirement benefits are available for employees hired before July 1, 2012, who retire at or after age 62 with 6 years of service, or with 30 years, if under age 62. For employees hired on or after July 1, 2012, normal retirement benefits are available at age 65 with 8 years of service or after 33 years, if under age 65. Early retirement is available for those vested with a 5% reduction of benefits for each year prior to the normal retirement age.

Retirement benefits are based upon age, average compensation and years-of-service credit. Average compensation is computed as the average of an individual's 5 highest years of earnings for employees hired before July 1, 2012, or 8 highest years of earnings for employees hired on or after July 1, 2012. The System

CITRUS COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2016

NOTE 6: EMPLOYEE RETIREMENT SYSTEM (CONTINUED)

also provides death and disability benefits. Benefits are established by Chapter 121, Florida Statutes, and Chapter 22B, Florida Administrative Code.

DROP is a program that provides an alternative method for payment of retirement benefits for a specified and limited period for members of the System, effective July 1, 1998. Under this program, the employee may retire and have their benefits accumulate in the Florida Retirement System Trust Fund, earning interest, while continuing to work for a System employer. The participation in the program does not change conditions of employment. When the DROP period ends (maximum of 60 months), employment must be terminated. At that time, the employee will receive payment of the accumulated DROP benefits and begin receiving their monthly retirement benefit (in the same amount determined at retirement, plus annual cost-of-living increases).

The System publishes an unaudited annual report that provides ten-year historical trend information about progress made in accumulating sufficient assets to pay benefits when due. This report may be obtained by writing to Division of Retirement, Research, Education, and Policy Section, 2639 North Monroe Street, Building C, Tallahassee, Florida 32399-1560, or by calling (850) 488-5706, or by accessing their Internet site at www.frs.state.fl.us/frs/public/pub.htm.

The County is required to contribute an actuarially determined rate. The current rate is 7.37% of covered payroll for regular employees, 12.28% for DROP employees, 21.14% for senior management, 19.82% for special risk employees and 43.24% for County elected officers. The contribution requirements of the County are established and may be amended by the State of Florida. The County's contributions to the plan for the years ended September 30, 2016, 2015, and 2014, were \$6,243,797, \$5,863,221, and \$5,322,106, respectively, equal to the required contributions for each year.

Effective July 1, 2012, all FRS members, excluding DROP members and re-employed retirees are required to contribute 3% of their salary to the System on a pre-tax basis. Employee withholdings for this purpose amounted to \$1,389,929, \$1,301,323, and \$1,252,774, for the fiscal years ended September 30, 2016, 2015, and 2014, respectively, which were equal to the required contribution for each fiscal year.

Basis of Accounting - Employers participating in the FRS Pension Plan and HIS Program are required to report pension information in their financial statements for fiscal periods beginning on or after October 1, 2014, in accordance with GASB 68. The Schedules of Employer Allocations and Schedules of Pension Amounts by Employer (pension allocation schedules) and notes to the schedules, along with the FRS CAFR, provide employers with the required information for reporting. The underlying information used to prepare the pension allocation schedules is based on the system's records which were audited for the fiscal years ended June 2015, and 2016, as well as the related notes, by the State of Florida Auditor General.

Employer Contributions - Contributions are recognized as revenue when due, pursuant to statutory and contractual requirements. Employee contributions required pursuant to section 121.71(3), Florida Statutes, are accounted for by the FRS as employer-paid employee contributions and are treated as employer contributions under 26 U.S.C. s. 414(h)(2) allowing these contributions to be deducted on a pre-tax basis. Pension expense reported in the pension allocation schedules is reduced by these amounts.

Total employer contributions are determined on a uniform basis (blended rate) as required by Part III of Chapter 121, Florida Statutes. Employer contributions reflected in the financial statements and in the

CITRUS COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2016

NOTE 6: EMPLOYEE RETIREMENT SYSTEM (CONTINUED)

pension allocation schedules for the defined benefit plans represent contributions specific to each defined benefit plan and do not equal total blended contributions remitted by the employer.

Use of Estimates - The preparation of these schedules, and the associated financial statements, requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, deferred inflows of resources and changes therein, including appropriate disclosures at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Net Pension Liability of Employers

Net Pension Liability

The components of the collective net pension liability of the County for the measurement date of June 30, 2016, are shown below:

	FRS	HIS
Total Pension Liability (A)	\$ 339,942,344	\$ 18,224,633
Fiduciary Net Position (B)	288,553,255	176,323
Net Pension Liability (A-B)	<u>\$ 51,389,089</u>	<u>\$ 18,048,310</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (B/A)	84.88%	0.97%

The total pension liability for FRS and HIS plans were determined by the plans' actuary and reported in the plans' valuations dated July 1, 2016 and July 1, 2015, respectively. The fiduciary net position used by the actuary to determine the net pension liability (as shown above) was determined on the same basis used by the plan. Each plan's fiduciary net position is reported in the financial statements and the net pension liability is disclosed in the notes to the financial statements. Update procedures were not used.

Basis for Allocation

The employer's proportionate share reported in the pension allocation schedules was calculated using accrued retirement contributions related to the reporting periods included in the system's fiscal years ending June 30, 2013, 2014, 2015 and 2016, respectively, for employers that were members of the FRS and HIS during those fiscal years. For fiscal years 2015 and 2016, in addition to contributions from employers, the required accrued contributions for the division (paid on behalf of the division's employees who administer the plans) were allocated to each employer on a proportional basis. The division administers the plans, and therefore, cannot allocate a portion of the liability to itself. Although GASB 68 encourages the use of the employers' projected long-term contribution effort to the retirement plan, allocating on the basis of historical employer contributions is acceptable. The aggregate employer contribution amounts for each fiscal year agree to the employer contribution amounts reported in the system's CAFR for that fiscal year.

The proportion calculated based on contributions for each of the fiscal years presented in the pension allocation schedules was applied to the net pension liability and other pension amounts applicable to that fiscal year to determine each employer's proportionate share of the liability, deferred outflows of resources,

CITRUS COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2016

NOTE 6: EMPLOYEE RETIREMENT SYSTEM (CONTINUED)

deferred inflows of resources and associated pension expense. For the purposes of the pension allocation schedules, pension amounts are allocated to reporting employers. The pension amounts of participating employers whose payrolls are reported and contributions are remitted by another entity are included in the reporting employer's amounts and will be allocated to the participating employer by the reporting employer.

Actuarial Methods and Assumptions

Actuarial assumptions for both cost-sharing defined benefit plans are reviewed annually by the Florida Retirement System Actuarial Assumptions Conference. The FRS Pension Plan has a valuation performed annually. The HIS Program has a valuation performed biennially that is updated for GASB reporting in the year a valuation is not performed. The most recent experience study for the FRS Pension Plan was completed in 2014 for the period July 1, 2008, through June 30, 2013. Because the HIS Program is funded on a pay-as-you-go basis, no experience study has been completed for that program. The actuarial assumptions that determined the total pension liability for the HIS Program were based on certain results of the most recent experience study for the FRS Pension Plan.

The total pension liability for each cost-sharing defined benefit plan was determined using the individual entry age actuarial cost method. Inflation increases for both plans is assumed at 2.60%. Payroll growth, including inflation, for both plans is assumed at 3.25%. Both the discount rate and the long-term expected rate of return used for FRS Pension Plan investments is 7.60%. The 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 discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

Because the HIS Program uses a pay-as-you-go funding structure, a municipal bond rate of 2.85% was used to determine the total pension liability for the program (Bond Buyer General Obligation 20-Bond Municipal Bond Index). Mortality assumptions for both plans were based on the Generational RP-2000 with Projection Scale BB tables (refer to the valuation reports for more information – see Note 5).

The following changes in actuarial assumptions occurred in 2016:

- FRS: The long-term expected rate of return was decreased from 7.65% to 7.60%, and the active member mortality assumption was updated.
- HIS: The municipal rate used to determine total pension liability was decreased from 3.80% to 2.85%.

Sensitivity Analysis

The following tables demonstrate the sensitivity of the net pension liability to changes in the discount rate. The sensitivity analysis shows the impact to the collective net pension liability of the participating employers if the discount rate was 1.00% higher or 1.00% lower than the current discount rate at June 30, 2016.

County's Share of FRS Pension Plan NPL		
1% Decrease	Current Discount Rate	1% Increase
6.60%	7.60%	8.60%
\$ 94,610,792	\$ 51,389,089	\$ 15,412,729

County's Share of HIS Plan NPL		
1% Decrease	Current Discount Rate	1% Increase
1.85%	2.85%	3.85%
\$ 20,705,512	\$ 18,048,310	\$ 15,842,978

CITRUS COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2016

NOTE 6: EMPLOYEE RETIREMENT SYSTEM (CONTINUED)

As of June 30, 2016 and June 30, 2015, the County's portion of the collective net pension liability for FRS was \$51,389,089 and \$25,028,072, respectively; the proportion of the collective net pension liability was 0.203520512% and 0.193770599%, respectively; and the net change in proportion since the prior measurement date was \$26,361,017. The County's portion of the collective net pension liability for HIS was 18,048,310 and \$15,533,887, respectively; the proportion of the collective net pension liability was 0.1548602% and 0.152316503%, respectively; and the net change in proportion since the prior measurement date was \$2,514,423.

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

In accordance with GASB 68, paragraph 71, changes in the net pension liability are recognized in pension expenses in the current measurement period, except as indicated below. For each of the following, a portion is recognized in pension expense in the current measurement periods, and the balance is amortized as deferred outflows or deferred inflows of resources using a systematic and rational method over a closed period, as defined below:

- Differences between expected and actual experience with regard to economic and demographic factors - amortized over the average expected remaining service life of all employees that are provided with pensions through the pension plan (active and inactive employees)
- Changes of assumptions or other inputs - amortized over the average expected remaining service life of all employees that are provided with pensions through the pension plan (active and inactive employees)
- Differences between expected and actual earnings on pension plan investments - amortized over five years

As of September 30, 2016, the County reported a net pension liability of \$69,437,399, corresponding to its proportionate share of the collective net pension liability of FRS and HIS. The net pension liability was measured as of June 30, 2016, based on the total pension liability calculated on an actuarial valuation as of that date. As of the June 30, 2016 measurement date the County's proportion of the net collective pension liability for FRS and HIS was 0.188153450%. As of the prior measurement date the County's proportion was 0.17548071%.

The contributions to the pension plans from employers are not included in collective pension expense. The average expected remaining service life of all employees provided with pensions through the pension plans at June 30, 2016, was 6.4 years for FRS and 7.2 years for HIS. The components of collective pension expense reported in the pension allocation schedules for the fiscal year ended June 30, 2015, are presented below for each plan.

CITRUS COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2016

NOTE 6: EMPLOYEE RETIREMENT SYSTEM (CONTINUED)

<u>Florida Retirement System</u>	Deferred Outflows of Resources	Deferred Inflows of Resources	Amortized Amount
Differences between expected and actual results	\$ 3,934,744	\$ (478,467)	
Changes in assumptions	3,108,886	—	
Net difference between projected and actual earnings on pension plan investments	23,640,882	(10,357,430)	
County Contributions subsequent to measurement date	1,445,181	—	
	32,129,693	(10,835,897)	
Changes in proportion and differences between County contributions and proportionate share of contributions	2,702,231	(2,424,767)	(51,516)
Total	<u>\$ 34,831,924</u>	<u>\$ (13,260,664)</u>	<u>\$ (51,516)</u>

Health Insurance Subsidy

Differences between expected and actual results	\$ —	\$ (41,108)	
Changes in assumptions	2,832,239	—	
Net difference between projected and actual earnings on pension plan investments	9,126	—	
County Contributions subsequent to measurement date	214,600		
	3,055,965	(41,108)	
Changes in proportion and differences between County contributions and proportionate share of contributions	314,711	(305,699)	(244,967)
Total	<u>\$ 3,370,676</u>	<u>\$ (346,807)</u>	<u>\$ (244,967)</u>

Deferred outflows of resources related to employer contributions paid subsequent to the measurement date and prior to the employer's fiscal year end will be recognized as a reduction of the net pension liability in the reporting period ending September 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension expense will be recognized as follows:

Reporting Period Ending September 30,	FRS Expense	HIS Expense
2017	\$ 2,772,268	\$ 501,431
2018	2,772,268	501,431
2019	8,023,375	499,693
2020	5,491,136	498,859
2021	807,675	431,588
Thereafter	259,357	376,267
Totals	<u>\$ 20,126,079</u>	<u>\$ 2,809,269</u>

CITRUS COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2016

NOTE 6: EMPLOYEE RETIREMENT SYSTEM (CONTINUED)

The Pension Plan (FRS) and the Health Insurance Subsidy Plan are allocated to the Board and Constitutional Officers as follows:

	FRS	HIS
Clerk of the Circuit Court & Comptroller	\$ 3,102,521	\$ 1,424,131
Board of County Commissioners & Supervisor of Elections*	12,744,262	7,321,552
Property Appraiser	1,562,705	798,894
Tax Collector	1,687,278	824,235
Sheriff	32,292,323	7,679,498
	<u>\$ 51,389,089</u>	<u>\$ 18,048,310</u>

*The Supervisor of Elections is reported under the same agency code as the Board.

NOTE 7: OTHER POSTEMPLOYMENT BENEFITS

Plan Description

The Postemployment Health Care, Dental and Life Benefits Plans are single-employer defined benefit plan administered by the County's Office. Pursuant to the provisions of Section 112.0801, Florida Statutes, former employees and eligible dependents who retire from the County's Office may continue to participate in 2 different self-funded health and hospitalization plans for medical and prescription drug coverage.

The County subsidizes the premium rates paid by retirees by allowing them to participate in the plans at reduced or blended group (implicitly subsidized) premium rates for both active and retired employees. These rates provide an implicit subsidy for retirees because, on an actuarial basis, their current and future claims are expected to result in higher costs to the plan on average than those of active employees. The plan does not pay benefits already paid by Medicare or if the retiree elects not to participate in Medicare Parts A and B, the hypothetical amount that Medicare would have paid.

A retiree may also participate in a life insurance program that provides \$20,000 coverage prior to age 70, \$13,000 at age 70, \$10,000 at age 75 at a cost of \$1.26 per \$1,000 per year. Retirees from the Sheriff's Department may also participate in a life insurance program that provides \$15,000 coverage prior to age 65, \$7,500 after age 65 at a cost of \$3.60 per \$1,000 per year.

In addition, retirees from the Tax Collector's office receive an explicit subsidy in the amount of half the premium on health, life and dental for 36 months following retirement.

Funding Policy

For the Postemployment Health Care Benefits Plan, contribution requirements of the County are established and may be amended through the County. The County has not advance-funded or established a funding methodology for the annual Other Postemployment Benefit (OPEB) costs or the net OPEB obligation. As of October 1, 2016 there were 307 retirees and 75 eligible dependent receiving postemployment health care benefits. For the 2015-16 fiscal year, the County provided required contributions of \$496,596 toward annual OPEB costs, comprised of benefit payments made on behalf of retirees for claims expenses (net of

CITRUS COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2016

NOTE 7: OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

reinsurance), administrative expenses, stop loss, and net of retiree contributions totaling \$606,191. Required contributions are based on projected pay-as-you-go financing.

Annual OPEB Cost and Net OPEB Obligation

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation as of September 30, 2016, was as follows:

Fiscal Year	AOC	Contribution	Percent of AOC Contributed	NOO
2012	\$ 798,583	\$ 679,800	85%	\$ 847,673
2013	848,601	1,019,974	120%	676,299
2014	892,470	606,693	68%	962,077
2015	948,990	635,338	67%	1,275,729
2016	823,882	496,596	60%	1,603,015

The following table shows the County's annual OPEB cost for the year ended September 30, 2016, the amount actually contributed to the plan, and changes in the County's net OPEB obligation:

Normal Cost	\$ 404,163
Amortization of Unfunded Accrued Liability	382,775
Interest	31,477
Annual Required Contribution	\$ 818,415
Interest on Net OPEB Obligation (NOO)	51,029
Amortization of NOO	(45,562)
Total Expense or Annual OPEB Cost (AOC)	\$ 823,882
Actual Credit/(Contribution) Toward OPEB Cost	(496,596)
Increase (Decrease) in NOO	\$ 327,286
NOO Beginning of Year	1,275,729
NOO End of Year	\$ 1,603,015

Funded Status and Funding Progress

As of September 30, 2016, the actuarial accrued liability for benefits was \$8,726,175, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability of \$8,726,175. The covered payroll (annual payroll for active participating employees) was \$52,839,110 for the 2015-16 fiscal year, and the ratio of the unfunded actuarial accrued liability to the covered payroll was 16.5%.

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 and termination, mortality, and the healthcare cost trends. 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. Projections of benefits for financial reporting purposes are based on the substantive plan

CITRUS COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2016

NOTE 7: OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

provisions, as understood by the employer and participating members, and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and participating members. The 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, consistent with the long-term perspective of the calculations.

For the 2015-16 fiscal year the County's OPEB actuarial valuation used the entry age normal cost actuarial method to estimate the unfunded actuarial liability and to determine the annual required contribution. Because the OPEB liability is currently unfunded, the actuarial assumptions included a 4.0 percent rate of return on invested assets, which is the County's long-term expectation of investment returns under its investment policy. The actuarial assumptions also included a payroll growth rate of 3.5 percent per year, and an annual healthcare cost trend rate of 7.50 percent pre Medicare and 8.50 percent post Medicare initially (5.50 percent of dental) for the 2016-17 fiscal year, grading down to an ultimate rate of 5.00 percent (5.00 percent of dental) for the fiscal year ending September 30, 2026. The unfunded actuarial accrued liability and gains/losses are being amortized as a level percentage of projected payroll on a closed basis over 30 years.

The net OPEB obligation is allocated to the Board and Constitutional Officers as follows:

Clerk of the Circuit Court & Comptroller	\$	79,750
Board of County Commissioners		450,198
Supervisor of Elections		7,718
Property Appraiser		40,304
Tax Collector		48,879
Sheriff		976,166
	\$	<u>1,603,015</u>

NOTE 8: DEFERRED OUTFLOWS AND INFLOWS

Deferred outflows and inflows as of the fiscal year-end as presented on the County's fund level and government-wide statements in the aggregate are as follows:

	Fund-Level Statements	Government-Wide Statements
Deferred Outflows:		
Deferred charge on refunding of bonds	\$ 2,140,282	\$ —
Deferred outflows for pensions	<u>2,418,325</u>	<u>38,202,597</u>
Total deferred outflows	<u>4,558,607</u>	<u>38,202,597</u>
Deferred Inflows:		
Deferred inflows for pensions	\$ 763,234	\$ 13,607,471
	<u>\$ 763,234</u>	<u>\$ 13,607,471</u>

CITRUS COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2016

NOTE 9: LONG-TERM LIABILITIES

The following is a summary of changes in long-term liabilities:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Revenue bonds payable	\$ 41,631,526	\$ 10,580,000	\$ 3,253,548	\$ 48,957,978	\$ 3,310,344
Less unamortized premium	21,622	397,976	33,028	386,570	—
Revenue bonds, net	41,653,148	—	3,286,576	49,344,548	3,310,344
Notes payable	10,631,220	—	825,823	9,805,397	743,041
Capital leases	6,228,957	—	750,711	5,478,246	527,276
Compensated absences	4,892,457	3,868,979	3,621,591	5,139,845	3,750,002
Net pension liability	37,312,413	27,301,667	—	64,614,080	—
Other post-empl benefits	1,198,108	317,978	—	1,516,086	—
Net long-term debt	\$ 101,916,303	\$ 31,488,624	\$ 8,484,701	\$ 135,898,202	\$ 8,330,663
Business-type Activities:					
Revenue bonds payable	\$ 44,165,000	\$ 44,485,000	\$ 44,165,000	\$ 44,485,000	\$ 415,000
Less unamortized costs:					
Bond premium (discount)	(231,008)	6,055,005	(170,939)	5,994,936	—
Bond insurance costs	(227,726)	—	(227,726)	—	—
Revenue bonds, net	43,706,266	50,540,005	43,766,335	50,479,936	415,000
Notes payable	1,571,290	—	180,408	1,390,882	104,774
Capital leases	—	675,048	55,991	619,057	73,675
Compensated absences	513,140	395,803	367,906	541,037	476,113
Net pension liability	3,249,546	1,573,773	—	4,823,319	—
Other post-empl benefits	77,621	9,308	—	86,929	—
Net long-term debt	\$ 49,117,863	\$ 53,193,937	\$ 44,370,640	\$ 57,941,160	\$ 1,069,562
Component Unit:					
Notes payable	\$ 1,875,198	\$ —	\$ 91,879	1,783,319	\$ 96,175
Capital leases	—	183,437	22,856	160,581	34,065
Compensated absences	248,387	56,450	—	304,837	123,694
Total	\$ 2,123,585	\$ 239,887	\$ 114,735	\$ 2,248,737	\$ 253,934

PRIMARY GOVERNMENT

For governmental funds, there is no legal requirement to accumulate expendable available financial resources to liquidate the obligation; thus expenditures are recognized in the governmental funds when payments are made to employees. The valuation of accrued leave benefits is calculated in accordance with generally accepted governmental accounting standards. The liability is typically liquidated with resources

CITRUS COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2016

NOTE 9: LONG-TERM LIABILITIES (CONTINUED)

of the same fund that has paid the applicable employee's regular salary and fringe benefits, which include the General Fund, Special Revenue Funds, Internal Service Funds and Enterprise Funds.

Governmental Activities

The following is a schedule of governmental activities notes payable, bonds payable and capital leases at September 30, 2016:

Purpose for Borrowing/Issue	Amount Issued	Amount Outstanding	Interest Rates
Notes:			
Special Assessment	\$ 5,000,000	\$ 3,035,000	3.36 - 4.28%
Energy Efficiency Upgrades	2,912,336	2,666,431	2.795%
Airport Hangar	93,885	18,631	5.49%
Central Ridge Park	750,000	110,335	3.89%
2014A Revenue Notes	2,000,000	1,930,000	3.47%
2014B Revenue Notes	824,000	750,000	2.35%
2014C Revenue Notes	1,334,000	1,295,000	5.05%
Total Governmental Activities Notes Payable		<u>9,805,397</u>	
Bonds:			
2004 Revenue Bonds - Capital Projects	8,000,000	4,245,978	3.73 - 5.54%
2001A Revenue Bonds - Refunding	4,445,000	1,295,000	4.55%
2001B Refunded - Refunding	7,000,000	1,945,000	4.45%
2011 Revenue Bonds	2,000,000	942,000	2.09%
2010 Revenue Bonds - Capital Projects	25,010,000	20,365,000	3%
Emergency Operations Center Construction	12,200,000	9,585,000	4.64%
2016 Revenue Bonds	10,580,000	10,580,000	Variable
		<u>48,957,978</u>	
Premium on Bonds Payable		<u>386,570</u>	
Total Governmental Activities Bonds Payable		<u>49,344,548</u>	
Capital Lease:			
Public Safety	6,200,000	<u>5,478,246</u>	3.58%
Total Governmental Activities Capital Leases		<u>5,478,246</u>	
Total Governmental Activities Debt		<u><u>\$64,628,191</u></u>	

CITRUS COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2016

NOTE 9: LONG-TERM LIABILITIES (CONTINUED)

The variable interest rate on the CR 486 Improvement note is based on 69% of the J. P. Morgan Chase Prime Rate, equating to a rate of 2.2425% for the County at the end of the fiscal year. The County has issued special assessment debt for road projects for which it is not obligated and acts only as an agent for the affected property owners.

The County issued \$10,580,000 in revenue bonds for road construction at a rate of 3.5%

Below is a summary of debt service requirements until maturity for the County's governmental activities notes and revenue bonds payable:

Fiscal Year	Notes Payable		Revenue Bonds Payable		Total
	Principal	Interest	Principal	Interest	
2017	\$ 743,041	\$ 357,147	\$ 3,310,344	\$ 2,262,684	\$ 6,673,216
2018	710,280	329,555	3,448,953	2,130,212	6,619,000
2019	717,877	303,357	3,573,414	2,206,976	6,801,624
2020	744,424	276,732	3,708,754	1,857,854	6,587,764
2021	777,991	248,517	2,712,060	1,718,591	5,457,159
2022-2026	3,445,347	797,033	14,454,453	6,360,460	25,057,293
2027-2031	1,769,437	333,072	14,370,000	2,532,713	19,005,222
2032-2036	897,000	76,168	3,380,000	302,538	4,655,706
Total	<u>\$ 9,805,397</u>	<u>\$ 2,721,581</u>	<u>\$ 48,957,978</u>	<u>\$ 19,372,028</u>	<u>\$ 80,856,984</u>

The County acquired an emergency radio system via capital lease financing. The future minimum lease obligations and the net present value of the minimum lease payments as of September 30, 2016, were as follows:

Fiscal Year	Lease Payment
2017	\$ 721,754
2018	702,371
2019	701,683
2020	700,971
2021	700,233
2022-2025	2,817,760
Total minimum lease payment	6,344,772
Less: amount representing interest	(866,526)
Present value of minimum lease payments	<u>\$ 5,478,246</u>

CITRUS COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2016

NOTE 9: LONG-TERM LIABILITIES (CONTINUED)

Business-type Activities

The following is a schedule of business-type activities notes and bonds payable at September 30, 2016:

Purpose for Borrowing/Issue	Amount Issued	Amount Outstanding	Interest Rates
Notes:			
State Revolving Loan	\$ 3,414,449	\$ 1,390,882	2.52%
Total Business-type Activities Notes Payable		1,390,882	
Bonds:			
Water & Wastewater Revenue Bonds			
Acquisition and Capital Projects	44,485,000	44,485,000	
Premium on Bonds Payable		5,994,936	
Total Business-type Activities Bonds Payable		50,479,936	
Total Business-type Activities Debt		<u>\$ 51,870,818</u>	

Below is a summary of debt service requirements until maturity for the County's business-type activities notes and revenue bonds payable:

Fiscal Year	Notes Payable		Revenue Bonds Payable		Total
	Principal	Interest	Principal	Interest	
2017	\$ 104,774	\$ 34,394	\$ 415,000	\$ 1,265,153	\$ 1,819,321
2108	107,431	31,737	1,425,000	1,747,094	3,311,262
2019	110,155	29,013	1,470,000	1,696,319	3,305,487
2020	112,949	26,220	1,525,000	1,636,419	3,300,588
2021	115,813	23,355	1,590,000	1,566,169	3,295,337
2022-2026	624,635	71,205	9,215,000	6,524,969	16,435,809
2027-2031	215,125	5,745	11,620,000	4,108,094	15,948,964
2032-2036	—	—	14,120,000	1,697,969	15,817,969
2037-2038	—	—	3,105,000	44,634	3,149,634
	<u>\$ 1,390,882</u>	<u>\$ 221,669</u>	<u>\$ 44,485,000</u>	<u>\$ 20,286,820</u>	<u>\$ 66,384,371</u>

CITRUS COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2016

NOTE 9: LONG-TERM LIABILITIES (CONTINUED)

The County's Solid Waste operation acquired three pieces of heavy equipment via capital lease financing during 2016. The future minimum lease obligations and the net present value of the minimum lease payments as of September 30, 2016, were as follows:

<u>Fiscal Year</u>	<u>Lease Payment</u>
2017	\$ 91,040
2018	91,040
2019	479,030
Total minimum lease payment	661,110
Less: amount representing interest	(42,055)
Present value of minimum lease payments	<u>\$ 619,055</u>

Defeased Debt

The County entered into an advance refunding of 2007 Series Utility Bonds to take advantage of favorable interest rates and achieve an economic savings of \$6.8 million. Funds sufficient to pay the principal and interest on the refunded bonds have been placed in an irrevocable escrow deposit fund, pledged solely for that purpose. As such, the 2007 bonds are deemed an in-substance defeasance and are no longer a liability on the Public Utilities' balance sheet.

NOTE 10: SELF-INSURANCE FUND

The County maintains a Self-Insurance Fund (an internal service fund) for its liability, property, workers' compensation and group health and dental coverage for the Board and all Constitutional Officers except the Sheriff. All general liability, automobile, and workers' compensation claims with respect to the Sheriff's Office are covered by the Florida Sheriff's Self-Insurance Fund, a risk management pool to which risk is transferred in exchange for annual premium payments. Such payments are accounted for as general fund expenditures.

CITRUS COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2016

NOTE 10: SELF-INSURANCE FUND (CONTINUED)

The following are the applicable deductibles and limits.

Type of Coverage	Deductible (each loss)	Limit
Property	\$25,000 except Flood, Wind & Earthquake (varies)	\$40,000,000 per occurrence
Boiler & Machinery	\$25,000	\$10,000,000 per occurrence
	24 hour Business Interruption	
Utility Property	\$50,000 except contractors equipment, flood & wind (varies)	\$56,409,953 per occurrence
Aviation Liability	\$0	\$3,000,000 per occurrence
General Liability	\$100,000 SIR	\$4,000,000 per occurrence
Excess Workers Compensation	\$350,000 SIR	WC: Statutory Employers Liability: \$1M/\$1M/\$1M
Auto Liability	\$100,000 SIR	\$4,000,000 per occurrence
Public Officials Liability	\$100,000 SIR	\$4,000,000 per occurrence/\$4,000,000 aggregate
Crime		
Employee Theft per Loss	\$10,000 Single Loss Retention	\$500,000 per loss
Forgery or Alteration	\$10,000 Single Loss Retention	\$200,000
On Premises	\$10,000 Single Loss Retention	\$150,000
In Transit	\$10,000 Single Loss Retention	\$150,000
Counterfeits	\$10,000 Single Loss Retention	\$500,000
Computer Fraud	\$10,000 Single Loss Retention	\$100,000
Funds Transfer Fraud	\$10,000 Single Loss Retention	\$100,000
Cyber Liability	\$50,000 Each Claim	\$1,000,000 Each Claim
Pollution Liability	\$100,000 Each Pollution Condition	\$2,000,000 per occurrence/\$2,000,000 aggregate
TULIP (Event Liability paid by user)	\$0	\$1,000,000
Flood	Various	Actual Cash Value/ 24 policies

As of September 30, 2016, the County established a liability to cover estimated unpaid claims of \$1,073,707 for all self-insurances. The unpaid claims liability is based on current estimates of claims settlement amounts for existing and future claims without discount based on the short-term claims settlement history of the County.

The County's dental insurance coverage is limited to \$1,250 per person per year. Any claims above this amount are not covered. Dental insurance reserve requirements were determined by an actuarial study at September 30, 2016, to be \$38,608. The County has accrued claims payable of this amount and has adequate cash reserves in the Self-Insurance Fund at September 30, 2016, to cover the reserve requirement.

CITRUS COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2016

NOTE 10: SELF-INSURANCE FUND (CONTINUED)

Health insurance reserve requirements were determined by an actuarial study at September 30, 2016, to be \$217,615. The County has accrued claims payable of this amount and has adequate cash reserves in the Self-Insurance Fund at September 30, 2016, to cover the reserve requirement.

Claims liabilities are based on an actuarial review of claims pending and past experience.

Summary of Changes in Claims Liabilities - September 30, 2016:

	Workers' Compensation	General Liability	Health/Dental Coverage	Total
Beginning of year liability	\$ 122,210	\$ 164,629	\$ 1,078,038	\$ 1,364,877
Incurring claims, including IBNR's	121,965	56,443	5,715,254	5,893,662
Payment on claims	(122,831)	(109,604)	(5,952,397)	(6,184,832)
End of year liability	<u>\$ 121,344</u>	<u>\$ 111,468</u>	<u>\$ 840,895</u>	<u>\$ 1,073,707</u>

Summary of Changes in Claims Liabilities - September 30, 2015:

	Workers' Compensation	General Liability	Health/Dental Coverage	Total
Beginning of year liability	\$ 482,362	\$ 332,915	\$ 1,550,948	\$ 2,366,225
Incurring claims, including IBNR's	78,722	99,569	5,106,102	5,284,393
Payment on claims	(438,874)	(267,855)	(5,579,012)	(6,285,741)
End of year liability	<u>\$ 122,210</u>	<u>\$ 164,629</u>	<u>\$ 1,078,038</u>	<u>\$ 1,364,877</u>

There has been no substantial reduction in coverage in the last three years.

CITRUS COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2016

NOTE 11: NET INVESTMENT IN CAPITAL ASSETS

The following is a reconciliation of net investment in capital assets:

	Governmental Activities	Business-type Activities
Capital Assets, Net of Depreciation	\$ 687,532,174	\$ 101,274,763
Calculation of Outstanding Principal of Related Debt		
Notes Payable	(9,805,397)	(1,390,882)
Unearned Connection Credits	—	(10,502,127)
Capital Leases	(5,478,346)	(619,057)
Bonds Payable, Net of Unamortized Premium/Discount	(49,344,548)	(50,479,936)
Total Debt Principal	(64,628,291)	(62,992,002)
Less:		
Asset-related Contract Receivable	—	3,243,070
Total Adjustments to Debt Principal	—	3,243,070
Outstanding Principal of Related Debt Net of Unamortized Costs	(64,628,291)	(66,235,072)
Net Investment in Capital Assets	\$ 622,903,883	\$ 35,039,691

Unearned connection credits include amounts credited to developers in exchange for cash or current or future capital assets. The deferred connection credits derived from capital asset transactions are included in the calculation of net investment in capital assets.

NOTE 12: RESTRICTED NET POSITION

Of the County's \$44,829,965 in restricted net position, \$22,769,962 is restricted by enabling legislation. This amount is comprised of impact fees, gas taxes, special assessments, lighting district assessments, MSBU and court-related funds.

NOTE 13: MAJOR REVENUE SOURCE

An electric utility company pays ad valorem taxes to the County which constitute approximately 17% of the County's total ad valorem tax revenue, equivalent to 9% of its total governmental funds revenue for the year ended September 30, 2016.

CITRUS COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2016

NOTE 14: UNEARNED REVENUE

It is the policy of the County to enter into impact fee credit agreements. Under these agreements, developers will receive future credits against impact fee charges for qualifying improvements paid for by the developer. The amount of a credit given is recorded as unearned impact fee revenue and expenditure at the time the improvements have been completed by the developer. The unearned impact fee revenue is recorded as impact fee revenue when the developer uses the credit to offset impact fees due. Unearned revenue under these arrangements as of September 30, 2016, was \$3,053,990.

In addition to the above, the County has also recorded unearned revenues reflecting unearned grant monies of \$58,040 utility connection fees of \$10,502,128, and billed but uncollected special assessment revenues in the amount of \$5,010,821.

NOTE 15: PLEDGED REVENUES

Citrus County has pledged certain revenues to repay certain bonds and notes outstanding as of September 30, 2016. The following table reports the type of revenue pledged for each issue as well as the current year revenue collected. Also included are the outstanding principal and interest of each issue as of September 30, 2016, the current year principal and interest paid, the estimated percentage of revenue pledged and the fiscal year of maturity. Available non-ad valorem pledged revenue does not include Half-cent Sales Tax, Communications Services Tax, State Revenue Sharing, and 1st Local Option Gas Tax. For the Business-type revenues, current year total revenue is net of related operating expenses (all operating expenses with the exception of depreciation).

CITRUS COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2016

		Pledged Revenue	Current Year Revenue	Outstanding Pledged Principal & Interest	Estimated Revenue Percentage Pledged	Current Year Principal & Interest Paid	Total Principal & Interest Paid	Maturity
Governmental Activities								
Revenue Bonds:								
2004 Revenue Bonds - Capital Projects	Half-cent Sales Tax		\$ 8,209,650	\$ 5,134,244	7.4%	\$ 604,029	\$ 6,946,387	2025
2001A Revenue Bonds - Refunding	Half-cent Sales Tax		8,209,650	1,624,717	4.3%	355,520	5,036,279	2020
2001B Refunded - Refunding	Half-cent Sales Tax		8,209,650	2,127,341	6.5%	533,394	7,992,369	2020
2010A Capital Improvements	Available Non-ad valorem		28,059,614	5,885,114	4.3%	1,211,352	6,313,204	2020
2010B Capital Improvements	Available Non-ad valorem		28,059,614	24,940,344	3.4%	943,502	5,571,902	2020
Emergency Operations Center	Communications Svcs Tax		1,709,044	12,923,919	54.4%	929,612	4,391,594	2029
2011 Guaranteed Entitlement Rev Bonds	State Revenue Sharing		3,644,105	991,743	6.8%	248,369	1,221,133	2020
2015 Revenue Bonds	Available Non-ad valorem		28,059,614	14,702,581	0.5%	149,493	149,493	2036
Revenue Notes:								
Central Ridge Park	Park Impact Fees		—	113,568	—%	90,608	792,516	2018
Electrical Upgrades	Available Non-ad valorem		28,059,614	3,257,013	0.8%	220,666	435,063	2028
Citrus Springs Waterlines	Special Assessments		629,869	3,658,806	72.4%	455,892	3,197,080	2024
2014A Revenue Notes	Half-cent Sales Tax		8,209,650	2,634,582	1.7%	138,186	174,043	2035
2014B Revenue Notes	Half-cent Sales Tax		8,209,650	831,919	1.1%	92,494	103,500	2025
2014C Revenue Notes	Half-cent Sales Tax		8,209,650	2,011,117	1.3%	105,382	140,188	2035
Capital Leases:								
Motorola Radio System	Available Non-ad valorem		28,059,614	6,169,013	2.6%	721,754	1,048,529	2025
Total Revenue Notes, Bonds and Leases - Governmental Activities				<u>\$ 87,006,021</u>		<u>\$ 6,800,253</u>	<u>\$ 43,513,280</u>	
Business-type Activities								
Revenue Bonds:								
Water & Wastewater Revenue Bonds	System Revenue		\$ 8,032,843	\$ 70,322,212	39.5%	\$ 3,172,856	\$ 24,377,077	2037
Revenue Notes:								
State Revolving Loan	System Revenue		8,032,843	1,751,721	1.7%	139,168	1,053,917	2029
State Revolving Loan	System Revenue		8,032,843	79,082	1.0%	79,091	869,900	2016
Capital Leases:								
Landfill Heavy Equipment	System Revenue		1,928,444	908,581	3.2%	61,915	—	
Total Revenue Notes and Bonds - Business-type Activities				<u>\$ 73,061,596</u>		<u>\$ 3,453,030</u>	<u>\$ 26,300,894</u>	

CITRUS COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2016

NOTE 16: LANDFILL CLOSURE AND POSTCLOSURE COSTS

Current regulations of the U.S. Environmental Protection Agency (EPA) and the Florida Department of Environmental Protection (FDEP) require that the County place a final cover on its landfill when closed and perform certain maintenance and monitoring functions at the site for thirty years after closure. The County periodically obtains updated and revised estimates of total future closure and postclosure costs from its consulting engineers. All amounts recognized are based on what it would cost to perform closure and postclosure functions in current dollars. Actual costs may be different due to inflation, changes in technology, or changes in laws and regulations.

Expenses associated with final closure and postclosure maintenance of landfill areas are recognized over the active life of those areas. These costs are recognized in each operating period based on the landfill capacity used as of each balance sheet date. The cumulative effect of updated and revised estimates of closure-related costs is recognized in the period of the change to the extent it relates to current and past operations. The total unrecognized closure and postclosure costs attributable to the currently active areas of the landfill are approximately \$4,694,690. The total recognized closure and postclosure costs to date are \$8,638,359. These costs will be recognized in future periods as the remaining capacity of approximately 1,823,829 cubic yards is filled. These landfill areas are expected to close in phases until the year 2029. As of September 30, 2016, the active landfill areas were filled to approximately 65% of capacity.

The County is required by FDEP to make annual contributions to a trust to finance closure and postclosure care. The County is in compliance with these requirements, and at September 30, 2016, investments of \$10,736,051 are held for these purposes, \$5,194,516 for Closure Costs (which includes \$11,500 for Waste Tire Closure) and \$5,541,535 for Long-Term Care. At September 30, 2016, those funds were held in the SBA, as allowed in the escrow agreement. These are reported as restricted assets for closure of the landfill on the balance sheet. The County expects future inflation costs will be paid from interest earnings on these annual contributions. However, if interest earnings are inadequate or additional postclosure care requirements are determined (due to changes in technology or applicable laws or regulations, for example), these costs may need to be covered by charges to future landfill users or from future tax revenue. Below is a summary of changes in the Closure/Long-Term Care investment account:

Closure/Long-Term Care Escrow	
Beginning Balance	\$ 10,661,280
10/1/15 Transfer from Operations	50,000
Investment Earnings	24,771
Ending Balance	<u>\$ 10,736,051</u>

CITRUS COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2016

NOTE 17: UNCONDITIONAL OBLIGATIONS

The County has entered into an agreement with Withlacoochee Regional Water Supply Authority (the "Authority") which calls for the Authority to build and provide for the operations of a water supply facility to provide a potable water supply to the County. The County will have the right to use as much water from this facility as it requires over a thirty-year period. In return, the County has agreed to the following unconditional payments to the Authority regardless of the quantity of water actually consumed:

Fiscal Year Ending	Components of Charges			Total
	Administrative	Facilities	Renewal and Replacement	
2017	\$ 60,000	\$ 163,587	\$ 197,945	\$ 421,532
2018	60,000	163,587	214,261	437,848
2019	60,000	163,587	231,924	455,511
2020	60,000	163,587	251,041	474,628
2021	60,000	163,587	271,748	495,335
2022-2026	—	212,500	—	212,500
	<u>\$ 300,000</u>	<u>\$ 1,030,435</u>	<u>\$ 1,166,919</u>	<u>\$ 2,497,354</u>

For the fiscal year ended September 30, 2016, the County incurred charges of \$406,457 for water purchased under this agreement.

Amounts due the Authority for the renewal and replacement component of the agreement are held by the County for the Authority and are restricted to renewal and replacement items associated with the Citrus Wellfield project owned by the Authority. The required payments representing the renewal and replacement charge are calculated based on an assumed rate of growth of 4%.

The charges to the County may be increased or decreased depending on the number of users and the earnings from investments of the renewal and replacement funds.

NOTE 18: COMMITMENTS AND CONTINGENT LIABILITIES

System Capacity - It has been the policy of the County to accept certain water and wastewater systems from developers. The fair market value of those systems has been recorded as an asset and as revenue. Under such arrangements, the County has committed itself to reserving sufficient capacity in each appropriate utility system to allow the developer a predetermined number of connections. As of September 30, 2016, the water and wastewater facilities operated by the County had enough reserve capacity to meet such commitments.

Commitments Under Construction Contracts - At September 30, 2016, the County had outstanding construction contracts for various projects totaling \$10,118,812 with costs to complete of approximately \$2,680,894.

CITRUS COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2016

NOTE 18: COMMITMENTS AND CONTINGENT LIABILITIES (CONTINUED)

The CIC has a multi-year contract for aerial photography, software maintenance and data licenses with a future payment next year of \$293,096. The following two (2) years will be \$293,096 each and an annual fee of \$82,498 for the years four and five, totaling \$1,044,284.

The County participates in certain federal and state assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. Any liability for reimbursement which may arise as the result of these audits is not believed to be material.

The County contracts with Corrections Corporation of America (CCA) to operate the detention facility. Per the terms of the contract and subsequent amendments, CCA constructed two expansions to the detention facility totaling \$19.5 million. The contract stipulates that, in the event the County terminates or allows the contract to expire, the County will purchase those expansions at an amortized construction cost. The current contract period ends September 30, 2020. Should the County and CCA fail to negotiate an extension to the contract the County will be required to pay approximately \$11,000,000 to purchase those expansions.

Various claims and lawsuits are pending against the County. In the opinion of management and after consultation with legal counsel, allowances were made for all claims which have a material effect on the County's financial position. Construction commitments are discussed in Note 17.

Encumbrances outstanding as of September 30, 2016, totaled \$6,524,610. A detailed breakdown is reflected below:

Major Governmental Funds	
General Fund	\$ 291,784
County Transportation Trust	1,113,366
Special Assessments	24,737
TOTAL MAJOR FUNDS	1,429,887
Nonmajor Governmental funds	3,014,098
TOTAL GOVERNMENTAL FUNDS	4,443,985
Enterprise Funds	
Landfill	195,256
Utilities	1,539,198
TOTAL ENTERPRISE FUNDS	1,734,454
Internal Service Fund	346,171
TOTAL ALL FUNDS	<u><u>\$ 6,524,610</u></u>

CITRUS COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2016

NOTE 19: FUND BALANCE CLASSIFICATIONS

Fund balances are presented in the following categories: nonspendable, restricted, committed, assigned and unassigned (see Note 1 for a description of these categories).

The County's Fund Balance Policy establishes a cash reserve range of 8% to 17% of the general fund's total budgeted operating expenditures, which is reflected in the unassigned fund balance.

As of September 30, 2016, the County had fund balance classifications, as follows:

	General Fund	County Transportation Trust	SHIP Grant	HUD Section 8	Special Assessments	Nonmajor Govtl Funds	Total Govtl Funds
Nonspendable:							
Inventory	\$ 268,874	\$ —	\$ —	\$ —	\$ —	\$ 85,079	\$ 353,953
Prepays/Deposits	314,711	65,885	1,764	104,077	—	26,010	512,447
Total nonspendable	583,585	65,885	1,764	104,077	—	111,089	866,400
Restricted for:							
Health Department	160,450	—	—	—	—	—	160,450
Federal and State grants	—	—	—	153,594	—	2,372,832	2,526,426
Debt service	—	—	—	—	—	53,310	53,310
Road Projects	—	21,112,036	—	—	—	2,517,706	23,629,742
Impact fees	—	—	—	—	—	—	—
Special assessments	—	—	—	—	3,917,109	—	3,917,109
Other transportation projects	—	—	—	—	—	412,781	412,781
Library	—	—	—	—	—	729,691	729,691
Court programs	—	—	—	—	—	907,460	907,460
Public safety - Sheriff	—	—	—	—	—	638,988	638,988
Public safety - Fire	—	—	—	—	—	2,100,371	2,100,371
Street lighting districts	—	—	—	—	—	465,716	465,716
Water & wastewater	—	—	—	—	—	—	—
Other purposes	—	—	—	—	—	2,909,744	2,909,744
Total restricted	160,450	21,112,036	—	153,594	3,917,109	13,108,599	38,451,788
Committed for:							
Total committed	—	—	—	—	—	—	—
Assigned for:							
Lake Restoration	304,920	—	—	—	—	—	304,920
Water quality projects	—	—	—	—	—	—	—
Water/wastewater infrastructure match	660,192	—	—	—	—	—	660,192
Building repairs	—	—	—	—	—	—	—
2017 Operations	11,572,672	—	—	—	—	—	11,572,672
Total assigned	12,537,784	—	—	—	—	—	12,537,784
Unassigned fund balance	10,944,024	—	(1,354)	—	—	(464,858)	10,477,812
Total fund balances	\$ 24,225,843	\$ 21,177,921	\$ 410	\$ 257,671	\$ 3,917,109	\$ 12,754,830	\$ 62,333,784

**REQUIRED SUPPLEMENTARY INFORMATION
OTHER THAN MANAGEMENT'S DISCUSSION & ANALYSIS**



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CITRUS COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS
OTHER POSTEMPLOYMENT BENEFITS PLAN

Actuarial Valuation Date	Actuarial Value of Plan Assets (A)	Actuarial Accrued Liability (AAL) Projected Unit Credit (B)	Unfunded AAL (UAA) (B-A)	Funded Ratio (A/B)	Covered Payroll	Unfunded as a Percent of Covered Payroll
9/30/2012	\$ —	\$ 7,201,588	\$ 7,201,588	0%	\$ 47,140,150	15.3%
9/30/2013	—	7,723,746	7,723,746	0%	45,191,208	17.1%
9/30/2014	—	8,247,331	8,247,331	0%	45,448,413	18.1%
9/30/2015	—	8,497,253	8,497,253	0%	45,752,492	18.6%
9/30/2016	—	8,726,175	8,726,175	0%	52,839,110	16.5%

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

CITRUS COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
FLORIDA RETIREMENT SYSTEM

Last 10 Fiscal Years

	<u>2016</u>	<u>2015</u>	<u>2014</u>
County's proportion of the net pension liability (asset)	0.203521%	0.193771%	0.193899%
County's proportionate share of the net pension liability (asset)	\$ 51,389,089	\$ 25,028,072	\$ 11,830,675
County's covered-employee payroll	\$ 48,885,539	\$ 46,910,319	\$ 45,690,944
County's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	105.12%	53.35%	25.89%
Plan fiduciary net position as a percentage of the total pension liability	84.88%	92.00%	96.09%

* The amounts presented for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year. Only three of the required ten years are presented as GASB 68 was effective for Citrus County for the year ended September 30, 2015.

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

CITRUS COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF NET PENSION LIABILITY
FLORIDA RETIREMENT SYSTEM HEALTH INSURANCE SUBSIDY PROGRAM

Last 10 Fiscal Years

	2016	2015	2014
County's proportion of the net pension liability (asset)	0.154860%	0.152317%	0.151826%
County's proportionate share of the net pension liability (asset)	\$ 18,048,310	\$ 15,533,887	\$ 14,196,072
County's covered-employee payroll	\$ 48,885,539	\$ 46,910,319	\$ 45,690,944
County's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	36.92%	33.11%	31.07%
Plan fiduciary net position as a percentage of the total pension liability	0.97%	0.50%	0.99%

* The amounts presented for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year. Only three of the required ten years are presented as GASB 68 was effective for Citrus County for the year ended September 30, 2015.

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

CITRUS COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE COUNTY'S CONTRIBUTIONS
FLORIDA RETIREMENT SYSTEM

Last 10 Fiscal Years

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 6,780,552	\$ 5,272,151	\$ 4,746,400
Contributions in relation to the contractually required contribution	<u>(6,780,552)</u>	<u>\$ (5,272,151)</u>	<u>\$ (4,746,400)</u>
Contribution deficiency (excess)	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
County's covered-employee payroll	\$ 49,382,141	\$ 46,910,319	\$ 45,690,944
Contributions as a percentage of covered- employee payroll	13.73%	11.24%	10.39%

*Only three of the required ten years are presented, as GASB 68 was effective for the year ended September 30, 2015.

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

CITRUS COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE COUNTY'S CONTRIBUTIONS
FLORIDA RETIREMENT SYSTEM HEALTH INSURANCE SUBSIDY PROGRAM

Last 10 Fiscal Years

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 803,941	\$ 591,070	\$ 575,706
Contributions in relation to the contractually required contribution	<u>(803,941)</u>	<u>(591,070)</u>	<u>(575,706)</u>
Contribution deficiency (excess)	<u><u>\$ —</u></u>	<u><u>\$ —</u></u>	<u><u>\$ —</u></u>
County's covered-employee payroll	\$ 49,382,141	\$ 46,910,319	\$ 45,690,944
Contributions as a percentage of covered-employee payroll	1.63%	1.26%	1.26%

*Only three of the required ten years are presented, as GASB 68 was effective for the year ended September 30, 2015.

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



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OTHER SUPPLEMENTARY INFORMATION



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NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

Impact Fees - Accounts for the proceeds of impact fees levied by the County, and associated expenditures for roads, parks, public buildings, libraries, law enforcement and emergency services

Grants In Aid - This fund accounts for projects and programs throughout the County that are financed largely by granting agencies.

County Libraries - Accounts for the operations of the County libraries financed by a special property tax levy

Municipal Service Taxing District - Accounts for the cost of building and zoning department activities and other public safety services provided to the unincorporated areas of the County

Other Special Revenue Funds - Accounts for locally adopted special revenue ordinances for fishing improvement fees, economic development and other activities for which use of certain monies has been specifically restricted by local ordinances

Fire Special Taxing District - Accounts for the operations of fire districts financed by a special property tax levy

Special Lighting MSTU - Accounts for the money collected under a locally adopted special revenue ordinance

Courts Special Revenue - Accounts for the money collected under State Statute to fund court operations

Clerk of the Circuit Court Special Revenue Funds - Accounts for funds used in the Public Records Modernization Trust Fund

Supervisor of Elections Special Revenue Funds - Accounts for funds used to promote voter education and poll worker recruitment and training

Sheriff Special Revenue Funds - Accounts for funds in various emergency management, terrorism preparedness, law enforcement, communications and victim assistance grants and trust funds

DEBT SERVICE FUNDS

The debt service funds are used to account for the accumulation of resources and payment of general obligation bond principal and interest from governmental resources and special assessment bond principal and interest from special assessment levies when the government is obligated in some manner for the payment.

Lecanto Office Building - Accounts for the debt service on \$6,935,000 of insured capital improvement revenue bonds issued in 1996 to provide funds to acquire, construct and equip a new County administration building in Lecanto, Florida

1999-2000 Projects - Accounts for the debt service requirements related to the insured capital improvement refunding revenue bond issue for multiple projects undertaken in 1999-2000

County Road 491 Widening - Accounts for the debt service requirements for a major roadway project

2001 Projects - Accounts for the debt service requirements related to the insured capital improvement refunding revenue bond issue for multiple projects undertaken in 2001

2004 Bonds - Accounts for the debt service requirements related to the insured capital improvement refunding revenue bond issue for multiple projects undertaken in 2004

2010 Bonds - Accounts for the debt service requirements related to the insured capital improvement refunding revenue bond issue for multiple projects undertaken in 2010

CAPITAL PROJECTS FUNDS

Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

County Road 491 Widening - Accounts for the construction of a major county roadway

Telephone System - Accounts for the acquisition and deployment of a county government-wide communications system



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

SPECIAL REVENUE			
ASSETS	IMPACT FEES	GRANTS IN AID	COUNTY LIBRARIES
1 Cash and investments	\$ 2,635,828	\$ 2,133,599	\$ 796,150
2 Cash with fiscal agent	—	—	—
Accounts receivable (net of allowance 3 for uncollectibles)	—	9,669	—
4 Due from other funds	—	—	—
5 Due from other governments	—	2,923,675	508
6 Prepaid items	—	28,769	25,372
7 Inventory	—	26,010	—
Total assets	<u>\$ 2,635,828</u>	<u>\$ 5,121,722</u>	<u>\$ 822,030</u>
LIABILITIES			
8 Accounts payable	\$ 46,696	\$ 1,151,471	\$ 38,039
9 Contracts payable	—	99,676	—
10 Accrued liabilities	—	74,897	28,814
11 Due to other funds	—	1,312,147	—
12 Due to other governments	—	—	114
13 Deposits	—	—	—
14 Unearned revenue	3,053,990	58,040	—
Total liabilities	<u>3,100,686</u>	<u>2,696,231</u>	<u>66,967</u>
FUND BALANCES			
15 Nonspendable	—	54,779	25,372
16 Restricted	—	2,370,712	729,691
17 Assigned	(464,858)	—	—
Total Fund Balances	<u>(464,858)</u>	<u>2,425,491</u>	<u>755,063</u>
Total liabilities and fund balances	<u>\$ 2,635,828</u>	<u>\$ 5,121,722</u>	<u>\$ 822,030</u>

SPECIAL REVENUE

	MUNICIPAL SERVICE BENEFIT UNIT	OTHER SPECIAL REVENUE	FIRE SPECIAL TAXING DISTRICT	SPECIAL LIGHTING MSTU	COURTS SPECIAL REVENUE
1	\$ 1,327,074	\$ 2,696,504	\$ 2,253,606	\$ 494,888	\$ 394,768
2	—	—	—	—	—
3	—	—	21,642	—	—
4	—	—	—	—	—
5	1,470	151,537	6,292	294	52,882
6	1,174	5,267	19,116	—	2,535
7	—	—	—	—	—
	<u>\$ 1,329,718</u>	<u>\$ 2,853,308</u>	<u>\$ 2,300,656</u>	<u>\$ 495,182</u>	<u>\$ 450,185</u>
8	\$ 60,195	\$ 73,300	\$ 60,814	\$ 29,466	\$ 78,284
9	49,329	—	—	—	—
10	801,037	3,896	120,355	—	4,336
11	—	9,992	—	—	—
12	240	—	—	—	—
13	—	100	—	—	—
14	4,962	—	—	—	—
	<u>915,763</u>	<u>87,288</u>	<u>181,169</u>	<u>29,466</u>	<u>82,620</u>
15	1,174	5,267	19,116	—	2,535
16	412,781	2,760,753	2,100,371	465,716	365,030
17	—	—	—	—	—
	<u>413,955</u>	<u>2,766,020</u>	<u>2,119,487</u>	<u>465,716</u>	<u>367,565</u>
	<u>\$ 1,329,718</u>	<u>\$ 2,853,308</u>	<u>\$ 2,300,656</u>	<u>\$ 495,182</u>	<u>\$ 450,185</u>

(continued)

CITRUS COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
SEPTEMBER 30, 2016

		SPECIAL REVENUE		
		CLERK OF CIRCUIT COURT SPECIAL REVENUE FUNDS	SUPERVISOR OF ELECTIONS GRANTS	SHERIFF SPECIAL REVENUE FUNDS
ASSETS				
1	Cash and investments	\$ 546,690	\$ 19,351	\$ 538,397
2	Cash with fiscal agent	—	—	—
	Accounts receivable (net of allowance			
3	for uncollectibles)	—	—	—
4	Due from other funds	—	—	—
5	Due from other governments	—	—	455,719
6	Prepaid items	2,152	—	694
7	Inventory	—	—	—
	Total assets	<u>\$ 548,842</u>	<u>\$ 19,351</u>	<u>\$ 994,810</u>
LIABILITIES				
8	Accounts payable	\$ 1,350	\$ 2,373	\$ —
9	Contracts payable	—	—	—
10	Accrued liabilities	2,910	—	14,173
11	Due to other funds	—	—	292,516
12	Due to other governments	—	—	—
13	Deposits	—	—	—
14	Unearned revenue	—	14,858	48,439
	Total liabilities	<u>4,260</u>	<u>17,231</u>	<u>355,128</u>
FUND BALANCES				
15	Nonspendable	2,152	—	694
16	Restricted	542,430	2,120	638,988
17	Assigned	—	—	—
	Total Fund Balances	<u>544,582</u>	<u>2,120</u>	<u>639,682</u>
	Total liabilities and fund balances	<u>\$ 548,842</u>	<u>\$ 19,351</u>	<u>\$ 994,810</u>

DEBT SERVICE

	LECANTO OFFICE BUILDING	1999-2000 PROJECTS	COUNTY ROAD 491 WIDENING	2001 PROJECTS	2004 BONDS	2010 BONDS
1	\$ 11,628	\$ 10,291	\$ —	\$ 10,249	\$ 10,670	\$ —
2	—	—	554,306	—	—	1,602,527
3	—	—	—	—	—	—
4	—	—	—	—	—	—
5	—	—	—	—	—	—
6	—	—	—	—	—	—
7	—	—	—	—	—	—
	<u>\$ 11,628</u>	<u>\$ 10,291</u>	<u>\$ 554,306</u>	<u>\$ 10,249</u>	<u>\$ 10,670</u>	<u>\$ 1,602,527</u>
8	\$ —	\$ —	\$ —	\$ —	\$ —	—
9	—	—	—	—	—	—
10	—	—	—	—	—	—
11	—	—	554,229	—	—	1,592,132
12	—	—	—	—	—	—
13	—	—	—	—	—	—
14	—	—	—	—	—	—
	<u>—</u>	<u>—</u>	<u>554,229</u>	<u>—</u>	<u>—</u>	<u>1,592,132</u>
15	—	—	—	—	—	—
16	11,628	10,291	77	10,249	10,670	10,395
17	—	—	—	—	—	—
	<u>11,628</u>	<u>10,291</u>	<u>77</u>	<u>10,249</u>	<u>10,670</u>	<u>10,395</u>
	<u>\$ 11,628</u>	<u>\$ 10,291</u>	<u>\$ 554,306</u>	<u>\$ 10,249</u>	<u>\$ 10,670</u>	<u>\$ 1,602,527</u>

(continued)

CITRUS COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (CONCLUDED)
SEPTEMBER 30, 2016

	CAPITAL PROJECTS		
	COUNTY ROAD 491 WIDENING	TELEPHONE SYSTEM	TOTAL NONMAJOR GOVERNMENTAL FUNDS
ASSETS			
1 Cash and investments	\$ 2,598,764	\$ 148,991	\$ 16,627,448
2 Cash with fiscal agent	—	—	2,156,833
Accounts receivable (net of allowance			
3 for uncollectibles)	—	—	31,311
4 Due from other funds	—	—	—
5 Due from other governments	—	—	3,592,377
6 Prepaid items	—	—	85,079
7 Inventory	—	—	26,010
Total assets	<u>\$ 2,598,764</u>	<u>\$ 148,991</u>	<u>\$ 22,519,058</u>
LIABILITIES			
8 Accounts payable	\$ 81,058	\$ —	\$ 1,623,046
9 Contracts payable	—	—	149,005
10 Accrued liabilities	—	—	1,050,418
11 Due to other funds	—	—	3,761,016
12 Due to other governments	—	—	354
13 Deposits	—	—	100
14 Unearned revenue	—	—	3,180,289
Total liabilities	<u>81,058</u>	<u>—</u>	<u>9,764,228</u>
FUND BALANCES			
15 Nonspendable	—	—	111,089
16 Restricted	2,517,706	148,991	13,108,599
17 Assigned	—	—	(464,858)
Total Fund Balances	<u>2,517,706</u>	<u>148,991</u>	<u>12,754,830</u>
Total liabilities and fund balances	<u>\$ 2,598,764</u>	<u>\$ 148,991</u>	<u>\$ 22,519,058</u>



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

	SPECIAL REVENUE		
	IMPACT FEES	GRANTS IN AID	COUNTY LIBRARIES
REVENUES			
1 Taxes and special assessments	\$ —	\$ —	\$ 2,601,763
2 Intergovernmental revenue	—	5,191,798	79,594
3 Charges for services	—	2,491,287	13,322
4 Fines and forfeitures	—	12,182	—
5 Miscellaneous revenue	3,012	209,578	152,653
Total Revenue	3,012	7,904,845	2,847,332
EXPENDITURES			
Current:			
6 General government	—	1,001	—
7 Public safety	—	252,846	—
8 Physical environment	—	1,792,243	—
9 Transportation	994,842	4,000,963	—
10 Economic environment	—	41,015	—
11 Human services	—	2,495,525	—
12 Culture and recreation	62,710	311,975	2,849,708
13 Court-related expenditures	—	34,919	—
14 Capital outlay	—	—	—
Debt Service:			
15 Principal retirement	—	—	137,642
16 Interest and fiscal charges	—	—	35,694
Total Expenditures	1,057,552	8,930,487	3,023,044
Excess (deficiency) of Revenues Over(Under) Expenditures	(1,054,540)	(1,025,642)	(175,712)
OTHER FINANCING SOURCES (USES)			
17 Debt proceeds	—	—	—
18 Transfers in	—	1,480,295	25,000
19 Transfers out	(238,972)	(332,241)	(345,570)
Total other financing sources (uses)	(238,972)	1,148,054	(320,570)
Net Change in Fund Balances	(1,293,512)	122,412	(496,282)
Fund balance - beginning	828,654	2,303,079	1,251,345
Fund balance - ending	\$ (464,858)	\$ 2,425,491	\$ 755,063

SPECIAL REVENUE

	MUNICIPAL SERVICE TAXING DISTRICT	OTHER SPECIAL REVENUE	FIRE SPECIAL TAXING DISTRICT	SPECIAL LIGHTING MSTU	COURTS SPECIAL REVENUE
1	\$ 693,821	\$ 1,086,809	\$ 8,507,555	\$ 428,796	\$ —
2	—	91,687	148	—	—
3	—	—	—	—	630,486
4	—	—	—	—	20,404
5	8,262	198,358	339,073	1,315	1,097
6	<u>702,083</u>	<u>1,376,854</u>	<u>8,846,776</u>	<u>430,111</u>	<u>651,987</u>
7	—	—	—	—	—
8	—	5,040	8,548,810	—	—
9	—	102,686	—	—	—
10	1,590,022	21,533	—	377,148	—
11	—	799,346	—	—	—
12	—	—	—	—	—
13	—	—	—	—	712,925
14	—	—	—	—	—
15	—	—	—	—	—
16	—	—	—	—	—
	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
	<u>1,590,022</u>	<u>928,605</u>	<u>8,548,810</u>	<u>377,148</u>	<u>712,925</u>
	(887,939)	448,249	297,966	52,963	(60,938)
17	—	—	—	—	—
18	40,365	24,188	—	—	318,472
19	<u>(43,334)</u>	<u>(84,710)</u>	<u>(238,538)</u>	<u>(25,337)</u>	<u>(247,032)</u>
	<u>(2,969)</u>	<u>(60,522)</u>	<u>(238,538)</u>	<u>(25,337)</u>	<u>71,440</u>
	<u>(890,908)</u>	<u>387,727</u>	<u>59,428</u>	<u>27,626</u>	<u>10,502</u>
	<u>1,304,863</u>	<u>2,378,293</u>	<u>2,060,059</u>	<u>438,090</u>	<u>357,063</u>
	<u>\$ 413,955</u>	<u>\$ 2,766,020</u>	<u>\$ 2,119,487</u>	<u>\$ 465,716</u>	<u>\$ 367,565</u>

CITRUS COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES -
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2016

	SPECIAL REVENUE		
	CLERK OF CIRCUIT COURT SPECIAL REVENUE FUNDS	SUPERVISOR OF ELECTIONS GRANTS	SHERIFF SPECIAL REVENUE FUNDS
REVENUES			
1 Taxes and special assessments	\$ —	\$ —	\$ —
2 Intergovernmental revenue	—	45,214	1,407,284
3 Charges for services	321,180	—	—
4 Fines and forfeitures	85,000	—	188,696
5 Miscellaneous revenue	2,084	87	37,259
Total Revenue	408,264	45,301	1,633,239
EXPENDITURES			
Current:			
6 General government	98,193	51,775	—
7 Public safety	—	—	1,534,687
8 Physical environment	—	—	—
9 Transportation	—	—	—
10 Economic environment	—	—	—
11 Human services	—	—	—
12 Culture and recreation	—	—	—
13 Court-related expenditures	94,073	—	—
14 Capital outlay	—	—	—
Debt Service:			
15 Principal retirement	—	—	—
16 Interest and fiscal charges	—	—	—
Total Expenditures	192,266	51,775	1,534,687
Excess (deficiency) of Revenues Over(Under) Expenditures	215,998	(6,474)	98,552
OTHER FINANCING SOURCES (USES)			
17 Debt proceeds	—	—	—
18 Transfers in	—	2,447	—
19 Transfers out	—	—	—
Total other financing sources (uses)	—	2,447	—
Net Change in Fund Balances	215,998	(4,027)	98,552
Fund balance - beginning	328,584	6,147	541,130
Fund balance - ending	\$ 544,582	\$ 2,120	\$ 639,682

DEBT SERVICE

	LECANTO OFFICE BUILDING	(2001B) 1999-2000 PROJECTS	COUNTY ROAD 491 WIDENING	(2001A) 2001 PROJECTS	2004 BONDS	2010 BONDS
1	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
2	—	—	—	—	—	307,770
3	—	—	—	—	—	—
4	—	—	—	—	—	—
5	622	49	77	28	376	197
6	622	49	77	28	376	307,967
7	—	—	—	—	—	—
8	—	—	—	—	—	—
9	—	—	—	—	—	—
10	—	—	—	—	—	—
11	—	—	—	—	—	—
12	—	—	—	—	—	—
13	—	—	—	—	—	—
14	—	—	—	—	—	—
15						
16	425,000	435,000	—	290,000	404,548	990,000
	14,832	98,394	150,993	65,520	199,481	1,166,879
	439,832	533,394	150,993	355,520	604,029	2,156,879
	(439,210)	(533,345)	(150,916)	(355,492)	(603,653)	(1,848,912)
17	—	—	—	—	—	—
18	439,488	533,332	150,993	355,498	603,876	1,850,302
19	—	—	—	—	—	—
	439,488	533,332	150,993	355,498	603,876	1,850,302
	278	(13)	77	6	223	1,390
	11,350	10,304	—	10,243	10,447	9,005
	\$ 11,628	\$ 10,291	\$ 77	\$ 10,249	\$ 10,670	\$ 10,395

CITRUS COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES -
NONMAJOR GOVERNMENTAL FUNDS (CONCLUDED)
FOR THE YEAR ENDED SEPTEMBER 30, 2016

	CAPITAL PROJECTS		
	COUNTY ROAD 491 WIDENING	TELEPHONE SYSTEM	TOTAL NONMAJOR GOVERNMENTAL FUNDS
REVENUES			
1 Taxes and special assessments	\$ —	\$ —	\$ 13,318,744
2 Intergovernmental revenue	—	—	7,123,495
3 Charges for services	—	—	3,456,275
4 Fines and forfeitures	—	—	306,282
5 Miscellaneous revenue	15,173	399	969,699
Total Revenue	15,173	399	25,174,495
EXPENDITURES			
Current:			
6 General government	—	—	\$ 150,969
7 Public safety	—	—	10,341,383
8 Physical environment	—	—	1,894,929
9 Transportation	—	—	6,984,508
10 Economic environment	—	—	840,361
11 Human services	—	—	2,495,525
12 Culture and recreation	—	—	3,224,393
13 Court-related expenditures	—	—	841,917
14 Capital outlay	8,475,443	77,639	8,553,082
Debt Service:			
15 Principal retirement	—	—	2,682,190
16 Interest and fiscal charges	—	—	1,731,793
Total Expenditures	8,475,443	77,639	39,741,050
Excess (deficiency) of Revenues Over(Under) Expenditures	(8,460,270)	(77,240)	(14,566,555)
OTHER FINANCING SOURCES (USES)			
17 Debt proceeds	10,977,976	—	10,977,976
18 Transfers in	—	—	5,824,256
19 Transfers out	—	—	(1,555,734)
Total other financing sources (uses)	10,977,976	—	15,246,498
Net Change in Fund Balances	2,517,706	(77,240)	679,943
Fund balance - beginning	—	226,231	12,074,887
Fund balance - ending	\$ 2,517,706	\$ 148,991	\$ 12,754,830

CITRUS COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
IMPACT FEES
FOR THE YEAR ENDED SEPTEMBER 30, 2016

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES			
Miscellaneous revenue	\$ —	\$ 3,012	\$ 3,012
Less statutory deduction	—	—	—
Total revenues	<u>—</u>	<u>3,012</u>	<u>3,012</u>
EXPENDITURES			
Transportation	1,473,507	994,842	478,665
Culture and recreation	141,855	62,710	79,145
Total expenditures	<u>1,615,362</u>	<u>1,057,552</u>	<u>557,810</u>
(Deficiency) of revenues (under) expenditures	<u>(1,615,362)</u>	<u>(1,054,540)</u>	<u>(554,798)</u>
OTHER FINANCING (USES)			
Transfers out	(238,972)	(238,972)	—
Total other financing (uses)	<u>(238,972)</u>	<u>(238,972)</u>	<u>—</u>
Net change in fund balance	(1,854,334)	(1,293,512)	(554,798)
Fund balance - beginning	<u>828,654</u>	<u>828,654</u>	<u>—</u>
Fund balance - ending	<u><u>\$ (1,025,680)</u></u>	<u><u>\$ (464,858)</u></u>	<u><u>\$ (554,798)</u></u>

CITRUS COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GRANTS IN AID
FOR THE YEAR ENDED SEPTEMBER 30, 2016

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES			
Intergovernmental revenue	\$ 23,863,303	\$ 5,191,798	\$ (18,671,505)
Charges for services	3,648,085	2,491,287	(1,156,798)
Fines and forfeitures	10,300	12,182	1,882
Miscellaneous revenue	1,183,378	209,578	(973,800)
Total revenues	<u>28,705,066</u>	<u>7,904,845</u>	<u>(20,800,221)</u>
EXPENDITURES			
General government	1,063	1,001	62
Public safety	1,744,000	252,846	1,491,154
Physical environment	3,100,535	1,792,243	1,308,292
Transportation	21,647,436	4,000,963	17,646,473
Economic environment	1,264,319	41,015	1,223,304
Human services	5,053,750	2,495,525	2,558,225
Culture and recreation	481,500	311,975	169,525
Court related expenditures	36,105	34,919	1,186
Total expenditures	<u>33,328,708</u>	<u>8,930,487</u>	<u>24,398,221</u>
(Deficiency) of revenues (under) expenditures	<u>(4,623,642)</u>	<u>(1,025,642)</u>	<u>(45,198,442)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	4,581,831	1,480,295	(3,101,536)
Transfers out	(351,201)	(332,241)	(18,960)
Total other financing sources (uses)	<u>4,230,630</u>	<u>1,148,054</u>	<u>(3,120,496)</u>
Net change in fund balance	(393,012)	122,412	(48,318,938)
Fund balance - beginning	<u>2,303,079</u>	<u>2,303,079</u>	<u>—</u>
Fund balance - ending	<u><u>\$ 1,910,067</u></u>	<u><u>\$ 2,425,491</u></u>	<u><u>\$ (48,318,938)</u></u>

CITRUS COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
COUNTY LIBRARIES
FOR THE YEAR ENDED SEPTEMBER 30, 2016

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES			
Taxes and special assessments	\$ 2,713,488	\$ 2,601,763	\$ (111,725)
Intergovernmental revenue	101,650	79,594	(22,056)
Charges for services	—	13,322	13,322
Miscellaneous revenue	76,000	—	(76,000)
Less statutory deduction	(144,475)	152,653	297,128
Total revenues	<u>2,746,663</u>	<u>2,847,332</u>	<u>100,669</u>
EXPENDITURES			
Current:			
Culture and recreation	3,176,144	2,849,708	326,436
Debt service:			
Principal retirement	137,643	137,642	1
Interest	35,695	35,694	1
Total expenditures	<u>3,349,482</u>	<u>3,023,044</u>	<u>326,438</u>
(Deficiency) of revenues (under) expenditures	(602,819)	(175,712)	(225,769)
OTHER FINANCING SOURCES (USES)			
Transfers in	25,000	25,000	—
Transfers out	(345,570)	(345,570)	—
Total other financing sources (uses)	<u>(320,570)</u>	<u>(320,570)</u>	<u>—</u>
Net change in fund balance	(923,389)	(496,282)	(225,769)
Fund balance - beginning	<u>1,251,345</u>	<u>1,251,345</u>	<u>—</u>
Fund balance - ending	<u><u>\$ 327,956</u></u>	<u><u>\$ 755,063</u></u>	<u><u>\$ (225,769)</u></u>

CITRUS COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
MUNICIPAL SERVICE TAXING DISTRICTS
FOR THE YEAR ENDED SEPTEMBER 30, 2016

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES			
Taxes and special assessments	\$ 660,000	\$ 693,821	\$ 33,821
Miscellaneous revenue	2,200	8,262	6,062
Less statutory deduction	(33,110)	—	33,110
Total revenues	<u>629,090</u>	<u>702,083</u>	<u>72,993</u>
EXPENDITURES			
Current:			
Transportation	1,718,787	1,590,022	128,765
Total expenditures	<u>1,718,787</u>	<u>1,590,022</u>	<u>128,765</u>
Excess (deficiency) of revenues over (under) expenditures	(1,089,697)	(887,939)	(55,772)
OTHER FINANCING SOURCES (USES)			
Transfers in	40,365	40,365	—
Transfers out	(43,334)	(43,334)	—
Total other financing sources (uses)	<u>(2,969)</u>	<u>(2,969)</u>	<u>—</u>
Net change in fund balance	(1,092,666)	(890,908)	(55,772)
Fund balance - beginning	<u>1,304,863</u>	<u>1,304,863</u>	<u>—</u>
Fund balance - ending	<u><u>\$ 212,197</u></u>	<u><u>\$ 413,955</u></u>	<u><u>\$ (55,772)</u></u>

CITRUS COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
OTHER SPECIAL REVENUE
FOR THE YEAR ENDED SEPTEMBER 30, 2016

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES			
Taxes and special assessments	\$ 847,500	\$ 1,086,809	\$ 239,309
Intergovernmental revenue	104,800	91,687	(13,113)
Charges for services	—	—	—
Miscellaneous revenue	175,670	198,358	22,688
Less statutory deduction	—	—	—
Total revenues	<u>1,127,970</u>	<u>1,376,854</u>	<u>248,884</u>
EXPENDITURES			
Current:			
Public safety	32,800	5,040	27,760
Physical environment	473,513	102,686	370,827
Transportation	14,090	21,533	(7,443)
Economic environment	1,327,657	799,346	528,311
Total expenditures	<u>1,848,060</u>	<u>928,605</u>	<u>919,455</u>
Excess (deficiency) of revenues over (under) expenditures	(720,090)	448,249	(670,571)
OTHER FINANCING SOURCES (USES)			
Transfers in	24,090	24,188	98
Transfers out	(86,374)	(84,710)	(1,664)
Total other financing sources (uses)	<u>(62,284)</u>	<u>(60,522)</u>	<u>(1,566)</u>
Net change in fund balance	(782,374)	387,727	(672,137)
Fund balance - beginning	<u>2,378,293</u>	<u>2,378,293</u>	<u>—</u>
Fund balance - ending	<u><u>\$ 1,595,919</u></u>	<u><u>\$ 2,766,020</u></u>	<u><u>\$ (672,137)</u></u>

CITRUS COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FIRE SPECIAL TAXING DISTRICT
FOR THE YEAR ENDED SEPTEMBER 30, 2016

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES			
Taxes and special assessments	\$ 8,772,732	\$ 8,507,555	\$ (265,177)
Intergovernmental	—	148	148
Miscellaneous revenue	302,597	339,073	36,476
Less statutory deduction	(488,703)	—	488,703
Total revenues	<u>8,586,626</u>	<u>8,846,776</u>	<u>260,150</u>
EXPENDITURES			
Current:			
Public Safety	8,860,128	8,548,810	311,318
Total expenditures	<u>8,860,128</u>	<u>8,548,810</u>	<u>311,318</u>
Excess of revenues over expenditures	(273,502)	297,966	(51,168)
OTHER FINANCING SOURCES (USES)			
Transfers out	(100,617)	(238,538)	137,921
Total other financing sources (uses)	<u>(100,617)</u>	<u>(238,538)</u>	<u>137,921</u>
Net change in fund balance	(374,119)	59,428	86,753
Fund balance - beginning	<u>2,060,059</u>	<u>2,060,059</u>	<u>—</u>
Fund balance - ending	<u><u>\$ 1,685,940</u></u>	<u><u>\$ 2,119,487</u></u>	<u><u>\$ 86,753</u></u>

CITRUS COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SPECIAL LIGHTING MSTU
FOR THE YEAR ENDED SEPTEMBER 30, 2016

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES			
Taxes and special assessments	\$ 442,827	\$ 428,796	\$ (14,031)
Miscellaneous revenue	925	1,315	390
Less statutory deduction	(22,201)	—	22,201
Total revenues	<u>421,551</u>	<u>430,111</u>	<u>8,560</u>
EXPENDITURES			
Current:			
Transportation	431,820	377,148	54,672
Total expenditures	<u>431,820</u>	<u>377,148</u>	<u>54,672</u>
Excess of revenues over expenditures	(10,269)	52,963	(46,112)
OTHER FINANCING SOURCES (USES)			
Transfers out	(25,337)	(25,337)	—
Total other financing sources (uses)	<u>(25,337)</u>	<u>(25,337)</u>	<u>—</u>
Net change in fund balance	(35,606)	27,626	(46,112)
Fund balance - beginning	<u>438,090</u>	<u>438,090</u>	<u>—</u>
Fund balance - ending	<u><u>\$ 402,484</u></u>	<u><u>\$ 465,716</u></u>	<u><u>\$ (46,112)</u></u>

CITRUS COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
COURTS SPECIAL REVENUE
FOR THE YEAR ENDED SEPTEMBER 30, 2016

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES			
Charges for services	\$ 580,650	\$ 630,486	\$ 49,836
Fines and forfeitures	35,450	20,404	(15,046)
Miscellaneous revenue	—	1,097	1,097
Less statutory deduction	(31,155)	—	31,155
Total revenues	<u>584,945</u>	<u>651,987</u>	<u>67,042</u>
EXPENDITURES			
Current:			
Court related expenditures	765,307	712,925	52,382
Total expenditures	<u>765,307</u>	<u>712,925</u>	<u>52,382</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(180,362)</u>	<u>(60,938)</u>	<u>14,660</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	316,420	318,472	2,052
Transfers out	(247,034)	(247,032)	(2)
Total other financing sources (uses)	<u>69,386</u>	<u>71,440</u>	<u>2,050</u>
Net change in fund balance	(110,976)	10,502	16,710
Fund balance - beginning	<u>357,063</u>	<u>357,063</u>	<u>—</u>
Fund balance - ending	<u><u>\$ 246,087</u></u>	<u><u>\$ 367,565</u></u>	<u><u>\$ 16,710</u></u>

CITRUS COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CLERK OF CIRCUIT COURT SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2016

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES			
Charges for services	\$ 290,015	\$ 321,180	\$ 31,165
Fines and forfeitures	92,000	85,000	(7,000)
Miscellaneous revenue	300	2,084	1,784
Total revenues	<u>382,315</u>	<u>408,264</u>	<u>25,949</u>
EXPENDITURES			
Current:			
General government	129,360	98,193	31,167
Court related expenditures	448,921	94,073	354,848
Total expenditures	<u>578,281</u>	<u>192,266</u>	<u>386,015</u>
Excess (deficiency) of revenues over (under) expenditures	(195,966)	215,998	411,964
Net change in fund balance	(195,966)	215,998	411,964
Fund balance - beginning	<u>328,584</u>	<u>328,584</u>	<u>—</u>
Fund balance - ending	<u><u>\$ 132,618</u></u>	<u><u>\$ 544,582</u></u>	<u><u>\$ 411,964</u></u>

CITRUS COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SUPERVISOR OF ELECTIONS SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2016

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES			
Intergovernmental revenue	\$ 16,316	\$ 45,214	\$ 28,898
Miscellaneous revenue	—	87	87
Total revenues	<u>16,316</u>	<u>45,301</u>	<u>28,985</u>
EXPENDITURES			
Current:			
General government	68,681	51,775	16,906
Total expenditures	<u>68,681</u>	<u>51,775</u>	<u>16,906</u>
Excess (deficiency) of revenues over (under) expenditures	(52,365)	(6,474)	12,079
OTHER FINANCING SOURCES			
Transfers in	2,448	2,447	(1)
Total other financing sources	<u>2,448</u>	<u>2,447</u>	<u>(1)</u>
Net change in fund balance	(49,917)	(4,027)	12,078
Fund balance - beginning	6,147	6,147	—
Fund balance - ending	<u>\$ (43,770)</u>	<u>\$ 2,120</u>	<u>\$ 12,078</u>

CITRUS COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SHERIFF SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2016

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES			
Intergovernmental revenue	\$ 1,749,350	\$ 1,407,284	\$ (342,066)
Fines and forfeitures	310,000	188,696	(121,304)
Miscellaneous revenue	45,000	37,259	(7,741)
Total revenues	<u>2,104,350</u>	<u>1,633,239</u>	<u>(471,111)</u>
EXPENDITURES			
Current:			
Public safety	2,104,350	1,534,687	569,663
Total expenditures	<u>2,104,350</u>	<u>1,534,687</u>	<u>569,663</u>
Excess of revenues over expenditures	—	98,552	98,552
Net change in fund balance	—	98,552	98,552
Fund balance - beginning	<u>541,130</u>	<u>541,130</u>	<u>—</u>
Fund balance - ending	<u><u>\$ 541,130</u></u>	<u><u>\$ 639,682</u></u>	<u><u>\$ 98,552</u></u>

CITRUS COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
LECANTO OFFICE BUILDING
FOR THE YEAR ENDED SEPTEMBER 30, 2016

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES			
Miscellaneous revenue	\$ 400	\$ 622	\$ 222
Less statutory deduction	(20)	—	20
Total revenues	380	622	242
EXPENDITURES			
Debt Service:			
Principal retirement	425,000	425,000	—
Interest and fiscal charges	14,840	14,832	8
Total expenditures	439,840	439,832	8
(Deficiency) of revenues (under) expenditures	(439,460)	(439,210)	250
OTHER FINANCING SOURCES			
Transfers in	439,488	439,488	—
Total other financing sources	439,488	439,488	—
Net change in fund balance	28	278	250
Fund balance - beginning	11,350	11,350	—
Fund balance - ending	\$ 11,378	\$ 11,628	\$ 250

CITRUS COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
1999-2000 PROJECTS
FOR THE YEAR ENDED SEPTEMBER 30, 2016

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES			
Miscellaneous revenue	\$ 80	\$ 49	\$ (31)
Total revenues	<u>80</u>	<u>49</u>	<u>(31)</u>
EXPENDITURES			
Debt Service:			
Principal retirement	435,000	435,000	—
Interest and fiscal charges	98,400	98,394	6
Total expenditures	<u>533,400</u>	<u>533,394</u>	<u>6</u>
(Deficiency) of revenues (under) expenditures	(533,320)	(533,345)	(25)
OTHER FINANCING SOURCES			
Transfers in	533,332	533,332	—
Total other financing sources	<u>533,332</u>	<u>533,332</u>	<u>—</u>
Net change in fund balance	12	(13)	(25)
Fund balance - beginning	<u>10,304</u>	<u>10,304</u>	<u>—</u>
Fund balance - ending	<u><u>\$ 10,316</u></u>	<u><u>\$ 10,291</u></u>	<u><u>\$ (25)</u></u>

CITRUS COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
COUNTY ROAD 491 WIDENING
FOR THE YEAR ENDED SEPTEMBER 30, 2016

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES			
Miscellaneous revenue	\$ —	\$ 77	\$ 77
Total revenues	<u>—</u>	<u>77</u>	<u>77</u>
EXPENDITURES			
Debt Service:			
Principal retirement	—	—	—
Interest and fiscal charges	149,493	150,993	(1,500)
Total expenditures	<u>149,493</u>	<u>150,993</u>	<u>(1,500)</u>
(Deficiency) of revenues (under) expenditures	(149,493)	(150,916)	(1,423)
OTHER FINANCING SOURCE (USES)			
Transfers in	150,993	150,993	—
Total other financing sources	<u>150,993</u>	<u>150,993</u>	<u>—</u>
Net change in fund balance	1,500	77	(1,423)
Fund balance - beginning	—	—	—
Fund balance - ending	<u>\$ 1,500</u>	<u>\$ 77</u>	<u>\$ (1,423)</u>

CITRUS COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
2001 PROJECTS
FOR THE YEAR ENDED SEPTEMBER 30, 2016

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES			
Miscellaneous revenue	\$ 40	\$ 28	\$ (12)
Total revenues	40	28	(12)
EXPENDITURES			
Debt Service:			
Principal retirement	290,000	290,000	—
Interest and fiscal charges	65,525	65,520	5
Total expenditures	355,525	355,520	5
(Deficiency) of revenues (under) expenditures	(355,485)	(355,492)	(17)
OTHER FINANCING SOURCE (USES)			
Transfers in	355,498	355,498	—
Total other financing sources	355,498	355,498	—
Net change in fund balance	13	6	(17)
Fund balance - beginning	10,243	10,243	—
Fund balance - ending	\$ 10,256	\$ 10,249	\$ (17)

CITRUS COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
2004 PROJECTS
FOR THE YEAR ENDED SEPTEMBER 30, 2016

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES			
Miscellaneous revenue	\$ 400	\$ 376	\$ (24)
Less statutory deduction	(20)	—	20
Total revenues	<u>380</u>	<u>376</u>	<u>(4)</u>
EXPENDITURES			
Debt Service:			
Principal retirement	404,560	404,548	12
Interest and fiscal charges	199,485	199,481	4
Total expenditures	<u>604,045</u>	<u>604,029</u>	<u>16</u>
(Deficiency) of revenues (under) expenditures	(603,665)	(603,653)	12
OTHER FINANCING SOURCE (USES)			
Transfers in	603,876	603,876	—
Total other financing sources	<u>603,876</u>	<u>603,876</u>	<u>—</u>
Net change in fund balance	211	223	12
Fund balance - beginning	<u>10,447</u>	<u>10,447</u>	<u>—</u>
Fund balance - ending	<u><u>\$ 10,658</u></u>	<u><u>\$ 10,670</u></u>	<u><u>\$ 12</u></u>

CITRUS COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
2010 PROJECTS
FOR THE YEAR ENDED SEPTEMBER 30, 2016

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES			
Intergovernmental revenue	\$ 306,119	\$ 307,770	\$ 1,651
Miscellaneous revenue	330	197	(133)
Total revenues	<u>306,449</u>	<u>307,967</u>	<u>1,518</u>
EXPENDITURES			
Debt Service:			
Principal retirement	990,000	990,000	—
Interest and fiscal charges	1,166,885	1,166,879	6
Total expenditures	<u>2,156,885</u>	<u>2,156,879</u>	<u>6</u>
(Deficiency) of revenues (under) expenditures	(1,850,436)	(1,848,912)	1,524
OTHER FINANCING SOURCE (USES)			
Transfers in	1,850,302	1,850,302	—
Total other financing sources	<u>1,850,302</u>	<u>1,850,302</u>	<u>—</u>
Net change in fund balance	(134)	1,390	1,524
Fund balance - beginning	<u>9,005</u>	<u>9,005</u>	<u>—</u>
Fund balance - ending	<u><u>\$ 8,871</u></u>	<u><u>\$ 10,395</u></u>	<u><u>\$ 1,524</u></u>

CITRUS COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
COUNTY ROAD 491 WIDENING
FOR THE YEAR ENDED SEPTEMBER 30, 2016

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES			
Miscellaneous revenue	\$ —	\$ 15,173	\$ 15,173
Total revenues	<u>—</u>	<u>15,173</u>	<u>15,173</u>
EXPENDITURES			
Capital outlay	10,800,000	8,475,443	2,324,557
Total expenditures	<u>10,800,000</u>	<u>8,475,443</u>	<u>2,324,557</u>
(Deficiency) of revenues (under) expenditures	(10,800,000)	(8,460,270)	(2,309,384)
OTHER FINANCING SOURCE (USES)			
Debt proceeds	10,977,976	10,977,976	—
Total other financing (uses)	<u>10,977,976</u>	<u>10,977,976</u>	<u>—</u>
Net change in fund balance	177,976	2,517,706	(2,309,384)
Fund balance - beginning	<u>—</u>	<u>—</u>	<u>—</u>
Fund balance - ending	<u><u>\$ 177,976</u></u>	<u><u>\$ 2,517,706</u></u>	<u><u>\$ (2,309,384)</u></u>

CITRUS COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
TELEPHONE SYSTEM
FOR THE YEAR ENDED SEPTEMBER 30, 2016

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES			
Miscellaneous revenue	\$ —	\$ 399	\$ 399
Total revenues	<u>—</u>	<u>399</u>	<u>399</u>
EXPENDITURES			
Capital outlay	\$ 109,791	\$ 77,639	\$ 32,152
Total expenditures	<u>109,791</u>	<u>77,639</u>	<u>32,152</u>
Net change in fund balance	(109,791)	(77,240)	(31,753)
Fund balance - beginning	<u>226,231</u>	<u>226,231</u>	<u>—</u>
Fund balance - ending	<u><u>\$ 116,440</u></u>	<u><u>\$ 148,991</u></u>	<u><u>\$ (31,753)</u></u>



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ENTERPRISE FUNDS

Enterprise funds are used to account for functions presented as business-type activities. The nonmajor enterprise funds are:

Building Inspection -- the public safety function of administering and enforcing all building and related codes, in order to protect the health, safety, and welfare of the public.

Port Authority -- signed into law by the Governor in 2012 by CS/HB 283, which amended Chapter 311 of the Florida Statutes and added Port Citrus to the Florida Seaport Transportation and Economic Development Council

Citrus Information Cooperative -- provide services that may include imaging, record retention, purchasing, equipment maintenance, data processing, preparation of tax rolls and creation of a multi-agency geographical collaborative information system.



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

	BUILDING INSPECTION	CITRUS INFORMATION COOPERATIVE	TOTAL
ASSETS			
Current Assets:			
Cash and cash equivalents	\$ 3,409,843	\$ 781,353	\$ 4,191,196
Accounts and connections receivable (net of allowance for uncollectibles)	—	—	—
Due from other governments	15,200	160,000	175,200
Prepaid items	16,382	7,183	23,565
Total Current Assets	<u>3,441,425</u>	<u>948,536</u>	<u>4,389,961</u>
Noncurrent Assets:			
Restricted cash-customer deposits	118,067	—	118,067
Capital Assets:			
Equipment	217,595	224,903	442,498
Less: Accumulated depreciation	(153,200)	(209,727)	(362,927)
Total capital assets	<u>64,395</u>	<u>15,176</u>	<u>79,571</u>
Total Noncurrent Assets	<u>182,462</u>	<u>15,176</u>	<u>197,638</u>
Total Assets	<u>3,623,887</u>	<u>963,712</u>	<u>4,587,599</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows for pension	477,539	—	477,539
Total deferred outflows of resources	<u>477,539</u>	<u>—</u>	<u>477,539</u>
LIABILITIES			
Current liabilities:			
Accounts and contracts payable	3,647	2,221	5,868
Due to other governments	150,504	8,479	158,983
Other accrued liabilities and compensated absences	142,382	—	142,382
Unearned revenue	—	157,477	157,477
Total current liabilities	<u>296,533</u>	<u>168,177</u>	<u>464,710</u>
Noncurrent liabilities:			
Customer deposits	118,067	—	118,067
Compensated absences	15,986	—	15,986
Other post-employment benefits	19,550	—	19,550
Net pension liability	1,111,997	—	1,111,997
Total Noncurrent Liabilities	<u>1,265,600</u>	<u>—</u>	<u>1,265,600</u>
Total Liabilities	<u>1,562,133</u>	<u>168,177</u>	<u>1,730,310</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred pension inflows	150,714	—	150,714
Total deferred inflows of resources	<u>150,714</u>	<u>—</u>	<u>150,714</u>
NET POSITION			
Net investment in capital assets	64,395	15,176	79,571
Restricted for capital projects	—	375,000	375,000
Unrestricted	2,324,184	405,359	2,729,543
Total Net Position	<u>\$ 2,388,579</u>	<u>\$ 795,535</u>	
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds			28,631
Net position of business-type activities			<u>\$ 3,212,745</u>

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

	BUILDING INSPECTION	CITRUS INFORMATION COOPERATIVE	TOTAL
Operating revenues:			
Charges for services	\$ 2,523,801	\$ 888,438	\$ 3,412,239
Miscellaneous operating revenues	70	—	70
Total operating revenues	<u>2,523,871</u>	<u>888,438</u>	<u>3,412,309</u>
Operating Expenses:			
Personal services	1,576,112	—	1,576,112
Contractual services	375	486,336	486,711
General operating	112,894	384,463	497,357
Depreciation/amortization	4,954	13,574	18,528
Total operating expenses	<u>1,694,335</u>	<u>884,373</u>	<u>2,578,708</u>
Operating income (loss)	<u>829,536</u>	<u>4,065</u>	<u>833,601</u>
Nonoperating revenues (expenses):			
Interest income	7,927	—	7,927
Total nonoperating revenues	<u>7,927</u>	<u>—</u>	<u>7,927</u>
Income (loss) before transfers	<u>837,463</u>	<u>4,065</u>	<u>841,528</u>
Transfers in	6,300	150,000	156,300
Transfers out	(376,130)	—	(376,130)
Total transfers	<u>(369,830)</u>	<u>150,000</u>	<u>(219,830)</u>
Change in net position	467,633	154,065	621,698
Net position - beginning	1,920,946	641,470	2,562,416
Net position - ending	<u>\$ 2,388,579</u>	<u>\$ 795,535</u>	<u>3,184,114</u>
Adjustment for the net effect of the current year activity between the internal service funds and the nonmajor enterprise funds			<u>28,631</u>
Change in Net position of business-type activities - nonmajor enterprise funds			<u>\$ 3,212,745</u>

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

	BUILDING INSPECTION	CITRUS INFORMATION COOPERATIVE	TOTAL
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from customers	\$ 2,516,490	\$ 695,177	\$ 3,211,667
Cash payments to suppliers	(112,038)	(878,206)	(990,244)
Cash payments to employees for services	(1,564,597)	—	(1,564,597)
Customer deposits	82,947	—	82,947
Other operating receipts	70	—	70
Net cash provided by (used for) operating activities	<u>922,872</u>	<u>(183,029)</u>	<u>739,843</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers from other funds	6,300	150,000	156,300
Transfer to other funds	(376,130)	—	(376,130)
Net cash (used for) noncapital financing activities	<u>(369,830)</u>	<u>150,000</u>	<u>(219,830)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition of capital assets	(69,348)	—	(69,348)
Net cash (used for) capital and related financing activities	<u>(69,348)</u>	<u>—</u>	<u>(69,348)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment income	7,927	—	7,927
Net cash provided by investing activities	<u>7,927</u>	<u>—</u>	<u>7,927</u>
Net increase (decrease) in cash	491,621	(33,029)	458,592
Cash at beginning of year	3,036,289	814,382	3,850,671
Cash at end of year	<u>\$ 3,527,910</u>	<u>\$ 781,353</u>	<u>\$ 4,309,263</u>
Classified as:			
Cash and investments	\$ 3,409,843	\$ 781,353	\$ 4,191,196
Restricted cash and investments	118,067	—	118,067
Total	<u>\$ 3,527,910</u>	<u>\$ 781,353</u>	<u>\$ 4,309,263</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:			
Operating income	\$ 829,536	\$ 4,065	\$ 833,601
Adjustments to reconcile operating income to net cash provided by operating activities			
Depreciation	4,954	13,574	18,528
Changes in assets and liabilities:			
(Increase) Decrease in:			
Due from other governments	(7,311)	(158,468)	(165,779)
Prepaid items	(76)	(7,083)	(7,159)
Deferred pension outflows	(183,920)	—	(183,920)
Increase (Decrease) in:			
Accounts and contracts payable	1,307	(324)	983
Due to other governments		(16,574)	(16,574)
Accrued liabilities	(42,497)	—	(42,497)
Unearned revenue	—	(18,219)	(18,219)
Customer deposits	82,947	—	82,947
Net pension liability	341,124	—	341,124
Deferred pension inflows	(104,869)	—	(104,869)
Other post-employment benefits	1,677	—	1,677
Total Adjustments	<u>93,336</u>	<u>(187,094)</u>	<u>(93,758)</u>
Net cash provided/(used) by operating activities	<u>\$ 922,872</u>	<u>\$ (183,029)</u>	<u>\$ 739,843</u>



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INTERNAL SERVICE FUNDS

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other governmental units, on a cost-reimbursement basis.

Self-Insurance Fund - Accounts for public liability, comprehensive property coverage, and dental coverage for employees. The cost of dental coverage is jointly paid by employees and the County

Fleet Management Fund - Accounts for maintenance service provided to the County's automobile fleet as well as other governmental units on a cost-reimbursement basis

Sheriff's Self-Insurance - Accounts for employee medical insurance coverage for employees of the Sheriff



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

	SELF INSURANCE	FLEET MANAGEMENT	SHERIFF SELF INSURANCE	TOTAL
ASSETS				
Current Assets:				
Cash and cash equivalents	\$ 4,332,406	\$ 282,195	\$ 877,892	\$ 5,492,493
Accounts and connections receivable (net of allowance for uncollectibles)	—	3,858	305	4,163
Due from other governments	12,938	1,017	—	13,955
Inventory	—	130,283	—	130,283
Prepaid expenses	469,155	10,249	147,000	626,404
Total Current Assets	4,814,499	427,602	1,025,197	6,267,298
Noncurrent Assets:				
Capital Assets:				
Buildings	—	505,491	—	505,491
Equipment	—	2,571,190	—	2,571,190
Less: Accumulated depreciation	—	(1,902,487)	—	(1,902,487)
Total Noncurrent Assets	—	1,174,194	—	1,174,194
Total Assets	4,814,499	1,601,796	1,025,197	7,441,492
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows for pension	—	215,198	—	215,198
Total deferred outflows of resources	—	215,198	—	215,198
LIABILITIES				
Current liabilities:				
Accounts payable	308,903	51,903	440,525	801,331
Accrued liabilities and compensated absences	—	69,537	—	69,537
Due to other governments	—	103	—	103
Unearned revenue	97,413	—	—	97,413
Unpaid claims liability	489,035	—	584,672	1,073,707
Total current liabilities	895,351	121,543	1,025,197	2,042,091
Noncurrent liabilities:				
Compensated absences	—	8,024	—	8,024
Other post-employment benefits	—	10,418	—	10,418
Net pension liability	—	497,875	—	497,875
Total Noncurrent Liabilities	—	516,317	—	516,317
Total Liabilities	895,351	637,860	1,025,197	2,558,408
DEFERRED INFLOWS OF RESOURCES				
Deferred pension inflows	—	67,917	—	67,917
Total deferred inflows of resources	—	67,917	—	67,917
NET POSITION				
Net investment in capital assets	—	1,174,194	—	1,174,194
Unrestricted	3,919,148	(62,977)	—	3,856,171
Total Net Position	3,919,148	1,111,217	—	5,030,365
Total liabilities and net position	\$ 4,814,499	\$ 1,749,077	\$ 1,025,197	\$ 7,588,773

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

	SELF INSURANCE	FLEET MANAGEMENT	SHERIFF SELF INSURANCE	TOTAL
Operating revenues:				
Charges for services	\$ 5,676,789	\$ 361,948	\$ 3,964,451	\$ 10,003,188
Miscellaneous operating revenues	924,908	65,435	808	991,151
Total operating revenues	6,601,697	427,383	3,965,259	10,994,339
Operating Expenses:				
Personal services	—	649,335	—	649,335
Contractual services	1,191,619	4,308	—	1,195,927
General operating	22,736	579,011	—	601,747
Claims and premiums	5,868,564	—	3,965,627	9,834,191
Depreciation/amortization	—	202,141	—	202,141
Total operating expenses	7,082,919	1,434,795	3,965,627	12,483,341
Operating income (loss)	(481,222)	(1,007,412)	(368)	(1,489,002)
Nonoperating revenues (expenses):				
Loss on disposal of capital assets	—	—	—	—
Other income	—	—	—	—
Interest income	9,303	2,170	368	11,841
Total nonoperating revenues	9,303	2,170	368	11,841
Income (loss) before transfers	(471,919)	(1,005,242)	—	(1,477,161)
Transfers in	1,586,618	668,689	—	2,255,307
Transfers out	—	(62,724)	—	(62,724)
Total transfers	1,586,618	605,965	—	2,192,583
Change in net position	1,114,699	(399,277)	—	715,422
Net position - beginning	2,804,449	1,510,494	—	4,314,943
Net position - ending	\$ 3,919,148	\$ 1,111,217	\$ —	\$ 5,030,365

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

	SELF- INSURANCE	FLEET MANAGEMENT	SHERIFF SELF- INSURANCE	TOTAL
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from customers and users	\$ 5,824,645	\$ 364,193	\$ 3,760,495	\$ 9,949,333
Cash payments to suppliers	(7,042,019)	(358,160)	(3,928,531)	(11,328,710)
Cash payments to employees	—	(684,947)	—	(684,947)
Other operating receipts	924,908	65,434	808	991,150
Net cash provided by (used in) operating activities	(292,466)	(613,480)	(167,228)	(1,073,174)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers from other funds	1,586,618	668,689	—	2,255,307
Transfer to other funds	—	(62,724)	—	(62,724)
Net cash provided by noncapital financing activities	1,586,618	605,965	—	2,192,583
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition/Disposition of capital assets	—	(34,664)	—	(34,664)
Net cash (used in) capital and related financing activities	—	(34,664)	—	(34,664)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest on investments	9,303	2,170	678	12,151
Net cash provided by investing activities	9,303	2,170	678	12,151
Net increase (decrease) in cash	1,303,455	(40,009)	(166,550)	1,096,896
Cash at beginning of year	3,028,951	322,204	1,044,442	4,395,597
Cash at end of year	\$ 4,332,406	\$ 282,195	\$ 877,892	\$ 5,492,493
Classified as:				
Cash and cash equivalents	\$ 4,332,406	\$ 282,195	\$ 877,892	\$ 5,492,493
Total	\$ 4,332,406	\$ 282,195	\$ 877,892	\$ 5,492,493
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:				
Operating income (loss)	\$ (481,222)	\$ (1,007,412)	\$ (368)	\$ (1,489,002)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities				
Depreciation	—	202,141	—	202,141
Changes in assets and liabilities:				
(Increase) Decrease in:				
Accounts receivable	53	(683)	523	(107)
Due from other governments	123,368	2,928	—	126,296
Prepaid items	114,912	(495)	—	114,417
Inventory	—	224,585	—	224,585
Deferred pension outflows	—	(84,114)	—	(84,114)
Increase (Decrease) in:				
Unearned revenue	24,435	—	—	24,435
Accounts payable	(31,877)	1,012	81,652	50,787
Due to other governments	—	57	—	57
Unpaid claims liability	(42,135)	—	(249,035)	(291,170)
Accrued liabilities	—	(59,875)	—	(59,875)
Net pension liability	—	153,724	—	153,724
Other post-employment benefits	—	838	—	838
Deferred pension inflows	—	(46,186)	—	(46,186)
Total Adjustments	188,756	393,932	(166,860)	415,828
Net cash provided by (used in) by operating activities	\$ (292,466)	\$ (613,480)	\$ (167,228)	\$ (1,073,174)



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FIDUCIARY FUNDS

Fiduciary funds are used to report assets held in a trustee or agency capacity for others and therefore cannot be used to support the government's own programs.

Board of County Commissioners Agency Fund - Accounts for cash bonds paid by developers as security for performance on certain developments

Agency Funds of the Clerk of the Circuit and County Courts - Accounts for tax deed overbids, child support, recording fees, circuit court juror and witness fees, court registry funds and intangible tax

Agency Funds of the Tax Collector - Accounts for property taxes and fees for licenses collected and distributed during the fiscal year. The Tax Collector maintains the following accounts: general tax account, property tax account, trust account, and escrow account

Agency Funds of the Sheriff - Accounts for assets held by the Sheriff as an agent for individuals, private organizations, other governments, and/or other funds of the Sheriff. The Sheriff maintains the following accounts: suspense, individual depositors, and the L.E.S.T.F. fund



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CITRUS COUNTY, FLORIDA
 COMBINING STATEMENT OF FIDUCIARY NET ASSETS
 AGENCY FUNDS
 SEPTEMBER 30, 2016

	BOARD OF COUNTY COMMISSIONERS	CLERK OF THE CIRCUIT COURT	TAX COLLECTOR	SHERIFF	TOTAL
ASSETS					
Cash and cash equivalents	\$ 156,051	\$ 3,068,243	\$ 3,545,903	191,380	\$ 6,961,577
Accounts and connections receivable (net of allowance for uncollectibles)	—	—	95,161	—	95,161
Due from other funds	—	—	13,938	—	13,938
Assets held not forfeited	—	—	—	6,132	6,132
Total Assets	<u>\$ 156,051</u>	<u>\$ 3,068,243</u>	<u>\$ 3,655,002</u>	<u>\$ 197,512</u>	<u>\$ 7,076,808</u>
LIABILITIES					
Due to individuals	\$ 88,222	\$ 2,714,636	\$ 71,156	\$ 194,402	\$ 3,068,416
Due to other funds	58,886	—	—	—	58,886
Due to other governments	8,943	353,607	3,583,846	3,110	3,949,506
Total Liabilities	<u>\$ 156,051</u>	<u>\$ 3,068,243</u>	<u>\$ 3,655,002</u>	<u>\$ 197,512</u>	<u>\$ 7,076,808</u>

CITRUS COUNTY, FLORIDA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2016

	BALANCE OCTOBER 1, 2015	ADDITIONS	DEDUCTIONS	BALANCE SEPTEMBER 30, 2016
<u>Board of County Commissioners</u>				
<u>ASSETS</u>				
Cash and cash equivalents	\$ 189,336	\$ 129,119	\$ 162,404	\$ 156,051
Total Assets	<u>\$ 189,336</u>	<u>\$ 129,119</u>	<u>\$ 162,404</u>	<u>\$ 156,051</u>
<u>LIABILITIES</u>				
Due to individuals	\$ 87,877	\$ 33,589	\$ 33,244	\$ 88,222
Due to other funds	50,285	10,923	2,322	58,886
Due to other governments	51,174	111,737	153,968	8,943
Total Liabilities	<u>\$ 189,336</u>	<u>\$ 156,249</u>	<u>\$ 189,534</u>	<u>\$ 156,051</u>
<u>Clerk of the Circuit Court</u>				
<u>ASSETS</u>				
Cash and investments	\$ 2,742,117	\$ 24,344,605	\$ 24,018,479	\$ 3,068,243
Total Assets	<u>\$ 2,742,117</u>	<u>\$ 24,344,605</u>	<u>\$ 24,018,479</u>	<u>\$ 3,068,243</u>
<u>LIABILITIES</u>				
Due to individuals	\$ 2,241,497	\$ 21,788,698	\$ 21,315,559	\$ 2,714,636
Due to other governments	500,620	12,536,010	12,683,023	\$ 353,607
Total Liabilities	<u>\$ 2,742,117</u>	<u>\$ 34,324,708</u>	<u>\$ 33,998,582</u>	<u>\$ 3,068,243</u>
<u>Tax Collector</u>				
<u>ASSETS</u>				
Cash and cash equivalents	\$ 3,545,903	\$ —	\$ —	\$ 3,545,903
Accounts receivable	95,161	—	—	95,161
Due from other funds	13,938	—	—	13,938
Total Assets	<u>\$ 3,655,002</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 3,655,002</u>
<u>LIABILITIES</u>				
Due to individuals	\$ 71,156	\$ —	\$ —	\$ 71,156
Due to other funds	—	—	—	\$ —
Due to other governments	3,583,846	—	—	\$ 3,583,846
Total Liabilities	<u>\$ 3,655,002</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 3,655,002</u>
<u>Sheriff</u>				
<u>ASSETS</u>				
Cash and cash equivalents	\$ 80,625	\$ 413,064	\$ 302,308	\$ 191,381
Assets held not forfeited	33,010	53,571	80,450	6,131
Total Assets	<u>\$ 113,635</u>	<u>\$ 466,635</u>	<u>\$ 382,758</u>	<u>\$ 197,512</u>
<u>LIABILITIES</u>				
Due to individuals	\$ 108,476	\$ 413,270	\$ 327,344	\$ 194,402
Due to other governments	5,159	53,365	55,414	3,110
Total Liabilities	<u>\$ 113,635</u>	<u>\$ 466,635</u>	<u>\$ 382,758</u>	<u>\$ 197,512</u>

continued

CITRUS COUNTY, FLORIDA
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS (CONTINUED)
 FOR THE YEAR ENDED SEPTEMBER 30, 2016

	BALANCE OCTOBER 1, 2015	ADDITIONS	DEDUCTIONS	BALANCE SEPTEMBER 30, 2016
<u>TOTAL AGENCY FUNDS</u>				
<u>ASSETS</u>				
Cash and cash equivalents	\$ 6,557,981	\$ 24,886,788	\$ 24,483,191	\$ 6,961,578
Accounts receivable	95,161	—	—	95,161
Due from other funds	13,938	—	—	13,938
Assets held not forfeited	33,010	53,571	80,450	6,131
	<u>\$ 6,700,090</u>	<u>\$ 24,940,359</u>	<u>\$ 24,563,641</u>	<u>\$ 7,076,808</u>
<u>LIABILITIES</u>				
Due to individuals	\$ 2,509,006	\$ 22,235,557	\$ 21,676,147	\$ 3,068,416
Due to other funds	50,285	10,923	2,322	58,886
Due to other governments	4,140,799	12,701,112	12,892,405	3,949,506
	<u>\$ 6,700,090</u>	<u>\$ 34,947,592</u>	<u>\$ 34,570,874</u>	<u>\$ 7,076,808</u>



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SCHEDULE OF FUNCTIONAL EXPENSES

Mid-Florida Area Agency on Aging, a granting agency, funds many Human Services grants. This required schedule reports functional expenses within those grants.

CITRUS COUNTY, FLORIDA
SCHEDULE OF FUNCTIONAL EXPENSES -
DEPARTMENT OF ELDER AFFAIRS FEDERAL AND STATE PROGRAMS
FOR THE YEAR ENDED SEPTEMBER 30, 2016

	ADULT DAY CARE	CASE MANAGMT	CONGRE- GATE MEALS	EDUCATION	EMERGENCY ALERT RESPONSE	HOME DELIVERED MEALS	PERSONAL CARE	HOME- MAKER	RESPIRE	CARE- GIVER
Number of Units	2,144	2,253	31,367	105	17,485	58,662	6,480	12,158	16,755	12
Expenses:										
1 Salaries	\$ —	\$ 56,271	\$ 18,618	\$ 8,266	\$ —	\$ 46,023	\$ 2,631	\$ 8,343	\$ —	\$ —
2 Payroll tax and benefits	—	19,877	8,216	3,981	—	21,492	1,108	3,416	—	—
3 Travel	—	—	—	—		24,582	—	—	—	—
4 Education/training		—	—	—		—	—	—	—	—
5 Communications/postage	—	—	—	—		—	—	—	—	—
6 Utilities	—	—	—	—		—	—	—	—	—
7 Advertising	—	—	—	—		—	—	—	—	—
8 Maintenance & repair	—	2,617	1,149	—		1,201	—	—	—	—
9 Printing/supplies	—	—	—			—	—	—	—	—
10 Building cost	—	—	—			—	—	—	—	—
11 Equipment	—	—	—			—	—	—	—	—
12 Professional fees/Legal/Audit	—	—	—	—		—	—	—	—	—
13 Sub-contractors	13,400	—	124,261			231,428	112,012	192,835	269,611	—
14 Program supplies	—	—	—	—		—	—	—	—	—
15 Depreciation			—			—	—	—	—	—
17 Other	—	—	7,253	—		20,810	6,183	15,934	3,637	—
18 Total expenses before allocation	13,400	78,765	159,497	12,247	12,378	345,536	121,934	220,528	273,248	—
19 Administrative allocation	1,285	7,553	15,295	1,174	1,187	33,135	11,693	21,147	26,203	—
20 Total Expenses	<u>\$ 14,685</u>	<u>\$ 86,318</u>	<u>\$ 174,792</u>	<u>\$ 13,421</u>	<u>\$ 13,565</u>	<u>\$ 378,671</u>	<u>\$ 133,627</u>	<u>\$ 241,675</u>	<u>\$ 299,451</u>	<u>\$ —</u>

(continued)

CITRUS COUNTY, FLORIDA
SCHEDULE OF FUNCTIONAL EXPENSES -
DEPARTMENT OF ELDER AFFAIRS FEDERAL AND STATE PROGRAMS
FOR THE YEAR ENDED SEPTEMBER 30, 2016

	NUTRITION EDUCATION	OUTREACH	RESPIRE - FACILITY	SCREENING & ASSESSMENT	SUBSIDY (HCE)	TRANS- PORTATION	CONSUMABLE MEDICAL SUPPLIES	SERVICES FOR OTHER DOEA PROGRAMS	TOTAL PROGRAM COSTS	MGMT & GENERAL	TOTAL SUPPORTING SERVICES	TOTAL
	3,088	1,571	—	1,227	200	6,859	306	—		—		
1	\$ 6,784	\$ 17,467	\$ —	\$ 26,572	\$ —	\$ 1,688	\$ —	\$ —	\$ 192,663	\$ 78,289	\$ 78,289	\$ 270,952
2	2,860	7,869	—	10,531	—	859	—	—	80,210	29,514	29,514	109,724
3	—	—	—	—	—	—	—	—	24,582	2,466	2,466	27,048
4	—	—	—	—	—	—	—	—	—	800	800	800
5	—	—	—	—	—	—	—	—	—	6,152	6,152	6,152
6	—	—	—	—	—	—	—	—	—	3,463	3,463	3,463
7	—	—	—	—	—	—	—	—	—	—	—	—
8	—	90	—	507	—	—	—	—	5,564	9,169	9,169	14,733
9	—	—	—	—	—	—	—	—	—	4,202	4,202	4,202
10	—	—	—	—	—	—	—	—	—	—	—	—
11	—	—	—	—	—	—	—	—	—	—	—	—
12	—	—	—	—	—	—	—	—	—	825	825	825
13	—	—	—	—	—	77,786	—	—	1,032,223	2,342	2,342	1,034,565
14	—	—	—	—	—	—	55,412	—	55,412	9	9	55,421
15	—	—	—	—	—	—	—	—	—	—	—	—
16	—	—	—	—	—	—	—	—	—	—	—	—
17	—	—	—	4,350	—	3,739	—	—	63,395	2,204	2,204	65,599
18	9,644	25,426	—	41,960	—	84,072	55,412	—	1,454,049	139,435	139,435	1,593,484
19	925	2,438	—	4,024	—	8,062	5,314	—	139,435	(139,435)	(139,435)	—
20	\$ 10,569	\$ 27,864	\$ —	\$ 45,984	\$ —	\$ 92,134	\$ 60,726	\$ —	\$ 1,593,484	\$ —	\$ —	\$ 1,593,484



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FINANCIAL DATA SCHEDULES - HUD SECTION 8

The Department of Housing and Urban Development provides funding for Section 8 -- housing assistance. These required schedules include HUD-required Balance Sheet and Revenue and Expenditure Data in their required format for grant compliance.

FINANCIAL DATA SCHEDULE - BALANCE SHEET - HUD - SECTION 8

Line Item #	Account Description	Section 8 Rental Voucher Program 14.871	TOTAL
	ASSET:		
	CURRENT ASSETS:		
	Cash:		
111	Cash - unrestricted	\$ 74,907	\$ 74,907
112	Cash - restricted - modernization and dev	—	—
113	Cash - other restricted	79,921	79,921
114	Cash - tenant security deposits	—	—
100	Total cash	154,828	154,828
	Accounts and notes receivables:		
121	Accounts receivable - PHA projects	—	—
122	Accounts receivable - HUD other projects	—	—
124	Accounts receivable - other government	—	—
125	Accounts receivable - miscellaneous	—	—
126	Accounts receivable - tenants - dwelling rents	—	—
126.1	Allowance for doubtful accounts - dwelling rents	—	—
126.2	Allowance for doubtful accounts - other	—	—
127	Notes and mortgages receivable - current	—	—
128	Fraud recovery	5,404	5,404
128.1	Allowance for doubtful accounts - fraud	(659)	(659)
129	Accrued interest receivable	—	—
120	Total receivables, net allowances for uncollectibles	4,745	4,745
	Current investments		
131	Investments - unrestricted	—	—
132	Investments - restricted	—	—
142	Prepaid expenses and other assets	99,484	99,484
143	Inventories	—	—
143.1	Allowance for obsolete inventories	—	—
144	Interprogram due from	—	—
146	Amounts to be provided	—	—
150	TOTAL CURRENT ASSETS	99,484	99,484
	NONCURRENT ASSETS:		
	Fixed assets:		
161	Land	—	—
162	Buildings	—	—
163	Furniture, equipment & mach. - dwellings	—	—

Continued

FINANCIAL DATA SCHEDULE - BALANCE SHEET - HUD - SECTION 8

164	Furniture, equipment & mach. - admin.	—	—
165	Leasehold improvements	—	—
166	Accumulated depreciation	—	—
160	Total fixed assets, net of accumulated depreciation	<u>—</u>	<u>—</u>
171	Notes and mortgages receivable - non-current	—	—
172	Notes and mortgages receivable - non-current -past due	—	—
174	Other assets	—	—
175	Undistributed debits	—	—
176	Investment in Joint venture	—	—
180	TOTAL NONCURRENT ASSETS	<u>—</u>	<u>—</u>
190		<u>259,057</u>	<u>259,057</u>
LIABILITIES AND EQUITY:			
LIABILITIES:			
CURRENT LIABILITIES			
311	Bank overdraft	—	—
312	Accounts payable ≤ 90 days	1,992	1,992
313	Accounts payable > 90 days past due	—	—
321	Accrued wage/payroll taxes payable	4,259	4,259
322	Accrued compensated absences	7,758	7,758
324	Accrued contingency liability	—	—
325	Accrued interest payable	—	—
332	Accounts payable - HUD PHA programs	682	682
333	Accounts payable - other gov.	—	—
341	Tenant security deposits	—	—
342	Deferred revenues	—	—
343	Currents portion of L-T debt - capital projects	—	—
344	Currents portion of L-T debt - operating borrowings	—	—
345	Other current liabilities	—	—
346	Accrued liabilities - other	—	—
347	Inter-program (due to)	—	—
310	TOTAL CURRENT LIABILITIES	<u>14,691</u>	<u>14,691</u>
NONCURRENT LIABILITIES			
351	Long-term debt, net of current - capital projects	—	—
352	Long-term debt, net of current - operating borrowings	—	—
353	Noncurrent liabilities - other	—	—
350	TOTAL NONCURRENT LIABILITIES	<u>—</u>	<u>—</u>
300	TOTAL LIABILITIES	<u>14,691</u>	<u>14,691</u>
EQUITY:			
501	Investment in general fixed assets	—	—

Continued

FINANCIAL DATA SCHEDULE - BALANCE SHEET - HUD - SECTION 8

Contributed Capital:			
502	Project notes (HUD)	—	—
503	Long-term debt - HUD guaranteed	—	—
504	HUD PHA contributions	—	—
505	Other HUD contributions	—	—
507	Other contributions	—	—
508	Total contributed capital	<u>—</u>	<u>—</u>
Reserved fund balance:			
509	Restricted Fund Balance	79,921	79,921
510	Reserved for capital activities	—	—
511	Total reserved fund balance	<u>79,921</u>	<u>79,921</u>
512	Unassigned Fund Balance	<u>164,445</u>	<u>164,445</u>
513	TOTAL EQUITY	<u>244,366</u>	<u>244,366</u>
600	TOTAL LIABILITIES AND EQUITY	<u>\$ 259,057</u>	<u>\$ 259,057</u>

FINANCIAL DATA SCHEDULE - REVENUES AND EXPENDITURES - HUD - SECTION 8

Line Item #	Account Description	Section 8 Rental Voucher Program 14.871	TOTAL
REVENUE:			
703	Net tenant rental revenue	\$ —	\$ —
704	Tenant revenue - other	—	—
705	Total tenant revenue	—	—
706	HUD PHA grants	949,382	949,382
708	Other government grants	—	—
711	Investment income - unrestricted	258	258
712	Mortgage interest income	—	—
714	Fraud recovery	6,080	6,080
715	Other revenue	197,288	197,288
716	Gain or loss on the sale of fixed assets	—	—
720	Investment income - restricted	—	—
700	TOTAL REVENUE	1,153,008	1,153,008
EXPENSES:			
Administrative			
911	Administrative salaries	90,603	90,603
912	Auditing fees	—	—
913	Outside management fees	1,805	1,805
914	Compensated absences	—	—
915	Employee benefit contributions - administrative	34,067	34,067
916	Office Expenses	12,148	12,148
918	Travel	3,078	3,078
918	Allocated Overhead	—	—
Tenant services			
921	Tenant services - salaries	—	—
922	Relocation costs	—	—
923	Employee benefit contributions - tenant services	—	—
924	Tenant services - other	—	—
Utilities			
931	Water	—	—
932	Electricity	—	—
933	Gas	—	—
934	Fuel	—	—
935	Labor	—	—
937	Employee benefit contributions - utilities	—	—
938	Other utilities expense	—	—
Ordinary maintenance & operation			
941	Ordinary maint and op - labor	—	—
942	Ordinary maintenance and op - materials & other	—	—
943	Ordinary maintenance and op - contract costs	—	—
945	Employee benefit contributions - ord. maintenance	—	—

Continued

FINANCIAL DATA SCHEDULE - REVENUES AND EXPENDITURES - HUD - SECTION 8

	Protective services	—	—
951	Protective services - labor	—	—
952	Protective services - other contract costs	—	—
953	Protective services - other	—	—
955	Employee benefit contributions - protective services	—	—
	General expenses	—	—
961	Insurance premiums	—	—
962	Other General Expenses	3,278	3,278
963	Payments in lieu of taxes	—	—
964	Bad debt - tenant rents	—	—
965	Bad debt - mortgages	—	—
966	Bad debt - other	—	—
967	Interest expense	—	—
968	Severance expense	—	—
969	TOTAL OPERATING EXPENSES	<u>144,979</u>	<u>144,979</u>
970	EXCESS OPERATING REVENUE OVER OPERATING EXPENSES	<u>1,008,029</u>	<u>1,008,029</u>
971	Extraordinary maintenance	—	—
972	Casualty losses - non capitalized	—	—
973	Housing assistance payments	892,739	892,739
973	HAP Port In	182,775	182,775
974	Depreciation expense	—	—
975	Fraud losses	1,380	1,380
976	Capital outlays - governmental funds	—	—
977	Debt principal payment - governmental funds	—	—
978	Dwelling units rent expense	—	—
900	TOTAL EXPENSES	<u>1,221,873</u>	<u>1,221,873</u>
	OTHER FINANCING SOURCES (USES)		
1001	Operating transfers in	—	—
1002	Operating transfers out	—	—
1003	Operating transfers from the primary government	—	—
1004	Operating transfers from component unit	—	—
1005	Proceeds from notes, loans and bonds	—	—
1006	Proceeds from property sales	—	—
1010	TOTAL OTHER FINANCING SOURCES (USES)	—	—
1000	EXCESS OF REVENUE OVER EXPENSES	<u>\$ (65,865)</u>	<u>\$ (65,865)</u>
MEMO Account Information			
1100	Change in contributed capital	—	—
1101	Capital outlays - enterprise funds	—	—
1102	Debt principal payments - enterprise funds	—	—
1103	Beginning equity	—	—
1104	Prior period adjustments	—	—
1105	Changes in compensated absence liab. Balance	—	—
1106	Changes in contingent liability balance	—	—
1107	Admin Fee Equity	164,445	164,445
1108	HAP Equity	79,921	79,921
1109	Changes in allowance for doubtful accounts - dwelling rents (126)	—	—
1110	Changes in allowance for doubtful accounts - other (126.2)	—	—
1112	Depreciation "add back"	—	—
1119	Gross number of units	2,796	2,796
1121	Number of units months leased	2,363	2,363

STATISTICAL SECTION

This part of Citrus County, Florida's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

Financial Trends

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

Revenue Capacity

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

Debt Capacity

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

Demographic and Economic Information

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

Operating Information

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



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CITRUS COUNTY, FLORIDA
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(in thousands)
(accrual basis of accounting)

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014 *</u>	<u>2015</u>	<u>2016</u>
Governmental activities										
Net investment in capital assets	\$ 599,283	\$ 628,406	\$ 628,498	\$ 654,686	\$ 655,277	\$ 653,863	\$ 648,482	\$ 644,564	\$ 638,762	\$ 622,904
Restricted	38,269	43,772	38,310	46,775	42,529	39,544	35,753	15,133	13,805	22,349
Unrestricted	48,236	46,181	43,994	20,566	15,384	17,802	14,561	47,216	11,229	1,081
Total governmental activities net position	<u>\$ 685,788</u>	<u>\$ 718,359</u>	<u>\$ 710,802</u>	<u>\$ 722,027</u>	<u>\$ 713,190</u>	<u>\$ 711,209</u>	<u>\$ 698,796</u>	<u>\$ 706,913</u>	<u>\$ 663,796</u>	<u>\$ 646,334</u>
Business-type activities										
Net investment in capital assets	\$ 45,830	\$ 52,221	\$ 50,493	\$ 55,086	\$ 52,428	\$ 51,652	\$ 50,290	\$ 52,855	\$ 50,389	\$ 35,040
Restricted	580	7,822	8,670	6,359	5,987	6,138	6,434	6,964	6,801	22,481
Unrestricted	23,075	21,177	31,346	34,788	41,291	44,900	47,258	49,584	50,437	53,712
Total business-type activities net position	<u>\$ 69,485</u>	<u>\$ 81,220</u>	<u>\$ 90,509</u>	<u>\$ 96,233</u>	<u>\$ 99,706</u>	<u>\$ 102,690</u>	<u>\$ 103,982</u>	<u>\$ 109,403</u>	<u>\$ 107,627</u>	<u>\$ 111,233</u>
Primary government										
Net investment in capital assets	\$ 645,113	\$ 680,627	\$ 678,991	\$ 709,772	\$ 707,705	\$ 705,515	\$ 698,772	\$ 697,419	\$ 689,151	\$ 657,944
Restricted	38,849	51,594	46,980	53,134	48,516	45,682	42,187	22,097	20,606	44,830
Unrestricted	71,311	67,358	75,340	55,354	56,675	62,702	61,819	96,800	61,666	54,793
Total primary government	<u>\$ 755,273</u>	<u>\$ 799,579</u>	<u>\$ 801,311</u>	<u>\$ 818,260</u>	<u>\$ 812,896</u>	<u>\$ 813,899</u>	<u>\$ 802,778</u>	<u>\$ 816,316</u>	<u>\$ 771,423</u>	<u>\$ 757,567</u>

* These figures are prior to the GASB #68 restatement.

CITRUS COUNTY, FLORIDA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(accrual basis of accounting, in thousands of dollars)

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Expenses										
Governmental activities:										
General government	\$ 42,864	\$ 45,322	\$ 40,318	\$ 43,697	\$ 28,347	\$ 24,871	\$ 27,085	\$ 28,313	\$ 27,622	\$ 32,849
Public safety	43,762	46,745	42,174	41,510	54,500	53,608	54,950	53,458	55,337	61,899
Physical environment	4,212	5,229	5,780	4,331	4,499	3,265	3,571	3,189	3,621	3,257
Transportation	23,426	22,308	26,649	30,451	24,061	24,230	22,370	24,368	20,446	33,823
Economic environment	989	1,925	3,360	3,174	2,468	1,277	1,985	1,968	1,832	1,825
Human services	9,332	9,649	7,950	7,764	8,496	9,070	9,948	9,008	9,954	10,063
Culture and recreation	6,859	7,109	6,660	6,079	5,904	4,026	4,650	4,438	4,459	4,978
Interest on long-term debt	1,637	2,339	2,044	2,546	2,993	2,803	2,633	2,552	2,502	2,819
Total governmental activities expenses	133,081	140,627	134,934	139,551	131,269	123,148	127,191	127,295	125,773	151,512
Business-type activities:										
Sanitary landfill	4,727	4,706	4,543	5,668	4,728	5,288	4,107	3,233	6,024	2,705
Public utility	10,165	15,141	14,706	14,153	14,873	15,205	14,726	15,405	15,508	15,922
Nonmajor entrprise funds	853	1,005	2,295	2,241	1,994	2,059	2,179	2,480	2,469	2,607
Total business-type activities expenses	15,746	20,853	21,545	22,063	21,595	22,551	21,012	21,118	24,002	21,235
Total primary government expenses	<u>\$ 148,827</u>	<u>\$ 161,480</u>	<u>\$ 156,479</u>	<u>\$ 161,613</u>	<u>\$ 152,864</u>	<u>\$ 145,700</u>	<u>\$ 148,204</u>	<u>\$ 148,413</u>	<u>\$ 149,775</u>	<u>\$ 172,746</u>
Program Revenues										
Governmental activities:										
Charges for Services:										
General government	11,450	13,867	9,067	4,557	7,050	6,622	7,363	7,266	7,790	8,442
Public safety	6,115	12,943	9,872	8,375	9,638	8,834	9,218	9,034	8,752	7,718
Physical environment	1,666	2,167	3,420	2,204	2,064	1,059	2,301	1,302	1,649	2,494
Transportation	6,652	4,078	1,545	1,184	2,443	2,686	1,495	1,291	1,481	1,175
Economic environment	145	9	235	—	1	—	—	—	156	65
Human services	726	1,302	998	1,135	1,249	1,336	972	852	417	492
Culture and recreation	1,081	893	714	738	1,465	1,809	808	929	539	234
Operating grants and contributions	7,544	9,611	10,325	25,691	9,014	9,732	8,512	8,625	9,965	11,986
Capital grants and contributions	2,678	24,412	5,942	23,916	6,397	6,652	5,152	10,264	6,756	3,911
Total governmental activities program revenues	38,056	69,280	42,117	67,801	39,321	38,730	35,822	39,563	37,504	36,517
Business-type activities:										
Sanitary landfill	6,217	6,112	5,969	6,148	6,149	5,785	5,787	5,503	4,901	5,070
Public utility	13,475	15,677	16,539	15,722	16,181	15,238	15,768	15,281	16,881	17,222
Nonmajor entrprise funds	992	1,127	2,279	2,126	2,138	2,268	2,301	2,637	3,162	3,412
Operating grants and contributions	120	—	915	246	5	284	634	155	1,149	88

CITRUS COUNTY, FLORIDA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(accrual basis of accounting, in thousands of dollars)

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Capital grants and contributions	2,384	4,483	1,602	—	817	1,405	288	4,606	673	886
Total business-type activities program revenues	23,188	27,399	27,304	24,242	25,290	24,980	24,778	28,181	26,766	26,679
Total primary government revenues Net (expense)/ revenue	<u>\$ 61,244</u>	<u>\$ 96,679</u>	<u>\$ 69,422</u>	<u>\$ 92,043</u>	<u>\$ 64,611</u>	<u>\$ 63,710</u>	<u>\$ 60,599</u>	<u>\$ 67,745</u>	<u>\$ 64,271</u>	<u>\$ 63,196</u>
Governmental activities	<u>\$ (95,025)</u>	<u>\$ (71,348)</u>	<u>\$ (92,817)</u>	<u>\$ (71,750)</u>	<u>\$ (91,948)</u>	<u>\$ (84,418)</u>	<u>\$ (91,370)</u>	<u>\$ (87,732)</u>	<u>\$ (88,269)</u>	<u>\$ (114,995)</u>
Business-type activities	7,442	6,546	5,760	2,180	3,695	2,428	3,765	7,064	2,765	5,444
Total primary government net expense	<u>\$ (87,583)</u>	<u>\$ (64,802)</u>	<u>\$ (87,057)</u>	<u>\$ (69,570)</u>	<u>\$ (88,253)</u>	<u>\$ (81,990)</u>	<u>\$ (87,604)</u>	<u>\$ (80,669)</u>	<u>\$ (85,504)</u>	<u>\$ (109,551)</u>
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Property taxes	\$ 78,978	\$ 79,814	\$ 67,341	\$ 62,813	\$ 60,084	\$ 60,905	\$ 54,975	\$ 72,192	\$ 67,498	\$ 65,519
Sales taxes	7,145	6,563	6,168	6,126	6,204	6,227	6,420	6,932	7,490	8,210
Gas taxes	8,138	7,892	7,785	7,790	7,635	7,505	7,580	7,752	8,033	8,478
Business taxes	—	212	149	135	135	123	119	117	116	111
Tourist tax	610	632	616	634	567	608	630	746	858	975
Franchise fees	1,930	1,985	—	—	—	—	—	—	—	—
Other	—	—	—	—	—	—	—	—	—	—
Intergovernmental revenues	3,445	3,481	3,176	4,167	5,099	4,699	3,987	4,051	4,298	4,339
Investment income	6,686	3,606	941	1,684	913	525	590	406	587	404
Communication services tax	—	—	2,144	1,935	1,881	1,799	1,802	1,794	1,708	1,709
Miscellaneous	1,081	(447)	—	—	—	—	—	—	—	—
Special Item	22,493	—	—	—	—	—	—	—	—	—
Transfers	(600)	3,092	(1,247)	(2,646)	593	47	2,836	1,842	1,852	2,087
Total governmental activities	<u>129,907</u>	<u>106,828</u>	<u>87,073</u>	<u>82,640</u>	<u>83,111</u>	<u>82,437</u>	<u>78,939</u>	<u>95,833</u>	<u>92,441</u>	<u>91,832</u>
Business-type activities:										
Other	—	5,721	—	—	—	—	—	—	—	—
Investment income	3,145	1,625	461	898	371	603	362	200	401	373
Miscellaneous	717	9	8	—	—	—	—	—	—	—
Transfers	600	(3,092)	1,247	2,646	(593)	(47)	(2,836)	(1,842)	(1,852)	(2,087)
Total business-type activities	<u>4,462</u>	<u>4,263</u>	<u>1,716</u>	<u>3,544</u>	<u>(222)</u>	<u>556</u>	<u>(2,474)</u>	<u>(1,642)</u>	<u>(1,451)</u>	<u>(1,713)</u>
Total primary government	<u>\$ 134,370</u>	<u>\$ 111,092</u>	<u>\$ 88,789</u>	<u>\$ 86,184</u>	<u>\$ 82,889</u>	<u>\$ 82,993</u>	<u>\$ 76,465</u>	<u>\$ 94,191</u>	<u>\$ 90,990</u>	<u>\$ 90,119</u>
Change in Net Position										
Governmental activities	\$ 34,882	\$ 33,496	\$ (5,744)	\$ 10,890	\$ (8,837)	\$ (1,981)	\$ (12,430)	\$ 8,100	\$ 4,172	\$ (23,163)
Business-type activities	11,904	10,809	7,476	5,724	3,473	2,985	1,291	5,422	1,314	3,731
Total primary government	<u>\$ 46,787</u>	<u>\$ 44,305</u>	<u>\$ 1,732</u>	<u>\$ 16,614</u>	<u>\$ (5,364)</u>	<u>\$ 1,004</u>	<u>\$ (11,139)</u>	<u>\$ 13,522</u>	<u>\$ 5,486</u>	<u>\$ (19,432)</u>

CITRUS COUNTY, FLORIDA
GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(accrual basis of accounting)

Fiscal Year	Property Tax	Sales Tax	Gas Tax	Tourist Tax	Franchise Fees	Communication Svcs Tax	Total
2007	\$ 78,977,665	\$ 7,145,105	\$ 8,138,070	\$ 610,188	\$ 1,929,957	\$ —	\$ 96,800,985
2008	79,813,895	6,563,211	7,891,514	631,829	1,984,929	—	96,885,378
2009	67,341,317	6,168,074	7,785,218	615,978	—	2,143,782	84,054,369
2010	62,813,493	6,126,150	7,790,386	633,524	—	1,935,456	79,299,009
2011	60,083,870	6,204,199	7,635,074	566,537	—	1,881,427	76,371,107
2012	60,904,680	6,226,825	7,505,435	607,772	—	1,798,567	77,043,279
2013	54,974,855	6,420,199	7,579,932	629,535	—	1,801,833	71,406,354
2014	72,192,406	6,931,934	7,751,651	746,452	—	1,793,523	89,415,966
2015	67,498,305	7,490,337	8,033,287	858,283	—	1,707,750	85,587,962
2016	65,518,960	8,209,650	8,478,157	975,489	—	1,709,044	84,891,300

CITRUS COUNTY, FLORIDA
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
General Fund				
Reserved	\$ —	\$ 4,385,154	\$ 3,978,417	\$ 1,159,406
Unreserved	27,055,534	29,754,506	27,610,449	25,610,811
Total general fund	<u>\$ 27,055,534</u>	<u>\$ 34,139,660</u>	<u>\$ 31,588,866</u>	<u>\$ 26,770,217</u>
All other governmental funds				
Reserved, reported in:				
Special revenue funds	\$ 50,017,194	\$ 48,770,766	\$ 11,012,648	\$ 3,117,733
Debt service funds	887,736	175,106	337	—
Capital projects funds	13,515,307	12,296,046	1,003,132	—
Unreserved, reported in:				
Special revenue funds	—	—	30,836,580	33,112,353
Debt service funds	—	—	37,612	229,222
Capital projects funds	—	—	1,026,581	13,774,779
Total all other governmental funds	<u>\$ 64,420,237</u>	<u>\$ 61,241,918</u>	<u>\$ 43,916,890</u>	<u>\$ 50,234,087</u>

	<u>(1)</u> <u>2011</u>	<u>(1)</u> <u>2012</u>	<u>(1)</u> <u>2013</u>	<u>(1)</u> <u>2014</u>	<u>(1)</u> <u>2015</u>	<u>(1)</u> <u>2016</u>
General Fund						
Nonspendable	\$ 607,007	\$ 581,076	\$ 520,924	\$ 599,924	\$ 617,769	\$ 583,585
Restricted	356,917	33,770	40,643	100,764	93,833	160,450
Committed	—	—	—	—	—	—
Assigned	11,650,063	9,876,651	6,117,963	8,163,965	8,137,047	2,237,993
Unassigned	7,471,100	7,570,375	5,400,720	12,488,141	15,163,369	21,243,815
Total general fund	<u>\$ 20,085,087</u>	<u>\$ 18,061,872</u>	<u>\$ 12,080,250</u>	<u>\$ 21,352,794</u>	<u>\$ 24,012,018</u>	<u>\$ 24,225,843</u>
All other governmental funds:						
Nonspendable	\$ 923,365	\$ 1,036,569	\$ 1,050,610	\$ 676,142	\$ 350,960	\$ 301,931
Restricted	39,754,144	36,496,976	35,467,183	34,057,339	38,464,794	38,272,222
Committed	4,759,287	4,946,461	4,005,940	3,901,158	3,843,039	—
Assigned	129,746	22,631	46,966	—	—	—
Unassigned	—	—	—	(1,214)	(1,790)	(466,212)
Total all other governmental funds	<u>\$ 45,566,542</u>	<u>\$ 42,502,637</u>	<u>\$ 40,570,699</u>	<u>\$ 38,633,425</u>	<u>\$ 42,657,003</u>	<u>\$ 38,107,941</u>

(1) In Fiscal Year 2011, the County implemented GASB 54 under which governmental fund balances are reported as nonspendable, restricted, committed, assigned and unassigned.

CITRUS COUNTY, FLORIDA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Revenues										
Taxes	\$ 88,678	\$ 93,790	\$ 78,192	\$ 72,808	\$ 70,062	\$ 71,449	\$ 64,875	\$ 86,812	\$ 82,326	\$ 80,858
Licenses and permits	2,736	1,969	228	191	181	101	2	—	—	—
Intergovernmental	23,147	29,637	26,175	39,170	30,587	30,682	26,293	23,081	24,998	25,884
Charges for services	12,645	19,502	17,613	14,284	14,951	13,716	14,724	14,835	14,480	15,097
Fines and forfeitures	1,503	1,504	1,124	493	464	403	1,230	933	1,114	976
Miscellaneous	7,817	6,655	3,598	3,713	4,209	3,141	2,683	3,364	4,583	4,042
Impact fee	8,372	5,280	2,035	1,553	1,208	811	1,269	1,345	352	—
Total revenue	<u>144,896</u>	<u>158,336</u>	<u>128,965</u>	<u>132,212</u>	<u>121,662</u>	<u>120,304</u>	<u>111,075</u>	<u>130,370</u>	<u>127,854</u>	<u>126,857</u>
Expenditures										
General government	35,217	42,515	39,271	38,377	24,517	19,826	23,158	26,661	30,839	25,016
Public safety	43,169	45,675	41,360	40,351	52,327	51,833	50,856	52,576	54,591	54,786
Physical environment	4,040	5,074	5,412	4,200	4,381	3,372	3,445	3,250	3,552	3,397
Economic environment	968	1,907	20,734	29,928	19,198	16,594	16,443	14,356	13,355	23,973
Transportation	14,356	14,934	3,344	3,631	2,580	1,762	2,062	1,890	1,835	1,783
Human services	8,729	9,007	8,257	7,753	7,814	9,687	9,294	8,308	9,076	9,122
Culture and recreation	5,968	6,411	7,213	5,130	4,712	3,855	3,428	3,716	3,688	4,355
Court related expenditures	1,960	674	2,770	3,476	2,979	3,178	3,281	3,500	3,449	3,104
Capital outlay	19,396	30,828	8,858	9,647	8,269	7,779	6,345	6,357	969	9,044
Debt service:										
Principal	3,629	3,660	5,476	4,021	4,987	4,373	4,223	4,845	4,383	4,830
Interest	1,493	2,333	2,059	1,889	2,880	2,838	2,679	2,536	2,524	2,551
Total expenditures	<u>138,926</u>	<u>163,018</u>	<u>144,753</u>	<u>148,403</u>	<u>134,644</u>	<u>125,097</u>	<u>125,213</u>	<u>127,994</u>	<u>128,261</u>	<u>141,963</u>
Excess of revenues over (under) expenditures	5,970	(4,681)	(15,789)	(16,191)	(12,983)	(4,794)	(14,138)	2,376	(408)	(15,106)
Other financing sources (uses)										
Issuance of debt	14,952	10,230	—	20,110	2,000	34	2,912	4,158	—	10,978
Premium on refunding debt	—	—	—	255	—	—	—	—	—	—
Capital leases	—	—	—	813	74	661	—	—	6,200	—
Insurance proceeds	—	—	—	55	—	—	—	—	—	—
Transfers in	11,338	15,128	10,974	8,982	10,652	9,021	10,718	9,365	9,943	12,682
Transfers out	(14,648)	(15,847)	(13,334)	(12,526)	(11,096)	(10,008)	(7,406)	(8,563)	(9,154)	(12,788)
Transfers to other governments	—	—	—	—	—	—	—	—	—	—
Total Other Financing Sources (uses)	<u>11,642</u>	<u>9,512</u>	<u>(2,361)</u>	<u>17,689</u>	<u>1,630</u>	<u>(293)</u>	<u>6,224</u>	<u>4,960</u>	<u>6,989</u>	<u>10,872</u>
Net Change in Fund Balance	<u>\$ 17,612</u>	<u>\$ 4,831</u>	<u>\$ (18,150)</u>	<u>\$ 1,499</u>	<u>\$ (11,353)</u>	<u>\$ (5,087)</u>	<u>\$ (7,914)</u>	<u>\$ 7,335</u>	<u>\$ 6,581</u>	<u>\$ (4,234)</u>
Debt service as a % of non-capital expenditures	4.22%	4.12%	6.04%	4.8%	6.72%	6.63%	6.34%	6.46%	5.74%	5.88%

CITRUS COUNTY, FLORIDA
 ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN FISCAL YEARS
 (in thousands of dollars)

Fiscal Year Ended September 30	Real Property				Personal Property		Total Taxable Value	Total Direct Tax Rate	Estimated Actual Value	Assessed Value as a Percentage of Actual Value
	Residential Property	Commercial and Industrial Property	Agricultural Property	Acreage Property	Tangible Personal Property	Less Tax Exempt Real Property				
2007	\$11,389,657	\$ 3,069,454	\$ 617,614	\$ 175,833	\$ 1,886,248	\$ 5,550,389	\$11,588,417	8.0647	\$ 17,256,064	67.16%
2008	11,961,188	3,081,553	656,098	162,307	1,997,127	5,478,814	12,379,459	7.5583	18,010,083	68.74%
2009	10,671,692	3,043,067	743,322	135,962	1,922,353	4,797,844	11,718,552	7.6656	16,718,205	70.09%
2010	9,277,313	3,087,376	663,849	96,473	1,997,057	4,283,451	10,838,617	7.4967	15,333,395	70.69%
2011	8,166,357	3,064,672	650,430	67,511	2,230,856	4,597,929	9,581,897	6.7467	14,414,517	66.47%
2012	7,556,444	2,885,986	576,932	64,052	2,409,307	4,168,583	9,324,138	7.0533	13,734,723	67.89%
2013	6,987,769	2,978,624	584,686	49,238	2,633,675	4,190,532	9,043,460	7.3483	13,233,992	68.34%
2014	6,747,468	2,548,088	553,691	49,462	1,664,265	3,402,196	8,160,778	9.2449	11,562,974	70.58%
2015	6,763,022	2,965,566	539,987	45,536	1,652,233	3,415,901	8,550,443	8.9114	11,966,344	71.45%
2016	6,947,897	2,943,014	522,447	58,119	3,332,941	4,816,415	8,988,003	8.4655	13,804,418	65.11%

CITRUS COUNTY, FLORIDA
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENT ENTITIES
LAST TEN FISCAL YEARS
(millage rates rounded to the nearest thousandth)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Countywide:										
BOCC - General Revenue										
General Revenue Fund	5.3681	5.1011	4.9394	4.9447	4.9447	4.9447	5.1871	7.0271	6.9917	6.6738
Transportation	0.8541	0.6925	0.6925	0.6872	0.6872	0.6872	0.7172	0.7069	0.6976	0.6976
Hospital Capital Improvement	0.92	0.8999	1.1689	1	0.25	0.245	0.245	0.245	—	—
Health Department	0.1085	0.098	0.098	0.098	0.098	0.098	0.074	0.1011	0.0962	0.084
Total General County	7.2507	6.7915	6.8988	6.7299	5.9799	5.9749	6.2233	8.0801	7.7855	7.4554
School Board	7.467	7.413	7.569	7.815	7.84	8.054	7.639	7.313	7.304	7.189
Mosquito Control	0.12	0.1174	0.2755	0.2992	0.2992	0.2992	0.3586	0.3452	0.4478	0.4478
Special Districts										
Fire Protection	0.481	0.4566	0.4566	0.4566	0.4566	0.7682	0.8014	0.7315	0.6926	0.5768
Stormwater	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.1	0.1	0.1
Library	0.333	0.3102	0.3102	0.3102	0.3102	0.3102	0.3236	0.3333	0.3333	0.3333
Total Special Districts	0.814	0.7668	0.7668	0.7668	0.7668	1.0784	1.125	1.1648	1.1259	1.0101
Total Countywide	15.652	15.089	15.51	15.611	14.886	15.407	15.346	16.903	16.663	16.102
Non-Countywide:										
Southwest Florida Water Management District:										
General	0.422	0.3866	0.3866	0.3866	0.377	0.3928	0.3928	0.3818	0.3818	0.3488
Coastal	0.205	0.1885	0.1885	0.1885	0.1885	—	—	—	—	—
Withlacoochee	0.265	0.2308	0.2308	0.2308	0.2308	—	—	—	—	—
Homosassa Special Water District:	0.6948	0.6643	0.72	0.7597	0.8385	0.8781	0.9059	0.9162	0.9162	0.9162
Municipalities:										
Crystal River	5.6	4.3	3.8	3.8	3.8	3.8	3.8	3.8	4.2	4.2
Inverness	4.875	4.451	4.968	5.3902	5.981	6.2159	6.4923	6.4955	6.9949	6.9949
Total Direct Tax Rate	8.0647	7.5583	7.6656	7.4967	6.7467	7.0533	7.3483	9.2449	8.9114	8.4655

**CITRUS COUNTY, FLORIDA
PRINCIPAL PROPERTY TAXPAYERS
SEPTEMBER 30, 2016**

TAXPAYER	2016			2007		
	TAXABLE ASSESSED VALUE	RANK	PERCENTAGE OF TOTAL TAXABLE VALUATION	TAXABLE ASSESSED VALUE	RANK	PERCENTAGE OF TOTAL TAXABLE VALUATION
Duke Energy	\$ 1,399,420,426	1	15.57%			
Citrus Memorial Hospital	106,605,466	2	1.19%			
Florida Gas Transmission Co.	95,535,104	3	1.06%	\$ 40,089,370	8	0.35%
Withlacoochee River Electric	57,974,393	4	0.65%	44,184,565	7	0.38%
WalMart Stores East LP	42,229,308	5	0.47%			
Sumter Electric Cooperative	36,531,082	6	0.41%	27,745,440	9	0.24%
7 Rivers Regional Medical Center	29,684,378	7	0.33%			
Bright House Networks	28,395,064	8	0.32%	57,736,003	5	0.50%
CenturyLink	23,009,837	9	0.26%			
Hampton Hills	21,276,976	10	0.24%	53,386,394	6	0.46%
Florida Power Corporation				1,781,761,230	1,2,3	15.38%
Sprint Florida, Inc.				71,038,950	4	0.61%
Citony Development				26,695,470	10	0.23%
New Vista Properties						

**CITRUS COUNTY, FLORIDA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

Fiscal Year	Total Tax Levy	Current Tax Collections	Percent of Levy Collected	Delinquent Tax Collections	Total Tax Collections	Percent of Total Collections to Levy
2005-06	\$ 70,722,107	\$ 67,624,568	95.62%	\$ 182,204	\$ 67,806,772	95.88%
2006-07	82,559,271	78,943,760	95.62%	33,905	78,977,665	95.66%
2007-08	82,191,947	76,789,673	93.43%	3,024,214	79,813,887	97.11%
2008-09	70,574,884	65,099,220	92.24%	2,242,097	67,341,317	95.42%
2009-10	64,914,923	60,089,077	92.57%	2,724,415	62,813,492	96.76%
2010-11	62,040,410	57,748,817	93.08%	2,335,053	60,083,870	96.85%
2011-12	63,132,918	59,062,025	93.55%	1,842,655	60,904,680	96.47%
2012-13	63,421,314	52,628,512	82.98%	2,346,343	54,974,855	86.68%
2013-14	91,197,116	68,668,179	75.3%	3,524,228	72,192,407	79.16%
2014-15	69,971,584	64,158,191	91.69%	2,655,111	66,813,302	95.49%
2015-16	68,325,166	65,518,960	95.89%	2,538,213	68,057,173	99.61%

CITRUS COUNTY, FLORIDA
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

FISCAL YEAR	REVENUE DEBT	SPECIAL ASSESS- MENT DEBT	CAPITAL LEASES	UTILITIES BONDS	SOLID WASTE CAPITAL LEASE	TOTAL PRIMARY GOVERNMENT	% OF PERSONAL INCOME	PER CAPITA
	GOVERNMENTAL ACTIVITIES			BUSINESS-TYPE ACTIVITIES				
2007	\$ 46,242,239	\$ 936,777	\$ —	\$ 61,393,646	\$ —	\$ 108,572,662	2.48%	\$ 788
2008	52,957,277	791,613	—	62,824,371	—	116,573,261	2.60%	827
2009	47,616,231	657,453	—	60,361,621	—	108,635,305	2.48%	764
2010	59,220,967	5,241,146	714,463	52,515,456	—	117,692,032	2.61%	832
2011	56,325,164	4,863,293	1,123,096	51,241,425	—	113,552,978	2.43%	804
2012	52,706,254	4,470,468	1,456,753	49,939,800	—	108,573,275	2.30%	777
2013	52,057,914	4,070,656	1,250,224	48,587,656	—	105,966,450	2.21%	761
2014	52,611,701	3,666,303	389,137	46,727,091	—	103,394,232	2.17%	736
2015	48,917,746	3,345,000	6,228,957	45,295,556	—	103,787,259	2.08%	734
2016	56,114,945	3,035,000	5,478,246	51,870,818	619,057	117,118,066	(a)	819

^(a) Personal income statistics not yet published

**CITRUS COUNTY, FLORIDA
PLEDGED-REVENUE COVERAGE
LAST TEN FISCAL YEARS**

Water and Wastewater Revenue Bonds						
Fiscal Year	Water and Wastewater Gross Revenue	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2007	\$ 15,597,397	\$ 6,254,755	\$ 9,342,642	\$ —	\$ 1,425,970	6.55
2008	17,482,717	8,251,266	9,231,451	580,000	2,248,256	3.26
2009	16,539,203	8,430,998	8,108,205	950,000	2,229,256	2.55
2010	15,722,167	7,799,238	7,922,929	985,000	2,190,556	2.49
2011	16,179,002	8,232,428	7,946,574	1,025,000	2,150,356	2.50
2012	15,634,376	7,788,099	7,846,277	1,065,000	2,087,256	2.49
2013	16,176,884	7,780,766	8,396,118	1,352,144	2,028,110	2.48
2014	15,423,784	8,492,244	6,931,540	1,397,793	2,069,396	2.00
2015	17,123,139	8,506,762	8,616,377	1,453,573	1,991,789	2.50
2016	17,377,514	9,344,671	8,032,843	1,250,000	1,330,346	3.11

Note: Details regarding Citrus County's outstanding debt can be found in the notes to the financial statements.
Water and Sewer Gross Revenue includes Operating Revenue and Interest revenue.
Operating Expense does not include depreciation.

(Continued)

**CITRUS COUNTY, FLORIDA
PLEDGED REVENUE COVERAGE
LAST TEN FISCAL YEARS (CONTINUED)**

Fiscal Year	Revenues	Debt Service		Coverage
		Principal	Interest	
Half-Cent Sales Tax Revenue Bonds				
2007	\$ 7,145,105	\$ 1,660,502	\$ 1,035,787	2.65
2008	6,563,211	1,372,408	347,882	3.82
2009	6,168,074	1,724,884	813,747	2.43
2010	6,126,150	1,827,923	760,216	2.37
2011	6,204,199	1,896,551	680,921	2.41
2012	6,226,825	1,552,692	617,749	2.87
2013	6,420,199	1,375,687	552,119	3.33
2014	6,931,934	1,436,254	502,982	3.57
2015	7,490,337	1,492,530	522,587	3.72
2016	8,209,650	1,737,548	531,290	3.62
State Revenue Sharing				
2007	\$ —	\$ —	\$ —	—
2008	—	—	—	—
2009	—	—	—	—
2010	—	—	—	—
2011	2,649,903	—	—	—
2012	2,980,584	190,000	38,549	13.04
2013	3,117,608	210,000	47,271	12.12
2014	3,289,947	215,000	33,440	13.24
2015	3,544,649	219,000	28,947	14.30
2016	4,339,239	224,000	24,369	17.47
Communications Services Tax Revenue Bonds				
2007	\$ —	\$ —	\$ —	—
2008	1,933,527	—	585,246	3.3
2009	2,143,782	1,900,000	523,058	0.88
2010	1,935,456	—	397,564	4.87
2011	1,881,426	390,000	541,666	2.02
2012	1,798,567	405,000	526,653	1.93
2013	1,801,833	425,000	503,600	1.94
2014	1,793,523	445,000	485,385	1.93
2015	1,707,750	465,000	464,858	1.84
2016	1,709,044	485,000	444,612	1.84

(Continued)

**CITRUS COUNTY, FLORIDA
 PLEDGED REVENUE COVERAGE
 LAST TEN FISCAL YEARS (CONTINUED)**

Fiscal Year	Revenues	Debt Service		Coverage
		Principal	Interest	
Available Non-Ad Valorem Revenue				
2007	\$ —	\$ —	\$ —	—
2008	—	—	—	—
2009	—	—	—	—
2010	17,815,791	—	—	—
2011	19,159,322	—	1,180,712	16.23
2012	18,502,583	875,000	1,290,729	8.54
2013	16,625,830	900,000	1,264,104	7.68
2014	16,058,256	925,000	1,236,730	7.43
2015	28,067,848	3,523,914	1,822,534	5.25
2016	28,059,614	1,188,168	1,398,760	10.85

CITRUS COUNTY, FLORIDA
HISTORICAL OPERATING RESULTS AND DEBT SERVICE COVERAGE
UTILITY ACQUISITION BOND
LAST FIVE FISCAL YEARS

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Sales Revenue					
Water-Existing Rate Revenue	\$ 7,414,004	\$ 7,618,625	\$ 7,113,275	\$ 7,413,144	\$ 7,910,985
Sewer-Existing Rate Revenue	7,127,723	7,392,796	7,176,655	7,666,389	8,051,919
Total Sales Revenue	<u>14,541,727</u>	<u>15,011,421</u>	<u>14,289,930</u>	<u>15,079,533</u>	<u>15,962,904</u>
Other Operating Revenue ⁽²⁾	<u>276,982</u>	<u>277,200</u>	<u>241,511</u>	<u>201,188</u>	<u>1,166,858</u>
Total Gross Revenues	<u>14,818,709</u>	<u>15,288,621</u>	<u>14,531,441</u>	<u>15,280,721</u>	<u>17,129,762</u>
Total Cost of Operation & Maintenance ⁽³⁾	8,483,718	7,780,766	8,511,764	8,450,117	9,344,671
Net Revenues	<u>\$ 6,334,991</u>	<u>\$ 7,507,855</u>	<u>\$ 6,019,677</u>	<u>\$ 6,830,604</u>	<u>\$ 7,785,091</u>
Bond Service Requirement ⁽⁴⁾					
Acquisition Bond	<u>\$ 3,194,856</u>	<u>\$ 3,197,256</u>	<u>\$ 3,192,856</u>	<u>\$ 3,192,856</u>	<u>\$ 3,172,094</u>
Total Bond Service Requirement	<u>3,194,856</u>	<u>3,197,256</u>	<u>3,192,856</u>	<u>3,192,856</u>	<u>3,172,094</u>
Debt Service Coverage (Without Connection Fees)					
Coverage Ratio-Calculated	1.98	2.35	1.89	2.14	2.45
Coverage Ratio-Minimum	1.1	1.1	1.1	1.1	1.1
Available Connection Fees ⁽⁵⁾	<u>219,598</u>	<u>479,594</u>	<u>620,761</u>	<u>1,308,409</u>	<u>679,504</u>
Net Revenues With Available Connection Fees	<u>\$ 6,554,589</u>	<u>\$ 7,987,449</u>	<u>\$ 6,640,438</u>	<u>\$ 8,139,013</u>	<u>\$ 8,464,595</u>
Debt Service coverage (With Available Connection Fees)					
Coverage Ratio-Calculated	2.05	2.50	2.08	2.55	2.67
Coverage Ratio-Minimum	1.2	1.2	1.2	1.2	1.2
Net Revenues less Bond Service Requirement	<u>\$ 3,140,135</u>	<u>\$ 4,310,599</u>	<u>\$ 2,826,821</u>	<u>\$ 3,637,748</u>	<u>\$ 4,612,997</u>
Required Transfers					
Renewal and Replacement Fund ⁽⁶⁾	\$ 788,262	\$ 751,272	\$ 764,431	\$ 726,572	\$ 764,036
WRWSA Renewal and Replacements ⁽⁷⁾	<u>183,526</u>	<u>133,211</u>	<u>144,192</u>	<u>156,078</u>	<u>168,944</u>
Net Revenues after Bond Service Requirement & Other Required Transfers	<u>2,168,347</u>	<u>3,426,116</u>	<u>1,918,198</u>	<u>2,755,098</u>	<u>3,680,017</u>
Available Connection Fees	<u>219,598</u>	<u>479,594</u>	<u>620,761</u>	<u>1,308,409</u>	<u>679,504</u>
Net Available for Other Expenditures	<u>\$ 2,387,945</u>	<u>\$ 3,905,710</u>	<u>\$ 2,538,959</u>	<u>\$ 4,063,507</u>	<u>\$ 4,359,521</u>

(Continued)

CITRUS COUNTY, FLORIDA
HISTORICAL OPERATING RESULTS AND DEBT SERVICE COVERAGE
UTILITY ACQUISITION BOND
LAST FIVE FISCAL YEARS
(Continued)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Subordinate Lien/Bonds					
SRFWW33103S	\$ 158,034	\$ 157,859	\$ 158,096	\$ 158,094	\$ 79,047
SRFDW0901 090	138,096	138,070	138,040	138,012	139,169
Total Debt Service on Subordinate Debt	<u>296,130</u>	<u>295,929</u>	<u>296,136</u>	<u>296,106</u>	<u>218,216</u>
Subordinate Debt Coverage					
Coverage Ratio-Calculated	8.76	13.2	8.7	13.6	19.98
Coverage Ratio-Minimum	1.15	1.15	1.15	1.15	1.15
Special Assessments Revenues ⁽⁸⁾	<u>713,307</u>	<u>368,042</u>	<u>344,647</u>	<u>408,330</u>	<u>629,869</u>
Less Expenditures					
Operating Expenses	29,221	27,818	28,834	23,818	37,183
Debt Service	456,337	457,275	455,339	458,107	455,892
Net Impact of Special Assessments	<u>227,749</u>	<u>(117,051)</u>	<u>(139,526)</u>	<u>(73,595)</u>	<u>136,794</u>
Net Revenues Above Required Transfers ⁽⁹⁾	2,099,966	1,962,091	2,990,454	1,586,356	851,558
Connection Fees	<u>219,598</u>	<u>479,594</u>	<u>620,761</u>	<u>1,308,409</u>	<u>679,504</u>
Total Amount Available for Capital Expenditures and Other Purposes	<u>\$ 2,319,564</u>	<u>\$ 2,441,685</u>	<u>\$ 3,611,215</u>	<u>\$ 2,894,765</u>	<u>\$ 1,531,062</u>

- ⁽²⁾ Amounts include plan review fees and other revenues associated with the application of miscellaneous fees and charges to customers
- ⁽³⁾ Cost of Operation and Maintenance does not include depreciation or amortization expenses.
- ⁽⁴⁾ The debt service amount indicated in this schedule is the amount required by the bond covenants. This amount may differ from the actual payment as reported in the Comprehensive Annual Financial Report due to differences in the amount of interest paid.
- ⁽⁵⁾ Reflects cash contributions received from the application of Available Connection Fees (equivalent of legally available impact fees). Amounts shown do not include property contributions of utility plant received by the System.
- ⁽⁶⁾ Renewal and replacement transfer is 5.0% of the preceding fiscal year's annual Gross Revenues.
- ⁽⁷⁾ Required transfers include deposits to the Withlacoochee River Water Supply Authority ("WRWSA" or the "Water Supply Authority") Renewal and Replacement Fund. The WRWSA agreement requires annual deposits based on estimated installments provided by the County.
- ⁽⁸⁾ Special Assessment revenue is included in the Governmental Funds statements, Other Governmental Funds.

Bond covenants require 5 year presentation

UTILITIES CAPITAL NEEDS AND FUNDING SOURCES

	Amount	Percent
5-Year Capital Improvement Program		
Water System Improvements	\$ 23,868,500	38.18%
Wastewater System Improvements	38,641,665	61.82%
Total Capital Program	\$ 62,510,165	100.00%
Funding Source:		
Operating Fees	\$ 18,619,165	29.79%
Water Connection Fees	2,666,000	4.26%
Waste Water Connection Fees	1,300,000	2.08%
Series 2015 Bond	2,885,000	4.62%
Renewal and Replacement	6,650,000	10.64%
WRWSA Renewal and Replacement	790,000	1.26%
Grants	29,100,000	46.55%
Assessments	500,000	0.80%
Total Capital Funding	\$ 62,510,165	100.00%

*The Series 2015 Bond Debt Service is budgeted for in the CIP, however that total has been removed from this chart and now only reflects capital.

*The total includes Cash Carry Forward amounts for projects currently budgeted.

CITRUS COUNTY, FLORIDA
HISTORICAL NON-AD VALOREM REVENUES⁽¹⁾

	Fiscal Year Ended September 30				
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<u>Revenues:</u>					
Taxes:					
Six Cent Local Option Fuel Tax ⁽²⁾	\$ 2,739,221	\$ 2,759,338	\$ 2,829,861	\$ 2,942,120	\$ 3,122,759
Five Cent Local Option Fuel Tax	2,037,704	2,061,645	2,112,014	2,166,177	2,293,823
Ninth Cent Local Option Fuel Tax	541,907	546,379	559,898	581,879	617,484
Constitutional Fuel Tax	1,443,869	1,464,613	1,489,213	1,549,109	1,618,845
County Fuel Tax	630,617	637,905	650,057	679,295	710,143
Communications Services Taxes ⁽⁴⁾	1,798,567	1,801,833	1,793,523	1,707,750	1,709,044
Impact Fees:					
Road Impact Fees ⁽⁵⁾	320,517	363,166	478,302	151,032	—
Licenses and Permits:					
Business License Tax	122,748	119,460	117,396	116,000	111,302
Cable Television Franchise Fees	72,904	—	—	—	—
Intergovernmental:					
Local Government Half-Cent Sales Tax ⁽⁶⁾	6,226,825	6,420,199	6,931,934	7,490,337	8,209,650
State Revenue Sharing ⁽⁷⁾	2,980,584	3,117,608	3,289,947	3,544,649	4,339,239
Other	1,717,945	553,710	761,155	—	—
Charges for services: ⁽⁸⁾					
General Government	2,116,356	2,181,050	3,783,958	4,037,816	2,476,243
Public Safety	7,760,112	7,689,089	7,175,367	7,350,866	6,989,793
Physical Environment	—	1,464	4,136	4,227	6,578
Transportation	—	9,716	184	—	—
Human Services	126,538	138,670	140,891	122,398	242,740
Recreation and Culture	420,881	268,981	326,109	329,444	173,681
Other	—	—	—	—	—
Interest income	525,380	589,982	604,880	587,185	259,654
Total sources of Non-Ad Valorem Revenue	<u>\$31,582,675</u>	<u>\$30,724,808</u>	<u>\$33,048,825</u>	<u>\$33,360,284</u>	<u>\$32,880,978</u>

⁽¹⁾Excludes non-ad valorem revenues in enterprise funds.

⁽²⁾This revenue source is pledged as the source of security for the County Road 486 Improvement Note and will only be available as a source of payment for the Series 2010 Bonds after satisfaction of such debt service payment obligation.

⁽⁴⁾This revenue source is pledged as the source of security for the Communications Services Tax Revenues Promissory Note, and this revenue source will only be available as a source of payment for the Series 2010 Bonds after satisfaction of such debt service payment obligations.

⁽⁵⁾Road impact fees are levied on new development or new expansion of existing development. Road impact fees may only be used to fund capital improvements which are related to expansion of roads.

⁽⁶⁾This revenue source is pledged as the source of security for the Capital Improvement Revenue and Refunding Bonds, Series 2010A, Capital Improvement Revenue Bonds, Series 2001B, Countywide Radio Systems Note, Capital Improvement Revenue Refunding Bonds, Series 2008, and parity bonds which may be issued in the future, and this Improvement Revenue Refunding Bonds, Series 2008, and parity bonds which may be issued in the future, and this revenue source will only be available as a source of payment for the Series 2010 Bonds after satisfaction of such debt service payment obligations.

⁽⁷⁾This revenue source is pledged as the source of security for the Guaranteed Entitlement Revenue Note and will only be available as a source of payment for the Series 2010 Bonds after satisfaction of such debt service payment obligation.

⁽⁸⁾Charges for Services include figures from the General Fund only, as reflected in the Statement of Revenues, Expenditures, and Changes in Fund Balances, Governmental Funds in the County's audited financial statements for the applicable fiscal years.

Bond covenants require 5 year presentation.

Source: Finance Department, Citrus County, Florida

CITRUS COUNTY, FLORIDA
GENERAL FUND
REVENUES AND EXPENDITURES
LAST FIVE FISCAL YEARS

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Revenues					
Taxes	\$ 47,164,338	\$ 42,761,232	\$ 59,189,817	\$ 55,673,762	\$ 54,441,430
Licenses and permits	100,822	1,000	—	—	—
Intergovernmental	13,099,351	13,121,382	12,225,085	13,305,610	14,173,515
Charges for services	10,423,887	10,288,970	11,430,645	11,844,751	11,640,502
Fines and forfeitures	111,184	804,446	664,356	823,414	669,681
Miscellaneous	1,096,064	1,118,232	1,453,986	2,129,732	2,402,427
Total revenue	<u>\$ 71,995,646</u>	<u>\$ 68,095,262</u>	<u>\$ 84,963,889</u>	<u>\$ 83,777,269</u>	<u>\$ 83,327,555</u>
Expenditures					
General government	19,797,754	23,111,358	26,350,987	30,205,206	24,865,441
Public safety	41,740,160	42,475,533	41,913,090	43,891,428	44,445,048
Physical environment	1,368,012	1,238,343	1,069,965	1,546,477	1,406,561
Transportation	296,216	302,144	298,115	92,140	78,069
Economic environment	72,208	80,980	87,216	321,443	315,592
Human services	4,970,754	4,827,137	4,665,255	5,203,219	5,318,830
Culture and recreation	1,261,740	996,792	1,032,059	940,554	1,130,930
Court related expenditures	2,157,424	2,385,536	2,351,136	2,352,371	2,262,454
Capital outlay	—	—	—	—	—
Debt service:					
Principal	960,183	910,533	1,258,874	1,222,385	1,837,892
Interest	566,303	554,935	522,004	669,698	673,604
Total expenditures	<u>73,190,754</u>	<u>76,883,291</u>	<u>79,548,701</u>	<u>86,444,921</u>	<u>82,334,421</u>
Excess of revenues over (under) expenditures	(1,195,108)	(8,788,029)	5,415,188	(2,667,652)	993,134
Other financing sources (uses)					
Capital lease	660,803	—	—	6,200,000	—
Issuance of debt	33,729	—	3,334,000	—	—
Transfers in ⁽¹⁾	3,557,393	5,987,898	3,934,870	3,336,422	5,193,619
Transfers out ⁽²⁾	(5,080,030)	(3,181,493)	(3,411,514)	(4,209,546)	(5,952,928)
Transfers to other governments	—	—	—	—	—
Refunding bonds issued	—	—	—	—	—
Refunding debt redeemed	—	—	—	—	—
Total Other Financing Sources (uses)	<u>(828,105)</u>	<u>2,806,405</u>	<u>3,857,356</u>	<u>5,326,876</u>	<u>(759,309)</u>
Net Change in Fund Balances	(2,023,213)	(5,981,624)	9,272,544	2,659,224	233,825
Beginning Fund Balance ⁽³⁾	<u>20,085,087</u>	<u>18,061,874</u>	<u>12,080,250</u>	<u>21,352,794</u>	<u>24,012,018</u>
Ending Fund Balance	<u>\$ 18,061,874</u>	<u>\$ 12,080,250</u>	<u>\$ 21,352,794</u>	<u>\$ 24,012,018</u>	<u>\$ 24,245,843</u>

⁽¹⁾ Transfers from other funds of the County

⁽²⁾ Transfers to other funds of the County

STATE OF FLORIDA AND CITRUS COUNTY
TOTAL HISTORICAL SALES TAX COLLECTIONS
LAST TEN FISCAL YEARS

FYE 9/30	Total Collections State of Florida ⁽¹⁾	Percentage Change	Total Collections Citrus County ⁽¹⁾	Percentage Change	Half-Cent Sales Tax Receipts Citrus County	Percentage Change
2007	\$ 21,523,533,197	-2.2%	\$ 91,296,232	-3.3%	\$ 7,165,222	-5.4%
2008	19,931,073,426	-7.4%	81,975,490	-10.2%	6,695,595	-6.6%
2009	16,995,365,295	-14.7%	72,333,107	-11.8%	6,186,734	-7.6%
2010	16,827,429,060	-1.0%	71,416,072	-1.3%	6,159,503	-0.4%
2011	17,759,945,548	5.5%	71,415,979	0.0%	6,175,669	0.3%
2012	18,760,274,142	5.6%	73,812,324	3.4%	6,228,702	0.9%
2013	20,003,376,153	6.6%	75,888,986	2.8%	6,420,199	3.1%
2014	23,083,235,193	15.4%	87,841,056	15.8%	6,931,934	8.0%
2015	23,172,626,929	0.4%	89,057,259	1.4%	7,490,337	8.1%
2016	24,422,280,420	5.4%	97,916,080	9.9%	8,209,650	9.6%

Source: Florida Department of Revenue

⁽¹⁾ Represents net total collections after refunds and adjustments.

CITRUS COUNTY, FLORIDA
DEMOGRAPHIC STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year	Population ⁽¹⁾	Per Capita Income	Personal Income ⁽²⁾ (in thousands)	Public School Enrollment ⁽³⁾	Unemployment Rate	
					County ⁽⁴⁾	National ⁽⁵⁾
2006-07	137,826	\$31,081	\$4,381,679	16,026	5.4%	4.7%
2007-08	140,974	31,591	4,489,764	16,081	9.4%	6.2%
2008-09	142,122	31,047	4,389,513	15,677	12.0%	9.8%
2009-10	141,381	31,936	4,512,216	15,538	13.4%	9.6%
2010-11	141,288	33,393	4,668,650	15,704	12.0%	9.1%
2011-12	139,809	33,935	4,727,763	15,249	10.1%	7.8%
2012-13	139,320	34,380	4,788,188	14,676	9.2%	7.2%
2013-14	140,520	34,194	4,765,844	14,755	7.8%	5.9%
2014-15	141,364	35,323	4,982,556	15,123	6.9%	5.1%
2015-16	143,054	(a)	(a)	15,666	6.8%	5.0%

(a) Statistics not yet published

Sources:

- (1) Bureau of Economic and Business Research, University of Florida
- (2) United States Department of Commerce, Bureau of Economic Analysis
- (3) Citrus County School Board
- (4) Bureau of Economic and Business Research, University of Florida
- (5) United States Department of Labor, Bureau of Labor Statistics

CITRUS COUNTY, FLORIDA
Full-time Equivalent County Government Employees
by Function

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
General government	347	337	374	371	377	344	348	337	365
Public safety	501	498	478	477	469	435	480	422	402
Physical environment	31	28	40	28	28	16	20	15	21
Economic environment	7	8	9	10	10	14	13	9	15
Transportation	153	134	133	132	130	114	124	117	143
Human services	52	45	47	50	54	54	46	44	53
Culture and recreation	93	108	82	69	62	63	57	52	57
Sanitary landfill	23	25	21	29	28	26	28	26	31
Water and sewer utilities	46	46	55	59	62	67	73	70	84

Source: Finance Department and Constitutional Officers

Note: Only nine years required due to the initial implementation of GASB 44 in fiscal year 2006.

CITRUS COUNTY, FLORIDA
Principal Employers

Employer	<u>2016</u>			<u>2007</u>		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Citrus County School Board	2,475	1	7.95%			
Citrus Memorial Hospital	1,400	2	4.50%	990	2	3.03%
Citrus County Board of County Comm	587	3	1.88%			
Wal-Mart Retail Stores	750	4	2.41%	300	7	0.92%
Seven Rivers Hospital	525	5	1.69%	545	5	1.67%
Citrus County Sheriff's Department	375	6	1.20%			
Duke Energy (f.k.a Progress Energy)	350	7	1.12%	1,600	1	4.89%
Black Diamond Ranch	250	8	0.80%			
Citrus Hills Investment Prop	250	9	0.80%			
Crystal River Health & Rehab	100	10	0.32%			
Winn-Dixie Grocery Stores				610	3	1.87%
Publix Grocery Stores				550	4	1.68%
Pro-Line Boat Manufacturing				430	6	1.32%
Sunshine Material Corporation				267	8	0.82%
Kash-N-Karry Grocery Stores				210	9	0.64%
K-Mart Retail Stores				200	10	0.61%

Source: Citrus County Chamber of Commerce eflorida.com

**CITRUS COUNTY, FLORIDA
OPERATING INDICATORS BY FUNCTION**

FUNCTION	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Public safety									
<u>Sheriff</u>									
Physical arrests	4,606	4,556	4,881	4,370	4,974	5,736	5,864	5,653	5,786
Parking violations	315	394	285	190	219	374	460	345	362
Traffic violations	2,041	2,413	2,858	3,349	4,474	6,722	7,264	6,056	9,155
Warnings	18,381	13,136	15,573	18,215	20,004	34,075	42,592	37,993	29,512
<u>Fire</u>									
Number of calls answered	11,926	13,971	10,210	6,411	6,997	5,263	4,304	5,180	5,748
Inspections	1,069	1,013	911	587	610	1,335	1,809	1,830	1,850
<u>Physical environment</u>									
Grant expenditures (dollars in thousands)	826	1,890	1,105	2,147	1,603	2,470	2,769	5,265	4,780
<u>Economic environment</u>									
Funding for Economic Development Council (dollars in thousands)	—	26	110	110	110	110	85	195	145
<u>Transportation</u>									
Road resurfacing - asphalt (miles)	40	18	1	5	22	34	72	41	12
Road resurfacing - micro paving (miles)	—	—	—	2	—	—	—	—	21
Construction expenditures (dollars in thousands)	10,450	8,044	9,550	7,152	10,149	11,767	14,450	11,926	12,994
<u>Human services</u>									
Grant expenditures (dollars in thousands)	3,769	3,649	3,590	4,324	2,711	3,524	3,328	3,508	3,350
Number of citizens served by the following programs:									
Alzheimers	39	54	26	22	16	13	8	9	11
Community care for the elderly	193	174	202	224	217	220	214	235	179
Home care for the elderly	29	20	23	30	27	26	24	40	34
Older Americans Act	1,024	1,126	1,009	1,292	972	1,173	1,278	1,418	1,322
Emergency Assistance (over 60 years)	224	264	174	263	218	245	159	165	104
Local Services Program	14	13	5	—	—	—	—	—	—
<u>Culture and recreation</u>									
Library book circulation (in thousands)	629	642	663	675	705	726	761	765	726
Athletic field permits issued	5,321	7,053	10,037	8,428	8,927	8,497	4,384	4,564	2,806
Citrus County Auditorium reservations	25	142	97	483	452	355	548	425	518
Community center admissions	33,147	39,142	80,821	79,098	58,470	55,666	60,488	78,514	52,461
Pavilion reservations	218	228	216	238	275	246	294	302	241
Pool attendance	41,540	51,095	47,531	50,051	40,746	41,059	34,388	27,272	23,491

**CITRUS COUNTY, FLORIDA
OPERATING INDICATORS BY FUNCTION**

Sanitary landfill

Total solid waste disposal (thousands of cubic yards)	93	116	80	93	112	134	121	160	95
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Water and wastewater

New connections water and sewer	239	241	169	139	128	117	334	461	584
Average daily flow (water) (thousands of gallons)	9,625	9,161	8,075	8,804	14,762	9,693	9,154	8,461	8,828
Average daily flow (wastewater) (thousands of gallons)	1,414	2,185	1,463	1,088	1,470	1,439	1,461	1,396	1,354

Sources: Various government departments

Note: Indicators are not available for the general government function

Only nine years required due to the initial implementation of GASB 44 in fiscal year 2006.

**CITRUS COUNTY, FLORIDA
Capital Asset Statistics by Function**

FUNCTION	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
<u>Public safety</u>										
Sheriff substations	3	3	3	3	3	3	5	5	5	6
Patrol units	157	157	157	137	137	136	137	138	140	126
Fire Stations	9	9	9	18	18	21	22	22	22	22
<u>Transportation</u>										
Roads - Various (centerline miles)	2,256	2,256	2,256	2,256	2,256	2,256	2,256	2,256	2,252	2,250
Traffic signals	55	96	96	95	68	66	70	68	64	59
<u>Culture and recreation</u>										
Parks	32	32	29	27	27	27	26	26	25	25
Swimming pools	2	2	2	2	2	1	1	1	1	1
Tennis courts	14	14	14	12	12	12	12	12	12	12
Community centers	8	8	8	7	7	5	5	5	5	5
<u>Water and sewer</u>										
Water mains (miles)	788	788	786	785	783	778	620	619	611	593
Sanitary sewers (miles)	359	273	268	267	267	266	257	253	253	243
Maximum daily water capacity (millions of gallons)	28	28	28	28	28	28	28	29	26	26
Maximum daily wastewater treatment capacity (thousands of gallons)	3,463	3,463	3,463	3,463	3,558	3,620	3,597	3,637	2,137	1,966
<u>Solid waste</u>										
Landfill remaining capacity (thousands of cubic yards)	1,823	1,916	1,919	1,966	1,928	2,383	701	822	982	1,078

ADDITIONAL ELEMENTS OF REPORT PREPARED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS,
ISSUED BY THE COMPTROLLER GENERAL OF THE UNITED
STATES; THE PROVISIONS OF OFFICE OF MANAGEMENT
AND BUDGET (OMB) CIRCULAR A-133; AND THE RULES
OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA



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

Federal State Agency, Pass-through Entity, Federal Program/State Project	CFDA/ CSFA Number	Contract/ Grant Number	Expenditures
FEDERAL AGENCY NAME			
<u>U.S. Department of Agriculture</u>			
Indirect Programs:			
Passed-Through Department of Elder Affairs:			
Passed-Through Elder Options dba Mid-Florida Area Agency on Aging:			
Nutrition Services Incentive Program (10/14-9/15)	10.570	NSIP-15-CIT	\$ 20,808
Nutrition Services Incentive Program (10/15-6/16)	10.570	NSIP-16-CIT	42,808
Total U.S. Department of Agriculture			<u>63,616</u>
<u>Federal Emergency Management Agency</u>			
Direct Programs:			
Hurricane Hermine Disaster Declaration	97.036	PA-00-05-19-02-034	5,241
Indirect Programs:			<u>5,241</u>
Passed-Through Division of Emergency Management			
Central Landfill Leachate Forcemain Drainage	10.904	14HM-6B-05-19-01-502	14,175
			<u>14,175</u>
<u>U.S. Department of Housing and Urban Development</u>			
Direct Programs:			
Neighborhood Stabilization Program	14.218	B11-UN-12-0020	1,584
Section 8 Housing Choice Voucher Program	14.871	FL147	831,772
Shelter Plus Care	14.267	FL0400L4H201404	88,365
Shelter Plus Care	14.267	FL0400L4H201505	6,617
Sumter County Section 8 Rental Assist (01/15-12/15)	14.871	FL147 VO	280,456
Indirect Programs:			
Passed-Through Department of Economic Opportunity:			
Community Development Block Grant	14.228	16DB-OK-05-19-01-H 04	1,759
Total U.S. Department of Housing and Urban Development			<u>1,210,553</u>
<u>U.S. Department of Justice</u>			
Direct Programs:			
FI Coalition Against Domestic Violence (STOP)	16.588	17-8047-LE-ENH	30,757
Edward Byrne Memorial Justice Assistance Grant Mobile Wireless	16.738	2015-DJ-BX-0492	31,517
Law Enforcement Data Storage & Retrieval	16.738	2016-JAGC-CITR-1-H3-135	45,608
Indirect Programs:			
Passed-Through State Office of Attorney General:			
Victims of Crime Act (VOCA)	16.576	V104-14088	73,621
Total U.S. Department of Justice			<u>181,503</u>

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

Federal State Agency, Pass-through Entity, Federal Program/State Project	CFDA/ CSFA Number	Contract/ Grant Number	Expenditures
<u>U.S. Department of Transportation</u>			
Direct Programs:			
Crystal River Airport Master Plan & ALP Update	20.106	3-12-0156-007-2014	25,180
Indirect Programs:			
Passed-Through Florida Department of Transportation:			
Transportation Section 5307 Urban Formula Funding	20.507	FL-90-X882-00	263,845
Transportation Section 5307 Urban Formula Funding	20.507	FL-2016-059-00	54,542
Transportation 5311 Operations	20.509	ART66	1,922
Transportation 5311 Operations	20.509	ART65	238,326
Total Department of Transportation			<u>583,815</u>
<u>Federal Highway Administration</u>			
Indirect Programs:			
Passed-Through Florida Department of Transportation			
LAP Yulee Drive Sidwalk Project	20.205	AQX13 43258113801	7,478
			<u>7,478</u>
<u>Department of Environmental Protection</u>			
Direct Programs:			
North West Quadrant Water Extension	66.468	FS984522-012	108,099
Total Department of Environmental Protection			<u>108,099</u>
<u>Department of Homeland Security</u>			
Direct Programs:			
Indirect Programs:			
Passed-Through State of Florida Emergency Management:			
Department of Homeland Security / FEMA	97.067	16-DS-T9-05-19-01-437	23,985
Emergency Management - Training & Sustainment	97.067	16-DS-P4-05-19-01-166	5,076
Homeland Security- CEMP Planning & EMI Travel per Diem	97.067	15-DS-P4-05-19-01-463	435
Passed-Through Department of Community Affairs:			
DEM/Emergency Management Assistance Trust Fund	97.042	17-FG-P9-05-19-01-083	19,253
DEM/Emergency Management Assistance Trust Fund	97.042	16-FG-5A-05-19-01-076	57,936
Emergency Management Performance Grant - Citizens Corp	97.042	16-CC-S9-05-19-02-397	7,403
Emergency Management Performance Grant - CERT	97.042	16-CI-S9-05-19-02-398	7,347
Total Department of Homeland Security			<u>121,435</u>

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

Federal State Agency, Pass-through Entity, Federal Program/State Project	CFDA/ CSFA Number	Contract/ Grant Number	Expenditures
<u>U.S. Department of Health and Human Services</u>			
Direct Programs:			
Indirect Programs:			
Passed-Through State Department of Revenue:			
Title IV D	93.563	CD-309	284,213
Passed-Through State Department of Community Affairs:			
Low-Income Home Energy Assistance	93.568	15EA-OF-05-19-01-008	176,121
Low-Income Home Energy Assistance	93.568	16EA-OF-05-19-01-008	281,377
Passed-Through Florida Department of Children and Families:			
Passed-Through Department of Elder Affairs:			
Passed-Through Elder Options dba Mid-Florida Area Agency on Aging:			
Title III B	93.044	OAA-15-CIT	43,948
Title III B	93.044	OAA-16-CITCSS	119,477
Title III C-1	93.045	OAA-15-CIT	40,227
Title III C-1	93.045	OAA-16-CITCSS	130,127
Title III C-2	93.045	OAA-15-CIT	47,075
Title III C-2	93.045	OAA-16-CITCSS	156,188
Title III E	93.052	OAA-15-CIT	10,292
Title III E	93.052	OAA-16-CITCSS	34,172
Emergency Home Energy Assistance	93.568	EA-15-CIT	19,114
Emergency Home Energy Assistance	93.568	EA-16-CITCSS	26,522
Passed-Through Division of Elections:			
2011 HHS Vote Program	93.617	MOA 2015-2016-0001-CIT	1,001
Total U.S. Department of Health and Human Services			<u>1,369,854</u>
<u>Corporation for National and Community Services</u>			
Direct Programs:			
Retired and Senior Volunteer Program	94.002	14SR159612	506
Retired and Senior Volunteer Program	94.002	13SRSFL001	68,062
Retired and Senior Volunteer Program	94.002	16RSFL006	20,265
Indirect Programs:			
Passed-Through State Department of Elder Affairs:			
Senior Companion Program	94.016	FY 2015 / 2016	2,174
Senior Companion Program	94.016	FY 2016 / 2017	342
Total Corporation for National and Community Services			<u>91,349</u>

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

Federal State Agency, Pass-through Entity, Federal Program/State Project	CFDA/ CSFA Number	Contract/ Grant Number	Expenditures
<u>U.S. Elections Assistance Commission</u>			
Indirect Programs:			
Indirect Programs:			
Federal Election Activities	90.401	Memo of Agrmt 12-13	2,659
Federal Election Activities	90.401	Memo of Agrmt 13-14	16,302
Federal Election Activities	90.401	Memo of Agrmt 14-15-0001-CIT	24,236
Federal Election Activities	90.401	Memo of Agrmt 15-16-0001-CIT	2,017
Total Department of State			<u>45,214</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u><u>\$ 3,802,332</u></u>
 STATE AGENCY NAME			
<u>Department of Education</u>			
Take Stock in Children	48.068		\$ 34,256
Take Stock in Children	48.068		12,093
Total Department of Education			<u>46,349</u>
<u>Department of Environmental Protection</u>			
Homosassa Wastewater Collection System	37.039	LP6041	32,414
Fort Island Trail WW Force Main Project	37.052	14C00000077	117,401
Total Division of Environmental Protection			<u>149,815</u>
<u>Division of Emergency Management</u>			
Emergency Management Assistance Trust Fund	52.008	16-BG-83-05-19-01-009	91,857
Emergency Management Assistance Trust Fund	52.008	17-BG-83-05-19-01-016	10,127
Residential Construction Mitigation Program	31.066	16RC-Q3-05-19-01-285	5,500
Total Division of Emergency Management			<u>107,484</u>
<u>Department of Community Affairs</u>			
State Housing Initiative Program	40.901	FY 2014 / 2017	399,147
State Housing Initiative Program	40.901	FY 2015 / 2018	202,159
Total Department of Community Affairs			<u>601,306</u>

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

Federal State Agency, Pass-through Entity, Federal Program/State Project	CFDA/ CSFA Number	Contract/ Grant Number	Expenditures
<u>Department of Transportation</u>			
Transportation Disadvantaged Trip & Equipment	55.001	G013 43202718401	243,208
Transportation Disadvantaged Trip & Equipment	55.001	GB05 43202718401	85,960
Transportation Disadvantaged Planning	55.002	G0214 43202911401	16,971
Inverness Airport Terminal Ramp & Watson Improvement	55.004	AQ133 42068619411	277,393
Inverness Aiport Terminal Maintenance Hangar	55.004	AQ132 42068319411	116,206
Inverness Airport Industrial Site	55.004	ARK25 42410329401	21,004
Inverness Airport Master Plan Update	55.004	AQY15 42410319401	120
Inverness Airport Re-Striping & Re-Marking of Runway	55.004	ARU72 424103-8-94-01	34,641
Crystal River Airport Environmental Assessment	55.004	AQF37 42410239401	2,238
Crystal River Wetland Mitigation & Clear Airspace for Runway	55.004	428065-2-94-01 ARU73	280
CIGP Barge Canal Access Road Resurfacing	55.008	AQN77 43220615801	142,404
CIGP Ottawa Ave / Quartz Ave	55.008	AQ682 42893115801	127,238
SCOP N Citrus Springs Blvd from Elkcarn Blvd to US 41	55.009	GOA47 43863915401	696,930
SCOP CR 581 from SR 44 to E Anna Jo Drive	55.009	ARE03 42936115801	62,068
SCOP CR 491 from Glen Pines Ct to W Cardinal St	55.009	ARE02 43529215801	53,405
SCOP Hernando/Citrus County Line to Glen Pines Court	55.009	ART13 43660415801	318,740
Total Department of Transportation			<u>2,198,806</u>
<u>Florida Department of Health</u>			
State of Florida Medical Services	64.005	C-4009	10,662
Total Florida Department of Health			<u>10,662</u>
<u>Department of Elder Affairs</u>			
Indirect Programs:			
Passed-Through Elder Options dba Mid-Florida Area Agency on Aging:			
Home Care for the Elderly	65.001	HCE-15-CIT	20,435
Home Care for the Elderly	65.001	HCE-16-CITCSS	6,802
ADI-Alzheimers Disease Initiative	65.004	ADI-15-CIT	127,584
ADI-Alzheimers Disease Initiative	65.004	ADI-16-CITCSS	50,459
Local Services Program - ADC	65.009	LSP-15-CIT	11,878
Local Services Program - ADC	65.009	LSP-16-CITCSS	3,680
Community Care for the Elderly	65.010	CCE-15-CIT	399,622
Community Care for the Elderly	65.010	CCE-16-CITCSS	168,209
Total Department of Elder Affairs			<u>788,669</u>

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

Federal State Agency, Pass-through Entity, Federal Program/State Project	CFDA/ CSFA Number	Contract/ Grant Number	Expenditures
<u>Division of Historical Resources</u>			
Historic Hernando School	45.032	SC526	227,592
Total Division of Historical Resources			227,592
<u>Division of Library & Information Services</u>			
State Aid to Libraries	45.030	16-ST-06	77,027
Total Division of Library & Information Services			77,027
<u>Executive Office of the Governor</u>			
Hazardous Materials Analysis	31.067	16-CP-11-05-19-23-150	2,240
Total Division of Library & Information Services			2,240
TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE			\$ 4,209,950

Note: Schedule of Expenditures of Federal Awards and State Financial Assistance is prepared on the modified accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. The County did not elect to use the 10% de minimis indirect cost rate.



MOORE STEPHENS
LOVELACE, P.A.

CERTIFIED PUBLIC ACCOUNTANTS

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

Honorable Board of County Commissioners
Citrus 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 activity, each major fund, and the aggregate remaining fund information of Citrus County, Florida (the "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 23, 2017. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that were reported on separately by those auditors.

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 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 over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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*.

We noted certain other matters that we reported to County management in a separate letter dated March 23, 2017.

Honorable Board of County Commissioners
Citrus County, Florida

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.

Moore Stephens Lovelace, P.A.

MOORE STEPHENS LOVELACE, P.A.
Certified Public Accountants

Orlando, Florida
March 23, 2017



MOORE STEPHENS
LOVELACE, P.A.

CERTIFIED PUBLIC ACCOUNTANTS

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM AND STATE PROJECT AND ON INTERNAL CONTROL OVER
COMPLIANCE AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE REQUIRED BY THE UNIFORM GUIDANCE
AND CHAPTER 10.550, RULES OF THE AUDITOR GENERAL**

Honorable Board of County Commissioners
Citrus County, Florida

Report on Compliance for Each Major Federal Program and State Project

We have audited the compliance of Citrus County, Florida (the "County") with the types of compliance requirements described in the OMB *Compliance Supplement* and the requirements described in the 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 auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs and state projects.

Auditor's Responsibility

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

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 and state project to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program and state project and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the 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 or state project will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program or state project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*. Accordingly, this report is not suitable for any other purpose.

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

We have audited the financial statements of the governmental activities, the business-type activity, each major fund, and the aggregate remaining fund information of the 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. We issued our report thereon dated March 23, 2017, which contained unmodified opinions on those financial statements. Our report on the basic financial statements also contained references to the reports of other auditors. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance is presented for purposes of additional analysis, as required by the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*, and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards and State Financial Assistance is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Moore Stephens Lovelace, P.A.

MOORE STEPHENS LOVELACE, P.A.
Certified Public Accountants

Orlando, Florida
March 23, 2017

CITRUS COUNTY, FLORIDA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended September 30, 2016

SECTION I - SUMMARY OF INDEPENDENT AUDITOR'S RESULTS

Financial Statements

Type of Auditor's Report Issued:

Unmodified Opinion

Internal control over financial reporting:

- Material weakness(es) identified? ☐ Yes ☒ No
- Significant deficiency(ies) identified? ☐ Yes ☒ None reported

Noncompliance material to financial statements noted? ☐ Yes ☒ No

Federal Awards and State Financial Assistance

Internal control over major programs:

- Material weakness(es) identified? ☐ Yes ☒ No
- Significant deficiency(ies) identified? ☐ Yes ☒ None reported

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

Unmodified Opinion

Any audit findings disclosed that are required to be reported in accordance with Section 200.516(a) of the Uniform Guidance or Chapter 10.557, *Rules of the Auditor General*?

☐ Yes ☒ No

Identification of Major Federal Programs and Major State Projects:

CFDA Numbers

Name of Federal Programs

14.871	Section 8 Housing
20.507	Transportation Section 5307 Urban Formula Funding
93.568	Low Income Home Energy Assistance

CSFA Numbers

Name of State Projects

40.901	State Housing Initiative Program
55.004	Aviation Development Grant
55.009	Small County Outreach Program

Dollar threshold used to distinguish between

Type A and Type B programs:	Federal	<u>\$750,000</u>
	State	<u>\$300,000</u>

Auditee qualified as low-risk auditee? ☒ Yes ☐ No

CITRUS COUNTY, FLORIDA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (*Continued*)

For the Year Ended September 30, 2016

SECTION II - FINANCIAL STATEMENT FINDINGS

None reported.

**SECTION III - FEDERAL AWARD AND STATE FINANCIAL ASSISTANCE FINDINGS AND
QUESTIONED COSTS SECTION**

None reported.

SECTION IV - PRIOR-YEAR AUDIT FINDINGS

None reported.



MOORE STEPHENS
LOVELACE, P.A.

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S MANAGEMENT LETTER

Honorable Board of County Commissioners
Citrus County, Florida

Report on the Financial Statements

We have audited the basic financial statements of Citrus County, Florida (the "County") as of and for the fiscal year ended September 30, 2016, and have issued our report thereon dated March 23, 2017.

Auditor's 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 for Federal Awards* ("Uniform Guidance"); and Chapter 10.550, *Rules of the Auditor General*.

Other Reports and Schedule

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*, Independent Auditor's Report on Compliance for Each Major Federal Program and State Project and on Internal Control over Compliance and Report on Schedule of Expenditures of Federal Awards and State Financial Assistance Required by the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*, and Schedule of Findings and Questioned Costs, and Independent Accountant's 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 23, 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 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. The legal authority is disclosed in the notes to the financial statements.

Financial Condition

Sections 10.554(1)(i)5.a. and 10.566(7), *Rules of the Auditor General*, require that we 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, the results of our tests did not indicate that the County met any of the conditions described in Section 218.503(1), Florida Statutes.

Financial Condition (Continued)

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

Sections 10.554(1)(i)5.b. and 10.556(7), *Rules of the Auditor General*, require that we 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 Mayor, County Commission, and applicable management and is not intended to be, and should not be, used by anyone other than these specified parties.



MOORE STEPHENS LOVELACE, P.A.
Certified Public Accountants

Orlando, Florida
March 23, 2017



MOORE STEPHENS
LOVELACE, P.A.

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT ACCOUNTANT'S REPORT

Honorable Board of County Commissioners
Citrus County, Florida

We have examined Citrus County, Florida's (the "County") compliance with the requirements of Sections 218.415, 365.172(10), and 365.173(2)(d), Florida Statutes, 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.

In our opinion, the County complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2016.

Moore Stephens Lovelace, P.A.

MOORE STEPHENS LOVELACE, P.A.
Certified Public Accountants

Orlando, Florida
March 23, 2017



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