

**CITRUS COUNTY
FLORIDA**

2018



**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2018**

Red Shirt, Homosassa, Florida

Winslow Homer concluded the watercolor painting entitled Red Shirt, Homosassa, Florida in 1904, while in Citrus County. This artwork was done during the last phase of the painter's life, as he passed away only six years later. He took recent visits to Florida beginning in 1888, producing some of his best work like A Norther – Key West and The Gulf Stream.

CITRUS COUNTY, FLORIDA

COMPREHENSIVE ANNUAL FINANCIAL REPORT



**FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2018**

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 21, 2019

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, 2018, 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 the 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, 2018, 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 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 programs and projects and state projects, 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 143,801 residents. According to information prepared by the Florida Legislature, Office of Economic and Demographic Research, the median age in Citrus County is 54 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 experiencing an economic recovery with a declining unemployment rate, increasing sales tax and tourist development tax, increasing building permit revenues, and a continued decline in the single-family housing inventory.

Long-term Financial Planning

Unassigned fund balance in the general fund falls within the policy guidelines used by the Department 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. 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

Board of County Commissioners:

- In October 2017, Fire Rescue transitioned back under the direction of the BOCC. During this time, all tactical policies and disaster plans were revised to align with County regulations and policies.
- Grounds Maintenance assisted with the replacement of the Ft. Island Beach Boardwalk, parking lot resurfacing at Bicentennial Pool and McCrae's boat ramp parking lots, resurfacing of Holden Park walking trail, and built a new t-ball field at Central Ridge District Park.
- Parks and Recreation offered Spring Break Camp to students, an Egg-streme "Glow Hunt", movies in the park program, and organized a Free Jam concert for youth in Citrus County.
- Water Resources completed the first phase of the Private Package Plant interconnection project to connect the Islands Condominiums development to the County's central wastewater collection system.
- Water and wastewater services are being upgraded and expanded in association with several roadway projects including CR 491, the Suncoast Parkway 2, and US 19. These projects will improve availability of utility services along major commercial corridors in Citrus County.
- Systems Management Department's Application Development has created a new online payment system to eliminate the old escrow system in the Building Department.
- In March 2018, Standard & Poor's (S&P) revised its rating criteria for debt secured by non-ad valorem revenues. This coupled with strong policy decisions by the Board of County Commissioners (BOCC), strong management and County's improved financial position has resulted in in the 2015 Capital Improvement Bonds and 2010 Capitol Improvement Refunding Bonds/Build America Bonds being upgraded from A+ to AA-. In May 2018 Fitch Ratings announced that the Citrus County Bond Rating was upgraded from AA- to AA for the \$44.1M water and wastewater system revenue refunding bonds, series 2016. In addition, in May 2018, Moody's assigned the county an initial Aa3 issuer rating. Moody's cited Citrus County benefits from low debt and pension burdens and a strong, stable financial position.

Citrus County Clerk of Courts and Comptroller:

- For twenty consecutive years we have been awarded the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association.
- Partnered with Citrus County Judicial to integrate electronic proposed orders in the case management software utilized by both agencies



- Upgraded the statewide Comprehensive Case Information System which provides a method to share and report information related to all court cases maintained by our office pursuant to Florida Statute 28.24(12)(e)
- Enhanced features of our secure online court record search
- Implemented an electronic customer queue management system
- Implemented a custom court docket display system
- Implement the use of e-certified mailers and e-certified return receipt system in Official Records and Courts
- Upgraded the performance evaluation system
- Assisted in the migration of Fire Services to the Board of County Commissioners
- Implemented payment to jurors in cash
- Partnered with the Citrus County Board of County Commissioners Human Resources with electronic processing of records
- Wrote, developed, and implemented in-house Value Adjustment Board software
- Initiated a project portfolio management system
- Implemented a new online Marriage Kiosk system
- Conducted major upgrade to our email server

Citrus County Property Appraiser:

- Reviewed and completed over 53,000 vacant desk-top reviews, using up-to-date aerial photography
- VAB hearings continued at a reduced level over past years, with 236 scheduled for formal hearings. We settled 141 petitions in-house, thereby avoiding the cost of a formal VAB hearing.
- Continued implementing features of our upgraded Property Appraisal software system
- With renewed real estate activity continuing to increase our workloads, we successfully maintained our budget for 2018-19 at a 1.8% increase compared to the 2.5% the county had requested.
- Funded the replacement of carpet for the Inverness office, as we still had the original carpet from when we moved in to the upstairs of the Courthouse Annex building over 15 years ago
- Continued to meet the ongoing challenge of the retirement of key staff members with reorganization of our office staff including, hiring, training and reassigning of staff
- Continued with additional staff training and improving appraisal skills training in a constant effort to raise the level of our performance and service
- Produced and published on our website, a professional Annual Report explaining the many facets of our office and how it all relates to values and tax revenues

Citrus County Sheriff's Office:

- Effective July 1, 2018, following the Parkland tragedy, Senate Bill 7026 took effect. Prior to that date, we unhesitatingly deployed additional sworn deputies into every public school campus in Citrus County. We also added two additional sergeants to the unit.
- Creation of a new recruitment deputy position in our Human Resources Division to recruit and retain highly skilled qualified sworn and civilian applicants for the Citrus County Sheriff's Office.



- Collaborated with the Alzheimer's Family Organization (AFO) in hosting the first annual Law Enforcement Summit to Protect and Serve our Seniors. Members from eight surrounding Sheriff's Offices, hospitals, EMS, and the Citrus County Health Department discussed ways to better handle the increase in Dementia related events that might occur in our respective counties.
- Creation of a new program through our Criminal Investigation Division called "Record Every Camera" directing homeowners and businesses to sign up their security cameras with the CCSO to help solve crimes in a more efficient way.
- Successfully applied for and received two grants, which outfitted two deputies with new bulletproof vests (Firehouse Subs Public Safety Grant).
- Restructured the East and West Patrol Divisions to enhance effectiveness, safety, and provide better countywide coverage.
- Continuous execution of Command Staff leadership training to improve mentoring, coaching, and succession planning.
- Our Emergency Management team has completed several hours of training and virtual tabletop exercises to enhance the community responders.
- Our Traffic Unit continued the successes of the "Just Drive Citrus" campaign. In addition, our Traffic Unit successfully completed a "Stopped or Be Stopped" campaign to educate, and enforce drivers to stop at traffic lights and stop signs throughout Citrus County.
- The Employee of the Month award was re-established for both East and West Districts. This has improved morale and provided another avenue to recognize and reward those that excel within the agency.
- More than 100 people attended the first annual Volunteer Training Seminar at the Withlacoochee Technical College in which volunteers were able to get a first-hand look at volunteer training with the Citrus County Sheriff's Office.
- Digitized the data entry of certain enforceable services and eliminated the daily need for travel between the two offices in our Juvenile and Judicial Services Division.
- Utilized our certified in house pilot within our Aviation Unit to instruct and certify two additional pilots to become certified in the use of night vision devices.

Citrus County Supervisor of Elections:

- Conducted the 2018 Primary Elections with 34.61% turnout.
- Conducted the Bi-Annual List Maintenance Program.
- Conducted voter education programs in the school system and community.
- Collaborated with the county for remodel design and layout for Meadowcrest move.
- Purchased and implemented new voting system for the 2018 primary elections.
- Trained all staff and poll workers on new voting equipment.

Citrus County Tax Collector:

- An online portal system that streamlines the "Open Enrollment" process reducing manual entry time and paper. More information is available to employees.
- Upgraded to an integrated time keeping and payroll system that reduces manual form completion and paper usage. Instituted an electronic absence request and tracking process.
- Inverness office redesign that utilizes space more efficiently and provides a more convenient customer traffic flow.



- Upgraded system allowing online tax certificate transfers for bidders and provides their 1099's electronically reducing paper and providing information in a convenient manner.
- Enhanced the process to collect delinquent tangible taxes.
- New Driver License printers installed by the Division of Highway Safety and Motor Vehicles which produces Driver License and ID cards with enhanced security features.

Major Initiatives - Future Years

Board of County Commissioners:

- Design and marketing of the Inverness Airport Industrial Park continues and a new Fixed Base Operator (FBO) took over management at the airport as of September 1, 2018.
- County staff will coordinate planning and engineering actions with the construction of Suncoast 2 Parkway, construction expected to be completed in 2022.
- The Local Road Resurfacing program continues, which is funded from Gas Tax. The BOCC authorized a total \$3.0 Million (for 1yr) in local road resurfacing.
- Private Package Plant Interconnection projects will continue, including River Cove Landings, Stonebrook Mobile Home Park, Forest View Mobile Home Park, and Crystal Isles developments. The program is funded through a \$2M Springs Initiative grant from the State of Florida.
- Citrus County Transit is seeking to improve service to veterans by adding the VA Clinic located in the Villages as an additional destination. By adding this, we would increase health care options other than the VA in Gainesville.
- Facilities Management will replace elevators 3 and 4 located at the Citrus County Courthouse.

Citrus County Clerk of Circuit Court and Comptroller:

- Implement software to allow for enterprise content management.
- Partner with the Sheriff's office to implement the process of electronic warrants.
- Partner with the Office of State Court Administration to implement a new uniform case reporting system.
- Automate computer generated processing of court documents.
- Implement software to assist in streamlining and organizing office documents.
- Implement software to increase efficiencies in accounts payable.

Citrus County Property Appraiser:

- To fully implement online Homestead & TPP filing, which will allow for staff efficiencies and enhance our customer service. The online homestead filing should be fully implemented within the next 30 days.
- To fully implement a fraud detection program using data analytics which will add additional revenues to the tax base as cases are processed, with very minimal associated costs
- 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
- Continue implementing the usage of hand-held tablets in the field to streamline the collection and entry of property data into our computer system
- Work to develop the sharing of aerial photography and other technology with county agencies for the benefit of our citizens



Citrus County Sheriff's Office:

- The creation of additional School Resource Deputies to help alleviate the lack of float coverage within the Judicial/Juvenile Services Division, which would allow our SRDs to continue teaching our nationally recognized programs with each school.
- Collaborating with the Citrus County School Board to update our School Resource Deputy teaching programs to include mental health first aid within the Judicial/Juvenile Services Division.
- Develop a fiscally conservative plan within the Judicial/Juvenile Services Division, to update the front security area of the Citrus County courthouse for increased security.
- Reconstitute the Tactical Impact Unit and Intelligence Led Policing squads within the Criminal Investigations Division, for more a proactive approach to crime in Citrus County.
- Establish an Agency Employee Mentoring Program. Collaborate with the Human Resources Division and other divisions in order to develop an agency wide mentoring program for its employees. This can range from a Deputy wanting mentoring and/or tips in order to become a Sergeant to helping peers and subordinates alike with issues, goals or struggles.
- Utilize volunteers in more areas to take on more challenging roles within the Sheriff's Office including Community Relations and Fleet Maintenance Sections.
- Complete all advanced dive and recovery certifications within our Dive Unit.

Citrus County Supervisor of Elections:

- Conduct the 2018 general elections.
- Implement document imaging system
- Prepare for office move to Meadowcrest in 2019
- Strategically prepare for the retirement of key personnel over the next 5-10 years.
- Prepare for 2020 elections to include the Presidential Preference Primary, Primary, and General elections

Citrus County Tax Collector:

- Tax Deed warning letter to be mailed to the taxpayer prior to a tax deed application being filed. Money savings to the customer if they can pay prior to the deadline.
- Tax Deed notification letter for a quicker alert to the taxpayer that property will be going to auction. Allows more time for payment.
- Enhancements to the timekeeping and payroll system to store employee information electronically reducing paper and manual filing providing more convenience to access information.
- "Stand alone" kiosks in both offices to process tax payments and DMV renewals providing convenience and time savings for the customer.
- Upgrade the Concealed Weapon License appointment system to integrate with the office queuing system. Customers making CWL appointments will automatically be placed in the queuing system.
- Provide Concealed Weapon License services at the Meadowcrest Office providing more convenience for west side county customers.



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, 2017. This was the twentieth 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, 2017. This was the tenth 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 annual report submission for fiscal year 2017. 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 the 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,

A handwritten signature in cursive script, reading "Angela Vick".

Angela Vick,
Clerk of the Circuit Court and Comptroller

A handwritten signature in cursive script, reading "Susan A. Sullivan".

Susan Sullivan, CPA
Senior Financial Analyst



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Citrus County
Florida**

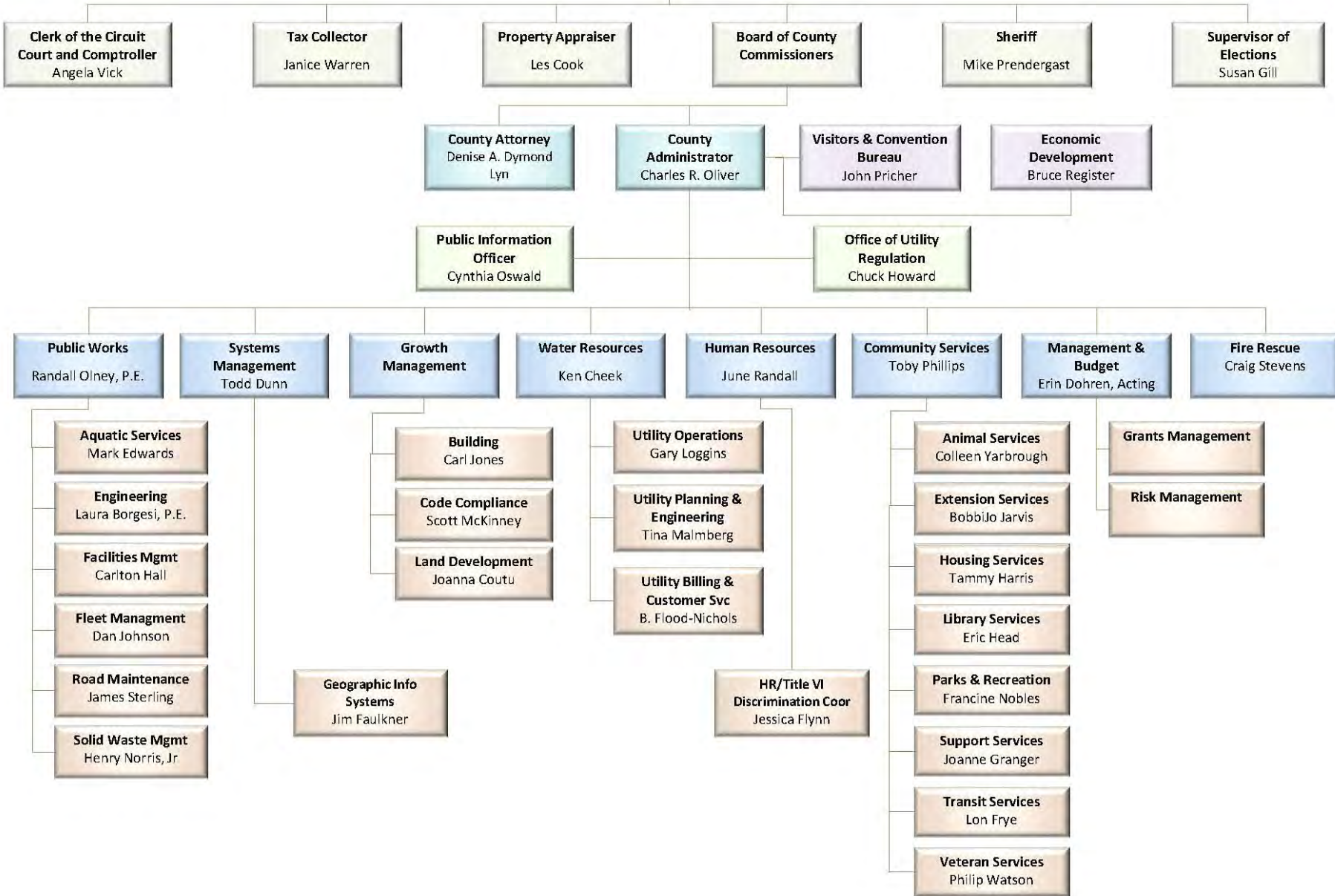
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2017

Christopher P. Morill

Executive Director/CEO

Citizens of Citrus County





CITRUS COUNTY
List of Elected and Appointed Officials

Elected Officials

County Commissioners

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

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
- Erin Dohren - Management and Budget Department Acting Director
- Traci Phillips - Chief of Staff, Clerk of the Circuit Court and Comptroller
- Susan Sullivan - Senior Financial Analyst



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FINANCIAL SECTION



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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, discretely presented component unit, each major fund, and the aggregate remaining fund information of Citrus County, Florida (the County) as of and for the year ended September 30, 2018, 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 2% 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 0.2%, 0%, and 3% of the assets, net position, and revenues of the governmental activities, respectively. It also represents 4%, 0%, and 11% of the assets, net position, and revenues of the aggregate remaining fund information of the County, respectively. The CIC and the CCSISF 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 and the CCSISF, 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 in the first paragraph present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activity, discretely presented component unit, each major fund, and the aggregate remaining fund information of the County as of September 30, 2018, 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, Grants in Aid Fund, and Special Assessments Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis-of-Matter – Change in Accounting Principle

As discussed in Note 20 to the financial statements, in the fiscal year ended September 30, 2018, the County adopted the provisions of Government Accounting Standards Board Statement (GASBS) No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. As a result of the implementation of GASBS 75, the County reported a restatement for the change in accounting principle as of October 1, 2017. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, 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.

Honorable Board of County Commissioners
Citrus County, Florida

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 21, 2019, 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 21, 2019



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**CITRUS COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2018**

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, 2018. We encourage readers to also consider the information presented in the Letter of Transmittal on pages i to xi in the Introductory Section of this report.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of Citrus County exceeded its liabilities and deferred inflows by \$742,552,817 in fiscal year 2018. Of this amount, \$23,084,030 may be used to meet the government's ongoing obligations to citizens and creditors.
- The County's total net position decreased \$(3,365,140) , or (0.5)%.
- At September 30, 2018, the County's governmental funds reported a combined fund balance of \$62,921,724, a decrease of 4.2% from September 30, 2017.
- At September 30, 2018, unassigned fund balance for the general fund was \$7,919,027, or 8.3%, 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 on all the County's assets, liabilities and deferred inflows/outflows of resources for the fiscal year ended September 30, 2018. 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, 2018. 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 14 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, Grants in Aid, 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 15 to 22 of this report.

Proprietary funds

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. 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.

The proprietary fund financial statements provide separate information for the Sanitary Landfill and Public Utility funds. The basic proprietary fund financial statements can be found on pages 23 to 27 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 statements can be found on page 28 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 29 to 73 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 74 to 78 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 80 to 134 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 137 to 161 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	
	2018	2017	2018	2017	2018	2017
Current and other assets	\$ 90,470	\$ 91,871	\$ 86,522	\$ 93,851	\$ 176,992	\$ 185,722
Capital assets	666,612	675,766	124,986	103,819	791,598	779,585
Total Assets	757,082	767,637	211,508	197,670	968,590	965,307
Deferred outflows	31,025	29,742	5,077	4,072	36,102	33,814
Long-term liabilities	133,564	129,224	67,563	67,057	201,127	196,281
Other liabilities	21,980	25,647	24,963	17,841	46,943	43,488
Total Liabilities	155,544	154,871	92,526	84,898	248,070	239,769
Deferred inflows	13,406	5,406	662	398	14,068	5,804
Net position:						
Net investment in capital assets	610,659	617,031	72,348	53,200	683,007	670,231
Restricted	15,529	28,787	20,933	21,442	36,462	50,229
Unrestricted	(7,032)	(8,716)	30,116	41,803	23,084	33,087
Total net position	\$ 619,156	\$ 637,102	\$ 123,397	\$ 116,445	\$ 742,553	\$ 753,547



The net investment in capital assets comprises the largest portion of net position at 89%. 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 \$36,461,764 represents 4.9% of net position. These resources are subject to external restrictions on how they may be used. The remaining balance of \$23,084,030 unrestricted net position of 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 \$(3.4) million.

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

	Governmental Activities		Business-type Activities		Total	
	2018	2017	2018	2017	2018	2017
Revenues:						
Program Revenues:						
Charges for services	\$ 23,329	\$ 20,992	\$ 29,341	\$ 29,752	\$ 52,670	\$ 50,744
Operating grants and contributions	9,014	8,071	57	32	9,071	8,103
Capital grants and contributions	13,486	8,709	5,672	483	19,158	9,193
General Revenues:	—	—	—	—	—	—
Property taxes	67,231	66,260	—	—	67,231	66,260
Shared revenues	26,227	25,093	—	—	26,227	25,093
Investment income	1,129	724	977	647	2,106	1,371
Total revenues	140,416	129,850	36,046	30,914	176,462	160,764
Program Expenses:	—	—	—	—	—	—
General government	34,894	28,878	—	—	34,894	28,878
Public safety	65,232	60,709	—	—	65,232	60,709
Physical environment	2,952	3,799	—	—	2,952	3,799
Transportation	29,561	29,243	—	—	29,561	29,243
Economic environment	2,938	1,983	—	—	2,938	1,983
Human services	9,663	9,950	—	—	9,663	9,950
Culture and Recreation	5,171	4,431	—	—	5,171	4,431
Interest on long-term debt	2,258	2,448	—	—	2,258	2,448
Sanitary Landfill	—	—	7,421	4,639	7,421	4,639
Public Utility	—	—	16,988	16,119	16,988	16,119
Non-major enterprise funds	—	—	2,747	2,585	2,747	2,585
Total Expenses	152,671	141,441	27,157	23,343	179,828	164,784
Increase/(Decrease) in net position before transfers	(12,254)	(11,591)	8,889	7,571	(3,365)	(4,020)
Transfers	1,674	2,359	(1,674)	(2,359)	—	—
Increase/(decrease) in net position	(10,580)	(9,232)	7,215	5,212	(3,365)	(4,020)
Net position - beginning (restated)	629,736	646,334	116,181	111,233	745,917	757,567
Net position - ending	\$ 619,157	\$ 637,102	\$ 123,396	\$ 116,445	\$ 742,553	\$ 753,547



Governmental activities

Governmental activities resulted in a decrease of \$10.6 million in net position. Key elements of this change are as follows:

- Pension expense of \$4.7 million
- An increase of \$11.2 million in program expenses, primarily general government and public safety, including \$1.1 million for renovation and equipping additional space for the Clerk of Court, \$1.2 million increase in detention services, and \$2.2 million for expenses related to Hurricane Irma.
- Depreciation expense of \$23.4 million

Offsetting these effects on net position are the following:

- A \$2.3 million increase in charges for services, including \$943 thousand for aquatic plant control, increases for Clerk of Court recording fees and Tax Collector fees, \$224 thousand for detention center fees, and an increase of \$120 thousand for providing law enforcement services for the two municipalities
- A \$405,303 increase in investment earnings, an 56% increase over fiscal year 2017, a result of rising interest rates and a focused investment strategy
- A \$2.5 million increase in general revenues, including \$514 thousand increase in tourist development tax and \$971 thousand in property taxes

Business-type activities

Business-type activities resulted in an increase of \$7,214,840. Key elements of these results are:

- Public Utilities net position increased \$7,362,725. While operating income of \$3.6 million was \$1.5 million lower than fiscal year 2017, capital grants totaling \$5.7 million contributed to a higher net position.
- The Sanitary Landfill recorded a decrease in net position of \$977,875. While operating revenues increased 6%, a significant and unusual increase in the total long-term care estimate resulted in a \$3.1 million charge for closure cost in the current year. In July 2018 Florida Department of Environmental Protection issued a solid waste permit modification approving the expansion of a landfill gas collection and control system and the construction of a landfill gas migration control system. This will require additional gas monitoring wells and associated long-term care.

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

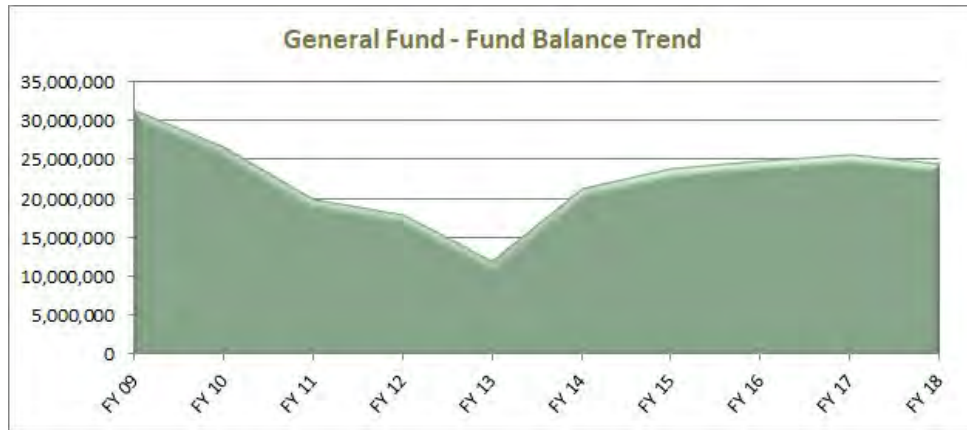
At year-end, the County's governmental funds reported a combined fund balance of \$62,921,724. Of the total fund balance, \$1,232,428 is non-spendable, \$37,976,220 is restricted, \$15,794,049 is assigned and \$7,919,027 is unassigned. Governmental funds reported a decrease in fund balance of \$2,751,502, or 4.2%.

Total governmental funds revenue increased by \$10.6 million, or 8.2% over 2017. A 22% increase in intergovernmental revenue accounted for \$6.3 million of this amount. Sales tax increased 3.1%. Tourist development tax increased again this year by \$515 thousand, or 36% as continued targeted marketing efforts increased the number of visitors more than 8% during the year. Licenses and permits increased \$1.9 million. This 213% increase reflects the improved construction industry in the County and the reinstatement of impact fees. Ad valorem tax revenue increased \$971,175, as taxable values continue their steady rise. A \$4.3 million increase in transportation expenditures, included an increase of \$2.4 million more spent on road resurfacing over fiscal year 2017 and another \$3.9 million in grant related expenditures for road



construction. The County spent \$4.6 million more in public safety expenditures this year, including a \$1.6 million increase in payments under the contract to run the detention facility and \$2.8 million for expenditures related to Hurricane Irma.

The following graph depicts the trend in general fund fund balance in the last few years.



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, 2018, amounts to \$791,597,626 (net of accumulated depreciation). This investment in capital assets includes land, buildings, machinery and equipment, park facilities, 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.

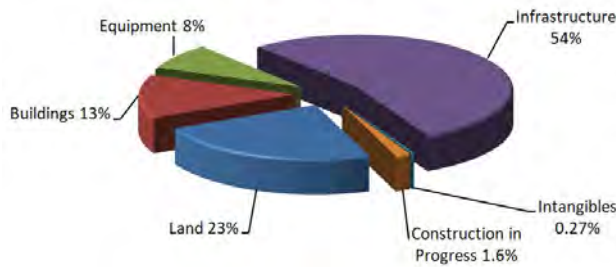
The net increase in Citrus County’s investment in capital assets for the current fiscal year was \$12 million. The net investment in governmental assets declined by \$9.2 million, reflecting the retirement of assets with a book value of \$1.1 million, and depreciation expense of \$23.3 million offset by additions of \$4.1 million. The enterprise funds’ investment in capital assets increased by \$21.2 million, largely due to ongoing construction projects.

Following is a schedule of Citrus County’s capital assets as of September 30, 2018:

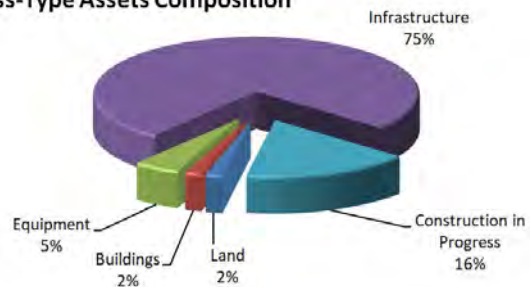
	Governmental Activities	Business-type Activities	Total
Land	\$ 227,068,594	\$ 3,394,416	\$ 230,463,010
Buildings	127,366,479	3,368,912	130,735,391
Equipment	77,265,157	9,343,442	86,608,599
Infrastructure	521,893,142	153,202,678	675,095,820
Intangibles	2,628,564	—	2,628,564
Construction in Progress	15,253,585	33,613,600	48,867,185
Less: Accumulated Depreciation & Amortization	(304,863,786)	(77,937,157)	(382,800,943)
Capital Assets, net	\$ 666,611,735	\$ 124,985,891	\$ 791,597,626



Governmental Assets Composition



Business-Type Assets Composition



Infrastructure represents 54% of governmental activities assets and 75% 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 \$33.6 million consists primarily of Utility infrastructure projects.

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

BUDGETARY HIGHLIGHTS

General Fund

General fund actual revenues were 5.5% over the final budget. Taxes and Special Assessments collections were approximately 97%, which is both normal and expected. The variance in Intergovernmental revenues is attributed to increases in Sales Tax and State Revenue Sharing, totaling \$880,000, or 7%, in excess of the final budget.

Actual General Fund expenditures were \$5,490,115 less than the final budget. This variance is due to a combination of factors, including:

- The County realized personnel cost savings of \$405,746 in the General Fund.
- Public safety cost savings of \$370,420 resulted from favorable detention facility costs and Department of Juvenile Justice savings.
- \$1,295,064 in various projects and \$771,264 of encumbrances were carried forward into the next fiscal year.
- Physical environment includes \$453,555 in non-cash, non-budgeted expenditures for the use of donated chemicals for aquatic weed control.
- The Constitutional Officers returned approximately \$762,337 in excess fees.

LONG TERM DEBT

For the fiscal year ended September 30, 2018, the County's total outstanding debt was \$105,903,767. 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 \$2,370,000 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.



The only new debt entered into this year were capital leases for Sheriff's equipment totaling \$416,449.

	Governmental Activities	Business-type Activities	Total
Revenue Bonds	\$ 42,482,571	\$ 48,063,269	\$ 90,545,840
Notes Payable	5,982,125	1,178,677	7,160,802
Special Assessment Notes Payable	2,370,000	—	2,370,000
Capital Lease	5,117,871	709,254	5,827,125
	\$ 55,952,567	\$ 49,951,200	\$ 105,903,767

Additional information on the County's Long-term Debt can be found on pages 59 to 63 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

- The ad valorem tax rate decreased from 8.0814 to 7.999 in the 2019 Fiscal Year.
- The County's 2019 population estimate has increased 1.1% from 143,054 in 2017 to 143,801 in 2018.
- Per capita income rose by 2% from \$36,483 to \$37,379.
- The unemployment rate decreased from 4.8% in September 2017 to 4.3% in September 2018.

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 Senior Financial Analyst, 120 North Montgomery 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.citrusbocc.com 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.citrusclerk.org.



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CITRUS COUNTY, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2018

	PRIMARY GOVERNMENT			COMPONENT UNIT
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	EMERGENCY MEDICAL SVCS
ASSETS				
Cash and cash equivalents	\$ 46,976,523	\$ 67,826,653	\$ 114,803,176	\$ 297,113
Investments	25,372,498	10,873,928	36,246,426	—
Receivables (net of allowance for uncollectibles)	5,277,690	2,188,014	7,465,704	2,273,979
Due from other governments	10,177,197	2,542,991	12,720,188	24,717
Internal balances	848,091	(848,091)	—	—
Inventories	509,327	482,102	991,429	130,992
Prepays	1,308,481	213,192	1,521,673	45,113
Contracts receivable	—	3,243,070	3,243,070	—
Capital assets not being depreciated	242,322,179	37,008,016	279,330,195	441,583
Capital assets, net of accumulated depreciation	424,289,556	87,977,875	512,267,431	3,485,637
Total capital assets	666,611,735	124,985,891	791,597,626	3,927,220
Total Assets	757,081,542	211,507,750	968,589,292	6,699,134
DEFERRED OUTFLOWS OF RESOURCES				
Deferred bond costs	—	1,934,403	1,934,403	—
Interest rate swap	—	—	—	118,668
Deferred outflows for pension	30,917,090	3,123,812	34,040,902	—
Deferred outflows for OPEB	108,328	18,650	126,978	—
Total deferred outflows of resources	31,025,418	5,076,865	36,102,283	118,668
LIABILITIES				
Accounts and contracts payable	6,789,644	5,278,543	12,068,187	427,114
Accrued liabilities	4,491,499	1,006,908	5,498,407	238,115
Deposits	1,204,974	1,966,602	3,171,576	—
Due to other governments	456,651	2,239,764	2,696,415	—
Unearned revenue	4,391,386	12,890,938	17,282,324	—
Line of credit	—	—	—	796,317
Non-current liabilities:				
Due within one year:				
Notes and bonds payable	4,646,339	1,580,115	6,226,454	106,969
Capital leases	751,695	534,314	1,286,009	189,710
Compensated absences	3,774,091	487,629	4,261,720	155,389
Due in more than one year:				
Notes and bonds payable	46,188,357	47,661,831	93,850,188	1,481,774
Capital leases	4,366,176	174,940	4,541,116	504,998
Compensated absences	2,072,270	118,608	2,190,878	210,213
Net pension liability	69,506,625	6,120,899	75,627,524	—
Other post-employment benefits	6,904,430	391,048	7,295,478	—
Landfill closure & post-closure	—	12,073,818	12,073,818	—
Total Liabilities	155,544,137	92,525,957	248,070,094	4,110,599

Continued

CITRUS COUNTY, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2018
(CONTINUED)

	PRIMARY GOVERNMENT			COMPONENT UNIT
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	EMERGENCY MEDICAL SVCS
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows for pension	\$ 12,096,824	\$ 623,878	12,720,702	\$ —
Deferred inflows for OPEB	1,309,487	38,475	1,347,962	—
Total deferred inflows of resources	<u>13,406,311</u>	<u>662,353</u>	<u>14,068,664</u>	<u>—</u>
Net Position				
Net investment in capital assets	610,659,168	72,347,855	683,007,023	1,643,769
Restricted for:				
Capital projects	1,475,111	16,818,948	18,294,059	—
Economic development	3,032,955	—	3,032,955	—
Human services	429,825	—	429,825	—
Public safety	5,264,444	4,113,795	9,378,239	—
Physical environment	1,683,787	—	1,683,787	—
Transportation	1,768,618	—	1,768,618	—
Culture and recreation	1,874,281	—	1,874,281	—
Unrestricted	<u>(7,031,677)</u>	<u>30,115,707</u>	<u>23,084,030</u>	<u>944,766</u>
Total net position	<u>\$ 619,156,512</u>	<u>\$ 123,396,305</u>	<u>\$ 742,552,817</u>	<u>\$ 2,588,535</u>

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, 2018**

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS				COMPONENT UNIT
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	PRIMARY GOVERNMENT				
					GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL		
Primary Government:									
1 General government	\$ 34,894,209	\$ 8,193,202	\$ 75,489	\$ 224,993	\$ (26,400,525)	\$ —	\$ (26,400,525)	—	
2 Public safety	65,232,277	8,180,887	2,242,522	6,528,659	(48,280,209)	—	(48,280,209)	—	
3 Physical environment	2,952,077	1,549,222	477,465	732,096	(193,294)	—	(193,294)	—	
4 Transportation	29,560,989	3,366,765	1,269,905	5,725,194	(19,199,125)	—	(19,199,125)	—	
5 Economic environment	2,938,398	275,624	2,184,581	236,815	(241,378)	—	(241,378)	—	
6 Human services	9,662,687	417,727	2,504,811	38,008	(6,702,141)	—	(6,702,141)	—	
7 Culture and recreation	5,171,499	1,345,978	259,526	—	(3,565,995)	—	(3,565,995)	—	
8 Interest on long-term debt	2,258,396	—	—	—	(2,258,396)	—	(2,258,396)	—	
Total governmental activities	<u>\$ 152,670,532</u>	<u>\$ 23,329,405</u>	<u>\$ 9,014,299</u>	<u>\$ 13,485,765</u>	<u>\$ (106,841,063)</u>	<u>\$ —</u>	<u>\$ (106,841,063)</u>		
Business-type Activities:									
9 Sanitary Landfill	\$ 7,421,278	\$ 6,565,940	\$ —	\$ —	\$ —	\$ (855,338)	\$ (855,338)	—	
10 Public Utility	16,988,409	18,945,374	56,673	5,671,600	—	7,685,238	7,685,238	—	
11 Building Inspection	1,785,437	2,893,978	—	—	—	1,108,541	1,108,541	—	
12 Citrus Information Cooperative	961,725	935,436	—	—	—	(26,289)	(26,289)	—	
Total business-type activities	<u>27,156,849</u>	<u>29,340,728</u>	<u>56,673</u>	<u>5,671,600</u>	<u>—</u>	<u>7,912,152</u>	<u>7,912,152</u>	—	
Total primary government	<u>\$ 179,827,381</u>	<u>\$ 52,670,133</u>	<u>\$ 9,070,972</u>	<u>\$ 19,157,365</u>	<u>\$ (106,841,063)</u>	<u>\$ 7,912,152</u>	<u>\$ (98,928,911)</u>		
Component units:									
Emergency Medical Services	\$ 10,836,966	\$ 10,382,320	\$ 338,893	\$ —				\$ (115,753)	
Total component units	<u>\$ 10,836,966</u>	<u>\$ 10,382,320</u>	<u>\$ 338,893</u>	<u>\$ —</u>				<u>\$ (115,753)</u>	
General revenues:									
13 Property taxes					67,230,980	—	67,230,980	—	
14 Sales taxes					8,767,970	—	8,767,970	—	
15 Gas taxes					8,761,619	—	8,761,619	—	
16 Business taxes					117,249	—	117,249	—	
17 Tourist tax					1,951,889	—	1,951,889	—	
18 Intergovernmental revenues					4,901,675	—	4,901,675	—	
19 Investment income					1,129,054	977,014	2,106,068	774	
20 Communication services tax					1,726,321	—	1,726,321	—	
21 Transfers					1,674,326	(1,674,326)	—	—	
Total general revenues and transfers					<u>96,261,083</u>	<u>(697,312)</u>	<u>95,563,771</u>	<u>774</u>	
Change in net position					<u>(10,579,980)</u>	<u>7,214,840</u>	<u>(3,365,140)</u>	<u>(114,979)</u>	
Net position - beginning (restated)					<u>629,736,492</u>	<u>116,181,465</u>	<u>745,917,957</u>	<u>2,703,514</u>	
Net position - ending					<u>\$ 619,156,512</u>	<u>\$ 123,396,305</u>	<u>\$ 742,552,817</u>	<u>\$ 2,588,535</u>	

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

CITRUS COUNTY, FLORIDA
BALANCE SHEETS - GOVERNMENTAL FUNDS
SEPTEMBER 30, 2018

	MAJOR FUNDS					TOTAL GOVERNMENTAL FUNDS
	GENERAL FUND	COUNTY TRANSPORTATION TRUST	GRANTS IN AID	SPECIAL ASSESSMENTS	NONMAJOR GOVERNMENTAL FUNDS	
ASSETS						
Cash and cash equivalents	\$ 5,894,987	\$ 11,183,122	\$ 2,217,913	\$ 3,441,356	\$ 16,461,210	\$ 39,198,588
Investments	19,298,570	6,073,928	—	—	—	25,372,498
Accounts receivable, net	233,786	—	—	269,646	118	503,550
Special assessments receivable	—	—	—	4,317,662	—	4,317,662
Due from other funds	2,173,626	—	—	—	—	2,173,626
Due from other governments	1,730,684	1,479,030	6,085,931	1,167	782,113	10,078,925
Advances to other funds	—	—	—	52,894	—	52,894
Inventory	264,962	—	26,010	—	159,263	450,235
Prepaid items	420,105	63,813	81,438	—	216,837	782,193
TOTAL ASSETS	\$ 30,016,720	\$ 18,799,893	\$ 8,411,292	\$ 8,082,725	\$ 17,619,541	\$ 82,930,171
LIABILITIES						
Accounts payable	\$ 2,448,113	\$ 1,247,453	\$ 935,136	\$ 141	\$ 679,994	\$ 5,310,837
Contracts payable	—	487,754	302,696	—	17,222	807,672
Accrued liabilities	1,102,161	76,073	59,138	—	176,690	1,414,062
Due to other funds	—	—	1,903,572	17,162	222,342	2,143,076
Due to other governments	455,577	—	—	—	1,074	456,651
Due to individuals	92,599	—	—	—	—	92,599
Deposits	1,079,262	—	8,147	24,933	33	1,112,375
Unearned revenue	83,592	2,180	55,793	3,648,503	4,103,927	7,893,995
Advance from other funds	115,369	—	—	661,811	—	777,180
TOTAL LIABILITIES	5,376,673	1,813,460	3,264,482	4,352,550	5,201,282	20,008,447
FUND BALANCES						
Nonspendable	685,067	63,813	107,448	—	376,100	1,232,428
Restricted	241,904	16,922,620	5,039,362	3,730,175	12,042,159	37,976,220
Assigned	15,794,049	—	—	—	—	15,794,049
Unassigned	7,919,027	—	—	—	—	7,919,027
Total Fund Balances	24,640,047	16,986,433	5,146,810	3,730,175	12,418,259	62,921,724
TOTAL LIABILITIES & FUND BALANCES	\$ 30,016,720	\$ 18,799,893	\$ 8,411,292	\$ 8,082,725	\$ 17,619,541	\$ 82,930,171

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, 2018

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

Total fund balance of governmental funds	\$	62,921,724	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The cost of the assets is \$975,475,521 and the accumulated depreciation/amortization is \$304,863,786. This includes \$595,301 of net capital assets of the internal service funds.			666,611,735
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.			7,683,827
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	\$	(42,198,685)	
Premium		(283,886)	
Notes payable		(8,352,125)	
Capital leases		(5,117,871)	
Accrued interest payable		(1,186,615)	
Compensated absences		(5,846,361)	
Net pension liability		(69,506,625)	
Other post-employment benefits liability		(6,904,430)	(139,396,598)
Deferred outflows/inflows of resources related to pensions:			
Deferred outflows for pensions		30,917,090	
Deferred inflows for pensions		(12,096,824)	
Deferred outflows for OPEB		108,328	
Deferred inflows for OPEB		(1,309,487)	17,619,107
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.			3,716,717
Net position of governmental activities	\$		619,156,512

CITRUS COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	MAJOR FUNDS					
	GENERAL FUND	COUNTY TRANSPORTATION TRUST	GRANTS IN AID	SPECIAL ASSESSMENTS	NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES						
Taxes and special assessments	\$ 55,891,106	\$ 12,610,166	\$ —	\$ 744,882	\$ 14,548,790	\$ 83,794,944
Licenses and permits	—	—	—	—	2,822,850	2,822,850
Intergovernmental revenue	15,207,835	2,653,794	12,748,110	—	3,894,087	34,503,826
Charges for services	10,498,169	—	1,483,253	—	1,157,739	13,139,161
Fines and forfeitures	1,015,796	—	15,018	—	128,491	1,159,305
Miscellaneous revenue	3,251,117	612,453	431,989	277,253	685,183	5,257,995
Total revenues	<u>85,864,023</u>	<u>15,876,413</u>	<u>14,678,370</u>	<u>1,022,135</u>	<u>23,237,140</u>	<u>140,678,081</u>
EXPENDITURES						
Current:						
General government	27,974,965	—	—	—	67,374	28,042,339
Public safety	46,563,123	—	2,294,382	—	9,875,359	58,732,864
Physical environment	1,220,686	161,691	1,864,958	37,120	101,878	3,386,333
Transportation	170,007	13,306,958	8,034,647	8,753	1,285,634	22,805,999
Economic environment	344,424	—	243,776	—	2,255,427	2,843,627
Human services	5,047,229	—	2,554,147	—	1,340,854	8,942,230
Culture and recreation	1,281,250	—	60,944	—	2,943,723	4,285,917
Court-related expenditures	2,208,118	—	42,904	—	999,684	3,250,706
Capital outlay	—	3,222,265	—	—	1,217,600	4,439,865
Debt Service:						
Principal retirement	1,753,390	—	—	340,000	2,761,175	4,854,565
Interest and fiscal charges	628,279	—	—	60,391	1,724,580	2,413,250
Total expenditures	<u>87,191,471</u>	<u>16,690,914</u>	<u>15,095,758</u>	<u>446,264</u>	<u>24,573,288</u>	<u>143,997,695</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,327,448)</u>	<u>(814,501)</u>	<u>(417,388)</u>	<u>575,871</u>	<u>(1,336,148)</u>	<u>(3,319,614)</u>
OTHER FINANCING SOURCES (USES)						
Capital lease	416,449	—	—	—	—	416,449
Transfers in	7,928,390	2,004,257	3,891,580	—	4,483,513	18,307,740
Transfers out	(8,125,694)	(5,674,797)	(1,997,193)	(1,210,480)	(1,147,913)	(18,156,077)
Total other financing sources (uses)	<u>219,145</u>	<u>(3,670,540)</u>	<u>1,894,387</u>	<u>(1,210,480)</u>	<u>3,335,600</u>	<u>568,112</u>
Net change in fund balances	<u>(1,108,303)</u>	<u>(4,485,041)</u>	<u>1,476,999</u>	<u>(634,609)</u>	<u>1,999,452</u>	<u>(2,751,502)</u>
Fund balances - beginning	25,748,350	21,471,474	3,669,811	4,364,784	10,418,807	65,673,226
Fund balances - ending	<u>\$ 24,640,047</u>	<u>\$ 16,986,433</u>	<u>\$ 5,146,810</u>	<u>\$ 3,730,175</u>	<u>\$ 12,418,259</u>	<u>\$ 62,921,724</u>

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, 2018

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

Net change in fund balances - total governmental funds		\$ (2,751,502)
<p>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.</p>		
Capital outlay	\$ 4,439,865	
Capital expenditures recorded in functional expenditures	10,303,800	
Depreciation expense (not including Internal Service Funds)	(23,121,514)	
Amortization	(211,632)	(8,589,481)
<p>The net effect of various transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase net assets.</p>		
<p>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.</p>		
		(770,774)
<p>Donations of capital assets increase net assets, but do not appear in the governmental fund statements because they are not financial resources.</p>		
	270,033	(500,741)
<p>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:</p>		
Debt issued or incurred:		
Issuance of debt	(416,449)	
Principal repayments	4,854,565	4,438,116
<p>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.</p>		
		987,910
<p>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:</p>		
Accrued interest	82,942	
Amortization of bond discount/premium, insurance	71,912	
OPEB Expense	1,021,474	
Pension expense	(4,749,301)	
Compensated absences	(97,642)	(3,670,615)
<p>Internal Service Funds are used by management to charge the costs of fleet management and risk management to individual funds.</p>		
Distribution of Internal Service Fund losses	(559,856)	
Incorporation of external activities	(12,165)	
Inclusion of investment earnings	78,354	(493,667)
Change in net position of governmental activities		<u>\$ (10,579,980)</u>

CITRUS COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Taxes and special assessments	\$ 57,666,459	\$ 57,666,459	\$ 55,891,106	\$ (1,775,353)
Intergovernmental revenue	12,851,563	12,926,016	15,207,835	2,281,819
Charges for services	10,234,806	10,377,201	10,498,169	120,968
Fines and forfeitures	769,067	769,067	1,015,796	246,729
Miscellaneous revenue	1,906,724	3,266,083	3,251,117	(14,966)
Less statutory deduction	(3,840,488)	(3,840,488)	—	3,840,488
Total Revenue	<u>79,588,131</u>	<u>81,164,338</u>	<u>85,864,023</u>	<u>4,699,685</u>
EXPENDITURES				
Current:				
General government	31,475,648	32,239,415	27,974,965	4,264,450
Public safety	45,543,093	47,022,667	46,563,123	459,544
Physical environment	1,002,775	1,002,775	1,220,686	(217,911)
Transportation	103,765	188,817	170,007	18,810
Economic environment	348,203	348,203	344,424	3,779
Human services	5,663,600	5,693,780	5,047,229	646,551
Culture and recreation	1,648,071	1,669,408	1,281,250	388,158
Court-related expenditures	2,195,212	2,195,212	2,208,118	(12,906)
Debt Service:				
Principal retirement	1,663,168	1,697,351	1,753,390	(56,039)
Interest and fiscal charges	620,990	623,958	628,279	(4,321)
Total Expenditures	<u>90,264,525</u>	<u>92,681,586</u>	<u>87,191,471</u>	<u>5,490,115</u>
Excess (deficiency) of Revenues Over (Under) Expenditures	(10,676,394)	(11,517,248)	(1,327,448)	10,189,800
OTHER FINANCING SOURCES (USES)				
Capital lease	—	—	416,449	(416,449)
Transfers in	5,775,593	7,209,833	7,928,390	718,557
Transfers out	(5,969,581)	(8,667,723)	(8,125,694)	542,029
Total other financing sources (uses)	<u>(193,988)</u>	<u>(1,457,890)</u>	<u>219,145</u>	<u>844,137</u>
Net Change in Fund Balances	<u>(10,870,382)</u>	<u>(12,975,138)</u>	<u>(1,108,303)</u>	<u>11,033,937</u>
Fund balance - beginning	25,748,350	25,748,350	25,748,350	—
Fund balance - ending	<u>\$ 14,877,968</u>	<u>\$ 12,773,212</u>	<u>\$ 24,640,047</u>	<u>\$11,033,937</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, 2018

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Taxes and special assessments	\$ 12,470,808	\$ 12,470,808	\$ 12,610,166	\$ 139,358
Intergovernmental revenue	2,523,250	2,523,250	2,653,794	130,544
Miscellaneous revenue	202,196	689,376	612,453	(76,923)
Less statutory deduction	(3,974,195)	(3,974,195)	—	3,974,195
Total revenues	<u>11,222,059</u>	<u>11,709,239</u>	<u>15,876,413</u>	<u>4,167,174</u>
EXPENDITURES				
Physical environment	378,851	378,851	161,691	217,160
Transportation	15,896,118	15,842,610	13,306,958	2,535,652
Capital outlay	7,935,940	7,935,940	3,222,265	4,713,675
Total expenditures	<u>24,210,909</u>	<u>24,157,401</u>	<u>16,690,914</u>	<u>7,466,487</u>
Excess (deficiency) of revenues over (under) expenditures	(12,988,850)	(12,448,162)	(814,501)	11,633,661
OTHER FINANCING SOURCES (USES)				
Transfers in	1,850,639	1,850,639	2,004,257	153,618
Transfers out	(5,250,098)	(5,791,761)	(5,674,797)	116,964
Total other financing sources (uses)	<u>(3,399,459)</u>	<u>(3,941,122)</u>	<u>(3,670,540)</u>	<u>270,582</u>
Net change in fund balance	(16,388,309)	(16,389,284)	(4,485,041)	11,904,243
Fund balance - beginning	21,471,474	21,471,474	21,471,474	—
Fund balance - ending	<u>\$ 5,083,165</u>	<u>\$ 5,082,190</u>	<u>\$ 16,986,433</u>	<u>\$ 11,904,243</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 BALANCE - BUDGET AND ACTUAL
GRANTS IN AID
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Intergovernmental revenue	\$ 6,298,277	\$ 20,227,098	\$ 12,748,110	\$ (7,478,988)
Charges for services	1,109,884	2,695,346	1,483,253	(1,212,093)
Fines and forfeitures	14,000	14,000	15,018	1,018
Miscellaneous revenue	959,514	1,447,944	431,989	(1,015,955)
Total revenues	<u>8,381,675</u>	<u>24,384,388</u>	<u>14,678,370</u>	<u>(9,706,018)</u>
EXPENDITURES				
General government	62	62	—	62
Public safety	298,784	3,106,973	2,294,382	812,591
Physical environment	755,945	141,383	1,864,958	(1,723,575)
Transportation	12,769,388	25,626,689	8,034,647	17,592,042
Economic environment	1,309,421	1,495,561	243,776	1,251,785
Human services	2,648,102	5,145,244	2,554,147	2,591,097
Culture and recreation	2,500	92,188	60,944	31,244
Court related expenditures	43,314	43,314	42,904	410
Total expenditures	<u>17,827,516</u>	<u>35,651,414</u>	<u>15,095,758</u>	<u>20,555,656</u>
(Deficiency) of revenues (under) expenditures	<u>(9,445,841)</u>	<u>(11,267,026)</u>	<u>(417,388)</u>	<u>(10,849,638)</u>
OTHER FINANCING (USES)				
Transfers in	1,671,830	6,936,581	3,891,580	(3,045,001)
Transfers out	(812,517)	(1,936,320)	(1,997,193)	60,873
Total other financing (uses)	<u>859,313</u>	<u>5,000,261</u>	<u>1,894,387</u>	<u>(2,984,128)</u>
Net change in fund balance	<u>(8,586,528)</u>	<u>(6,266,765)</u>	<u>1,476,999</u>	<u>(13,833,766)</u>
Fund balance - beginning	3,669,811	3,669,811	3,669,811	—
Fund balance - ending	<u>\$ (4,916,717)</u>	<u>\$ (2,596,954)</u>	<u>\$ 5,146,810</u>	<u>\$ (13,833,766)</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, 2018

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Special assessments	\$ 758,046	\$ 758,046	\$ 744,882	\$ (13,164)
Miscellaneous revenue	275,989	275,989	277,253	1,264
Total revenues	<u>1,034,035</u>	<u>1,034,035</u>	<u>1,022,135</u>	<u>(11,900)</u>
EXPENDITURES				
Physical environment	49,961	49,961	37,120	12,841
Transportation	39,288	39,288	8,753	30,535
Debt Service:				
Principal retirement	454,425	454,425	340,000	114,425
Interest and fiscal charges	59,900	59,900	60,391	(491)
Total Expenditures	<u>603,574</u>	<u>603,574</u>	<u>446,264</u>	<u>157,310</u>
Excess (deficiency) of revenues over (under) expenditures	<u>430,461</u>	<u>430,461</u>	<u>575,871</u>	<u>145,410</u>
OTHER FINANCING (USES)				
Transfers out	(1,210,480)	(1,210,480)	(1,210,480)	—
Total other financing (uses)	<u>(1,210,480)</u>	<u>(1,210,480)</u>	<u>(1,210,480)</u>	<u>—</u>
Net change in fund balances	(780,019)	(780,019)	(634,609)	145,410
Fund balance - beginning	4,364,784	4,364,784	4,364,784	—
Fund balance - ending	<u>\$ 3,584,765</u>	<u>\$ 3,584,765</u>	<u>\$ 3,730,175</u>	<u>\$ 145,410</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, 2018

	BUSINESS-TYPE ACTIVITIES				GOVERNMENTAL
	MAJOR FUNDS				ACTIVITIES
	SANITARY LANDFILL	PUBLIC UTILITY	NONMAJOR ENTERPRISE FUNDS	TOTAL ENTERPRISE FUNDS	INTERNAL SERVICE FUNDS
ASSETS					
Current Assets:					
Cash and cash equivalents	\$ 13,751,761	\$ 15,058,222	\$ 6,175,827	\$ 34,985,810	\$ 7,777,936
Investments	10,873,928	—	—	10,873,928	—
Restricted cash and cash equivalents	—	6,240,899	—	6,240,899	—
Accounts and connections receivable (net of allowance for uncollectibles)	433,436	1,754,578	—	2,188,014	456,478
Due from other governments	16,400	2,399,274	127,317	2,542,991	98,282
Inventory	39,745	442,357	—	482,102	59,092
Prepaid items	22,861	170,389	19,942	213,192	526,277
Total Current Assets	<u>25,138,131</u>	<u>26,065,719</u>	<u>6,323,086</u>	<u>57,526,936</u>	<u>8,918,065</u>
Noncurrent Assets:					
Restricted cash and cash equivalents:					
Unspent bond proceeds	—	1,743,475	—	1,743,475	—
Landfill closure	11,393,592	—	—	11,393,592	—
Customer deposits	54,000	1,824,632	125,571	2,004,203	—
Connection fees	—	8,566,868	—	8,566,868	—
Renewal and replacement	—	2,891,806	—	2,891,806	—
Advances to other funds	444,825	279,461	—	724,286	—
Contracts receivable	—	3,243,070	—	3,243,070	—
Capital Assets:					
Land	740,079	2,654,337	—	3,394,416	—
Buildings	933,943	2,434,969	—	3,368,912	519,920
Equipment	3,410,260	5,472,483	460,699	9,343,442	1,010,775
Infrastructure	18,723,559	134,479,119	—	153,202,678	—
Construction in progress	40,141	33,573,459	—	33,613,600	—
Less: Accumulated depreciation	(17,996,394)	(59,644,756)	(296,007)	(77,937,157)	(935,394)
Total capital assets	<u>5,851,588</u>	<u>118,969,611</u>	<u>164,692</u>	<u>124,985,891</u>	<u>595,301</u>
Total Noncurrent Assets	<u>17,744,005</u>	<u>137,518,923</u>	<u>290,263</u>	<u>155,553,191</u>	<u>595,301</u>
Total Assets	<u>42,882,136</u>	<u>163,584,642</u>	<u>6,613,349</u>	<u>213,080,127</u>	<u>9,513,366</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows bond refinancing	—	1,934,403	—	1,934,403	—
Deferred outflows for pension	540,633	1,860,798	722,381	3,123,812	292,422
Deferred outflows for OPEB	4,549	10,765	3,336	18,650	1,517
Total deferred outflows of resources	<u>545,182</u>	<u>3,805,966</u>	<u>725,717</u>	<u>5,076,865</u>	<u>293,939</u>

Continued

CITRUS COUNTY, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2018

	<u>MAJOR FUNDS</u>		<u>NONMAJOR ENTERPRISE FUNDS</u>	<u>TOTAL ENTERPRISE FUNDS</u>	<u>INTERNAL SERVICE FUNDS</u>
	<u>SANITARY LANDFILL</u>	<u>PUBLIC UTILITY</u>			
LIABILITIES					
Current Liabilities:					
Payable from current assets:					
Accounts and contracts payable	250,387	5,016,830	11,326	5,278,543	671,135
Other accrued liabilities and compensated absences	104,754	1,225,328	164,455	1,494,537	64,248
Due to other funds	—	20,410	10,140	30,550	—
Due to other governments	—	—	38,039	38,039	—
Unearned revenue	213,620	2,885,456	184,078	3,283,154	145,894
Unpaid claims liability	—	—	—	—	1,879,143
Current portion - notes payable	—	110,115	—	110,115	—
Current portion - capital lease payable	534,314	—	—	534,314	—
Payable from restricted assets:					
Current portion - bonds payable	—	1,470,000	—	1,470,000	—
Total Current Liabilities	<u>1,103,075</u>	<u>10,728,139</u>	<u>408,038</u>	<u>12,239,252</u>	<u>2,760,420</u>
Noncurrent Liabilities:					
Unearned revenue	—	9,607,784	—	9,607,784	—
Customer deposits	54,000	1,824,632	87,970	1,966,602	—
Due to other governments for renewal and replacement	—	2,239,764	—	2,239,764	—
Accrued postclosure and closure costs	12,073,818	—	—	12,073,818	—
Notes payable	—	1,068,562	—	1,068,562	—
Capital lease payable	174,940	—	—	174,940	—
Bonds payable (net of unamtd premiums)	—	46,593,269	—	46,593,269	—
Compensated absences	18,578	87,176	12,854	118,608	6,424
Other post-employment benefits	95,377	225,727	69,944	391,048	31,793
Net pension liability	1,059,333	3,646,109	1,415,457	6,120,899	572,981
Total Noncurrent Liabilities	<u>13,476,046</u>	<u>65,293,023</u>	<u>1,586,225</u>	<u>80,355,294</u>	<u>611,198</u>
Total Liabilities	<u>14,579,121</u>	<u>76,021,162</u>	<u>1,994,263</u>	<u>92,594,546</u>	<u>3,371,618</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows for pension	107,974	371,632	144,272	623,878	58,402
Deferred inflows for OPEB	9,384	22,209	6,882	38,475	3,128
Total deferred inflows of resources	<u>117,358</u>	<u>393,841</u>	<u>151,154</u>	<u>662,353</u>	<u>61,530</u>
NET POSITION					
Net investment in capital assets	5,142,334	67,040,829	164,692	72,347,855	595,301
Restricted for capital projects	—	16,298,948	520,000	16,818,948	—
Restricted for general government	—	—	—	—	5,895,493
Restricted for public safety	—	—	4,113,795	4,113,795	—
Unrestricted	23,588,505	7,635,828	395,162	31,619,495	(116,637)
Total net position	<u>\$ 28,730,839</u>	<u>\$ 90,975,605</u>	<u>\$ 5,193,649</u>	<u>\$ 123,396,305</u>	<u>\$ 6,374,157</u>
Adjustment to consolidate internal service fund activities related to enterprise funds				(1,503,788)	
Net position of business-type activities				<u>\$ 123,396,305</u>	

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, 2018

	BUSINESS-TYPE ACTIVITIES				GOVERNMENTAL ACTIVITIES
	MAJOR FUNDS		NONMAJOR ENTERPRISE FUNDS	TOTAL ENTERPRISE FUNDS	INTERNAL SERVICE FUNDS
	SANITARY LANDFILL	PUBLIC UTILITY			
Operating revenues:					
Charges for services	\$ 6,448,350	\$ 18,738,708	\$ 3,828,055	\$ 29,015,113	\$11,791,566
Miscellaneous revenue	117,590	206,666	1,359	325,615	1,268,942
Total operating revenues	<u>6,565,940</u>	<u>18,945,374</u>	<u>3,829,414</u>	<u>29,340,728</u>	<u>13,060,508</u>
Operating Expenses:					
Personal services	1,292,535	4,172,934	1,615,966	7,081,435	680,505
Contractual services	1,200,824	1,208,087	611,607	3,020,518	1,353,062
General operating	1,051,051	4,295,039	473,965	5,820,055	203,607
Purchased water	—	429,096	—	429,096	—
Claims and premiums	—	—	—	—	11,389,679
Depreciation	776,305	5,253,111	34,228	6,063,644	74,130
Closure costs	3,062,746	—	—	3,062,746	—
Total operating expenses	<u>7,383,461</u>	<u>15,358,267</u>	<u>2,735,766</u>	<u>25,477,494</u>	<u>13,700,983</u>
Operating income (loss)	<u>(817,521)</u>	<u>3,587,107</u>	<u>1,093,648</u>	<u>3,863,234</u>	<u>(640,475)</u>
Nonoperating revenues (expenses):					
Gain (loss) on disposal of capital assets	2,243	(18,194)	—	(15,951)	—
Operating grants	—	56,673	—	56,673	—
Interest income	416,542	499,736	60,736	977,014	79,577
Interest expense	(23,625)	(1,571,342)	—	(1,594,967)	—
Total nonoperating revenues (expenses)	<u>395,160</u>	<u>(1,033,127)</u>	<u>60,736</u>	<u>(577,231)</u>	<u>79,577</u>
Income (loss) before transfers	<u>(422,361)</u>	<u>2,553,980</u>	<u>1,154,384</u>	<u>3,286,003</u>	<u>(560,898)</u>
Capital grants & contributions	—	5,671,600	—	5,671,600	—
Transfers in	1,909,160	2,847,401	174,267	4,930,828	2,231,225
Transfers out	(2,464,674)	(3,710,256)	(430,224)	(6,605,154)	(708,562)
Total capital contributions and transfers	<u>(555,514)</u>	<u>4,808,745</u>	<u>(255,957)</u>	<u>3,997,274</u>	<u>1,522,663</u>
Change in net position	<u>(977,875)</u>	<u>7,362,725</u>	<u>898,427</u>	<u>7,283,277</u>	<u>961,765</u>
Net position - beginning (as restated)	29,708,714	83,612,880	4,295,222		5,412,392
Net position - ending	<u>\$28,730,839</u>	<u>\$ 90,975,605</u>	<u>\$ 5,193,649</u>		<u>\$ 6,374,157</u>
Current year adjustment for activity between enterprise funds and internal service funds				(68,437)	
Change in net position of business-type activities				<u>\$ 7,214,840</u>	

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

CITRUS COUNTY, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	BUSINESS-TYPE ACTIVITIES				GOVERNMENTAL ACTIVITIES
	MAJOR FUNDS			TOTAL ENTERPRISE FUNDS	INTERNAL SERVICE FUNDS
	SANITARY LANDFILL	PUBLIC UTILITY	NONMAJOR ENTERPRISE FUNDS		
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash received from customers	\$ 6,587,004	\$ 21,721,903	\$ 3,722,360	\$ 32,031,267	\$ 12,853,960
Cash payments to suppliers for goods and services	(2,207,244)	(3,167,359)	(1,232,370)	(6,606,973)	(12,284,297)
Cash payments to employees for services	(1,323,753)	(4,256,252)	(1,579,346)	(7,159,351)	(822,658)
Customer deposits	1,700	226,575	(39,693)	188,582	—
Net cash provided by (used for) operating activities	<u>3,057,707</u>	<u>14,524,867</u>	<u>870,951</u>	<u>18,453,525</u>	<u>(252,995)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Operating grants received	—	56,673	—	56,673	—
Advances to other funds	98,290	35,187	—	133,477	—
Transfers from other funds	1,909,160	2,847,401	174,267	4,930,828	2,231,225
Transfer to other funds	(2,464,674)	(3,710,256)	(430,224)	(6,605,154)	(708,562)
Net cash provided by (used for) noncapital financing activities	<u>(457,224)</u>	<u>(770,995)</u>	<u>(255,957)</u>	<u>(1,484,176)</u>	<u>1,522,663</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Principal paid on note payable/capital leases	(138,480)	(1,820,765)	—	(1,959,245)	—
Capital grants	—	2,783,133	—	2,783,133	—
Interest paid	(23,530)	(1,491,023)	—	(1,514,553)	—
Acquisition of capital assets	(49,569)	(26,523,858)	(44,589)	(26,618,016)	(10,403)
Net cash provided by (used for) capital and related financing activities	<u>(211,579)</u>	<u>(27,052,513)</u>	<u>(44,589)</u>	<u>(27,308,681)</u>	<u>(10,403)</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Investment income	416,542	499,736	60,736	977,014	79,577
Net cash provided by investing activities	<u>416,542</u>	<u>499,736</u>	<u>60,736</u>	<u>977,014</u>	<u>79,577</u>
Net increase in cash	2,805,446	(12,798,905)	631,141	(9,362,318)	1,338,842
Cash at beginning of year	<u>33,267,835</u>	<u>49,124,807</u>	<u>5,670,257</u>	<u>88,062,899</u>	<u>6,439,094</u>
Cash at end of year	<u>\$ 36,073,281</u>	<u>\$ 36,325,902</u>	<u>\$ 6,301,398</u>	<u>\$ 78,700,581</u>	<u>\$ 7,777,936</u>
Classified as:					
Cash and cash equivalents	\$ 13,751,761	\$ 15,058,222	\$ 6,175,827	34,985,810	\$ 7,777,936
Restricted cash and investments	<u>22,321,520</u>	<u>21,267,680</u>	<u>125,571</u>	<u>43,714,771</u>	<u>—</u>
Total	<u>\$ 36,073,281</u>	<u>\$ 36,325,902</u>	<u>\$ 6,301,398</u>	<u>\$ 78,700,581</u>	<u>\$ 7,777,936</u>

Continued

CITRUS COUNTY, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2018
(CONTINUED)

	<u>SANITARY LANDFILL</u>	<u>PUBLIC UTILITY</u>	<u>NONMAJOR ENTERPRISE FUNDS</u>	<u>TOTAL ENTERPRISE FUNDS</u>	<u>INTERNAL SERVICE FUNDS</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities					
Operating income (loss)	\$ (817,521)	\$ 3,587,107	\$ 1,093,648	\$ 3,863,234	\$ (640,475)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:					
Depreciation expense	776,305	5,253,111	34,228	6,063,644	74,130
(Increase) Decrease in:					
Accounts receivable	10,418	67,807	18	78,243	(188,920)
Due from other governments	(3,499)	—	(120,373)	(123,872)	(16,585)
Inventory	(72)	47,080	—	47,008	49,136
Prepaid items	(1,301)	(6,987)	(1,423)	(9,711)	81,829
Deferred outflows	(181,780)	(625,538)	(279,706)	(1,087,024)	(109,377)
Increase (Decrease) in:					
Accounts and contracts payable	46,004	2,733,615	(183,286)	2,596,333	12,334
Due to other governments	—	(8,844)	37,911	29,067	(338)
Due to other funds	—	20,410	—	20,410	(17,111)
Accrued liabilities	2,480	14,366	14,770	31,616	(7,392)
Net pension liability	110,057	376,892	243,711	730,660	88,023
Unearned revenue	14,145	2,708,721	13,301	2,736,167	(1,043)
Unpaid claims liability	—	—	—	—	399,973
Customer deposits	1,700	226,575	(39,693)	188,582	—
Deferred inflows	36,715	127,451	56,884	221,050	22,580
Other post-employment benefits	1,310	3,101	961	5,372	241
Accrued landfill closure costs	3,062,746	—	—	3,062,746	—
Total Adjustments	<u>3,875,228</u>	<u>10,937,760</u>	<u>(222,697)</u>	<u>14,590,291</u>	<u>387,480</u>
Net cash provided by (used for) operating activities	<u>\$ 3,057,707</u>	<u>\$ 14,524,867</u>	<u>\$ 870,951</u>	<u>\$ 18,453,525</u>	<u>\$ (252,995)</u>
Non-cash investing, financing and capital activities:					
Contributions of capital assets	<u>\$ —</u>	<u>\$ 628,536</u>	<u>\$ —</u>	<u>\$ 628,536</u>	<u>\$ —</u>

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

CITRUS COUNTY, FLORIDA
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUNDS
SEPTEMBER 30, 2018

	AGENCY FUNDS
ASSETS	
Cash and cash equivalents	\$ 7,767,490
Due from other governments	182,227
Assets held, not forfeited	33,825
Total Assets	\$ 7,983,542
LIABILITIES	
Due to individuals	\$ 4,002,597
Due to other governments	3,980,945
Total liabilities	\$ 7,983,542

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

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 and Comptroller, 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 Financial Services Department of the Clerk's office. 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, 2018

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 County Port Authority - the governing body of the Port Authority is the Board of County Commissioners, which has full financial and management operational responsibility for the activity of the district. Accordingly, the Port Authority is reported as a blended component unit of Citrus County. The Citrus County Port Authority was 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. Specific financial information on the Port Authority 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.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 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.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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

CITRUS COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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.

Grants in Aid - Accounts for projects and programs throughout the County that are financed largely by granting agencies

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.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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. Some reclassifications may have been made from prior year.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 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, donated works of art and similar items, and capital assets received in a service concession arrangement are recorded at acquisition value. 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.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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,

CITRUS COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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%

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.

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, 2018

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, 2018, the carrying value of cash and cash equivalents totaled \$122,570,666, which is presented as \$114,803,176 in the statement of net position and \$7,767,490 in the statement of fiduciary net position. The County's cash consisted of cash on hand, money market and savings accounts in the amount \$58,208,359. 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, 2018, the County had \$31,785,105 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 33 days. The weighted average life (WAL) is 72 days. At September 30, 2018, 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 37 days, functioning essentially as a money market fund. At September 30, 2018, the County had \$14,748,366 invested with FEITF.

The County participates in the Florida Cooperative Liquid Assets Securities System (FLCLASS), an independent local government investment pool open to all political subdivisions, instrumentalities of political subdivisions and State agencies in the State of Florida, including; counties, cities, towns, villages, school districts, special districts and other public entities. The management of FLCLASS is under the direction of an appointed Board of Trustees comprised of eligible Participants of the FLCLASS program. FLCLASS is rated 'AAAM' by Standard and Poor's Ratings Services. At September 30, 2018, the County had \$10,137,239 invested with FLCLASS.

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

CITRUS COUNTY, FLORIDA
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED SEPTEMBER 30, 2018

NOTE 2: CASH AND INVESTMENTS (CONTINUED)

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 AA+ for Credit Quality and S1 for Bond Fund Volatility by Standard and Poor’s Ratings Agency. At September 30, 2018, the County had \$7,511,868 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 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, 2018, 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, 2018:

- U.S. Treasury securities of \$21,312,866 are valued using quoted prices in an active market for identical assets (Level 1 inputs)
- Agency fund instruments of \$2,418,783 are valued using quoted prices in an active market for identical assets (Level 1 inputs)
- State revenue bonds of \$109,635 are valued using quoted prices in an active market for identical assets (Level 1 inputs)
- Corporate notes and bonds of \$12,405,142 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 securities	\$ 21,312,866	0.72	AA+
Agency funds instruments	2,418,783	1.18	AA+
State revenue bonds	109,635	2.50	AA-, AA3
Corporate notes & bonds	12,405,142	0.60	A to AAA
Total Fair Value	\$ 36,246,426		

NOTE 2: CASH AND INVESTMENTS (CONTINUED)

In addition, the County maintains a money market account to facilitate liquidations and reinvestments of these instruments. The balance at September 30, 2018 in the account was \$179,729.

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.

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, 2018, 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, 2018, 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.

CITRUS COUNTY, FLORIDA
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED SEPTEMBER 30, 2018

NOTE 2: CASH AND INVESTMENTS (CONTINUED)

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.

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	50%	N/A

CITRUS COUNTY, FLORIDA
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED SEPTEMBER 30, 2018

NOTE 3: ACCOUNTS RECEIVABLE

Accounts receivable at September 30, 2018, 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
	<u> </u>	<u> </u>	<u> </u>
Primary Government:			
General Fund	\$ 233,786	\$ —	\$ 233,786
Special Assessments	4,587,308	—	4,587,308
Sanitary Landfill	433,436	—	433,436
Utility Fund	1,906,138	151,560	1,754,578
Nonmajor governmental funds	118	—	118
Internal Service Funds	456,478	—	456,478
Total Primary Government	<u>\$ 7,617,264</u>	<u>\$ 151,560</u>	<u>\$ 7,465,704</u>
Component Unit:			
Emergency medical charges	<u>\$ 4,142,892</u>	<u>\$ 1,868,913</u>	<u>\$ 2,273,979</u>
Total Component Unit	<u>\$ 4,142,892</u>	<u>\$ 1,868,913</u>	<u>\$ 2,273,979</u>

CITRUS COUNTY, FLORIDA
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED SEPTEMBER 30, 2018

NOTE 4: INTERFUND TRANSACTIONS

Due to/Due from and Advances to/from Other Funds

Interfund receivables and payables represent recurring activities between funds, primarily covering temporary deficit cash balances at end of year. Additionally, there is \$678,973 in the Special Assessments fund for internal funding for road and waterline projects to be paid by the property owners through annual installments; and \$115,369 in the General fund is for internal financing of an aviation construction project. These were advances from the Sanitary Landfill and Public Utilities funds, 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:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Governmental funds:		
General Fund	\$ 2,173,626	\$ 115,369
Grants in Aid	—	1,903,572
Special Assessments	52,894	678,973
Non-major governmental funds:		
Impact Fees	—	498
Lecanto Office Building	—	145,765
Sheriff Special Revenue	—	72,446
Courts Special Revenue	—	3,633
Total governmental funds	<u>2,226,520</u>	<u>2,920,256</u>
Business funds:		
Sanitary Landfill	444,825	—
Public Utilities	279,461	20,410
Non-major Business funds	—	10,140
Total Due To/Due From Other Funds	<u><u>\$ 2,950,806</u></u>	<u><u>\$ 2,950,806</u></u>

CITRUS COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

NOTE 4: INTERFUND TRANSACTIONS (CONTINUED)

Interfund Transfers

Individual interfund transfers were as follows:

	Transfers In	Transfers Out
	<hr/>	<hr/>
Governmental activities:		
General Fund	\$ 7,928,390	\$ 8,125,694
Transportation Trust	2,004,257	5,674,797
Grants in Aid	3,891,580	1,997,193
Special Assessments	—	1,210,480
Nonmajor governmental funds:		
Impact Fees Fund	—	113,819
County Libraries	50,000	159,757
Municipal Service Taxing District	—	43,334
Other Special Revenue	4,885	109,079
Special Lighting District	—	25,337
Supervisor of Elections Grants	2,464	—
Fire Special Taxing District	378	436,803
Courts Special Revenue	355,641	259,784
Debt Service Funds	4,070,145	—
	<hr/>	<hr/>
Internal Service Funds	2,231,225	708,562
Total governmental funds	<hr/> 20,538,965	<hr/> 18,864,639
Business-type activities:		
Sanitary Landfill	1,909,160	2,464,674
Public Utilities	2,847,401	3,710,256
Nonmajor enterprise funds:		
Building Inspection	54,267	430,224
Citrus Information Cooperative	120,000	—
Total business-type funds	<hr/> 4,930,828	<hr/> 6,605,154
	<hr/>	<hr/>
Total Transfers In / Transfers Out	<u>\$ 25,469,793</u>	<u>\$ 25,469,793</u>

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, such as reimbursements for indirect costs, cash matching for grants, and required operating transfers for renewal and replacement of facilities, vehicles, and equipment.

CITRUS COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

NOTE 5: CAPITAL ASSETS

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

PRIMARY GOVERNMENT

	Beginning Balance	Increases	Decreases	Ending Balance
<u>Governmental activities:</u>				
Capital assets, not being depreciated:				
Land	\$ 227,208,605	\$ 765,197	\$ 905,208	\$ 227,068,594
Construction in Progress	4,886,952	10,398,329	31,696	15,253,585
Total capital assets, not being depreciated	<u>232,095,557</u>	<u>11,163,526</u>	<u>936,904</u>	<u>242,322,179</u>
Capital assets, being depreciated:				
Buildings	127,321,284	304,550	259,355	127,366,479
Infrastructure	521,801,358	113,784	22,000	521,893,142
Machinery and Equipment	76,930,491	3,682,816	3,348,150	77,265,157
Intangible Assets - Software	2,628,564	—	—	2,628,564
Total capital assets being depreciated	<u>728,681,697</u>	<u>4,101,150</u>	<u>3,629,505</u>	<u>729,153,342</u>
Less accumulated depreciation for:				
Buildings	39,292,743	8,347,953	99,060	47,541,636
Infrastructure	191,515,863	10,725,581	22,000	202,219,444
Machinery and Equipment	52,544,502	4,036,260	3,348,150	53,232,612
Intangible Assets - Software	1,658,462	211,632	—	1,870,094
Total accumulated depreciation	<u>285,011,570</u>	<u>23,321,426</u>	<u>3,469,210</u>	<u>304,863,786</u>
Total capital assets being depreciated, net	<u>443,670,127</u>	<u>(19,220,276)</u>	<u>160,295</u>	<u>424,289,556</u>
Governmental activities capital assets, net	<u>\$ 675,765,684</u>	<u>\$ (8,056,750)</u>	<u>\$ 1,097,199</u>	<u>\$ 666,611,735</u>

CITRUS COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

NOTE 5: CAPITAL ASSETS (CONTINUED)

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 3,319,316	\$ 75,100	\$ —	\$ 3,394,416
Construction in Progress	9,505,598	25,492,463	1,384,461	33,613,600
Total capital assets, not being depreciated	<u>12,824,914</u>	<u>25,567,563</u>	<u>1,384,461</u>	<u>37,008,016</u>
Capital assets, being depreciated:				
Buildings	3,294,617	83,704	9,409	3,368,912
Infrastructure	152,675,606	2,471,033	1,943,961	153,202,678
Machinery and Equipment	8,998,600	517,314	172,472	9,343,442
Total capital assets being depreciated	<u>164,968,823</u>	<u>3,072,051</u>	<u>2,125,842</u>	<u>165,915,032</u>
Less accumulated depreciation for:				
Buildings	1,476,343	88,158	5,117	1,559,384
Infrastructure	66,578,214	5,027,175	1,940,726	69,664,663
Machinery and Equipment	5,920,335	949,313	156,538	6,713,110
Total accumulated depreciation	<u>73,974,892</u>	<u>6,064,646</u>	<u>2,102,381</u>	<u>77,937,157</u>
Total capital assets, being depreciated, net	<u>90,993,931</u>	<u>(2,992,595)</u>	<u>23,461</u>	<u>87,977,875</u>
Business-type activities capital assets, net	<u>\$ 103,818,845</u>	<u>\$ 22,574,968</u>	<u>\$ 1,407,922</u>	<u>\$ 124,985,891</u>

Depreciation expense was charged to functions, as follows:

Governmental activities:		Business-type activities:	
General Government	\$ 6,433,355	General Government	\$ 10,927
Public Safety	4,156,347	Public Safety	23,301
Physical Environment	107,809	Physical Environment	6,030,418
Transportation	10,840,541	Total depreciation/amortization for business-type activities	<u>\$ 6,064,646</u>
Economic Environment	22,238		
Human Services	789,768		
Culture and Recreation	971,368		
Total depreciation/amortization for governmental activities	<u>\$ 23,321,426</u>		

CITRUS COUNTY, FLORIDA
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED SEPTEMBER 30, 2018

NOTE 5: CAPITAL ASSETS (CONTINUED)

COMPONENT UNIT

Capital asset activity for the fiscal year ended September 30, 2018, 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	5,687,823	203,211	75,950	5,815,084
Less accumulated depreciation	(4,499,142)	(504,540)	(7,595)	(4,996,087)
Capital assets, being depreciated:	3,855,321	(301,329)	68,355	3,485,637
Capital assets, net	<u>\$ 4,296,904</u>	<u>\$ (301,329)</u>	<u>\$ 68,355</u>	<u>\$ 3,927,220</u>

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

CITRUS COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

NOTE 6: EMPLOYEE RETIREMENT SYSTEM (CONTINUED)

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 8.26% of covered payroll for regular employees, 14.03% for DROP employees, 24.5% for senior management, 24.5% for special risk employees and 48.7% 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, 2018, 2017, and 2016, were \$3,750,322, \$6,649,350, and \$6,291,333, 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 \$901,063, \$1,373,022, and \$1,389,929, for the fiscal years ended September 30, 2018, 2017, and 2016, 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 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.

CITRUS COUNTY, FLORIDA
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED SEPTEMBER 30, 2018

NOTE 6: EMPLOYEE RETIREMENT SYSTEM (CONTINUED)

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, 2018, are shown below:

	FRS	HIS	Total
Total Pension Liability (A)	\$ 377,558,857	\$ 16,541,123	\$ 394,099,980
Fiduciary Net Position (B)	318,116,965	355,491	318,472,456
Net Pension Liability (A-B)	<u>\$ 59,441,892</u>	<u>\$ 16,185,632</u>	<u>\$ 75,627,524</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (B/A)	84.26%	2.15%	80.81%

The total pension liability for FRS and HIS plans were determined by the plans' actuary and reported in the plans' valuations dated July 1, 2018 and July 1, 2017, 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 ended June 30, 2013, through June 30, 2018, for employers that were members of the FRS and HIS during those fiscal years. For fiscal years ended June 30, 2015, through June 30, 2018, 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, 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

NOTE 6: EMPLOYEE RETIREMENT SYSTEM (CONTINUED)

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

The Florida Retirement System (FRS) Actuarial Assumption Conference is responsible for setting the assumptions used in the funding valuations of the defined benefit pension plan pursuant to section 216.136(10), Florida Statutes. The division determines the assumptions in the valuations for GASB 67 reporting purposes. The FRS Pension Plan's GASB 67 valuation is 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 7.00%. 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 3.87% 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.

The following changes in actuarial assumptions occurred in 2017:

- FRS: The long-term expected rate of return was decreased from 7.1% to 7.0%, and the active member mortality assumption was updated.
- HIS: The municipal rate used to determine total pension liability was increased from 3.58% to 3.87%.

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, 2018.

County's Share of FRS Pension Plan NPL		
1% Decrease	Current Discount Rate	1% Increase
6.00%	7.00%	8.00%
\$ 108,483,949	\$ 59,441,893	\$ 18,709,567

County's Share of HIS Plan NPL		
1% Decrease	Current Discount Rate	1% Increase
2.87%	3.87%	4.87%
\$ 18,434,485	\$ 16,185,632	\$ 14,311,080

NOTE 6: EMPLOYEE RETIREMENT SYSTEM (CONTINUED)

As of June 30, 2018 and June 30, 2017, the County's portion of the collective net pension liability for FRS was \$59,441,891 and \$59,302,834, respectively; the proportion of the collective net pension liability was 0.197346848% and 0.2004874211%, respectively. The County's portion of the collective net pension liability for HIS was \$16,185,632 and \$16,359,335, respectively; the proportion of the collective net pension liability was 0.152923836% and 0.152998774%, respectively.

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

In accordance with GASB 68, paragraphs 54 and 71, changes in the net pension liability are recognized in pension expense in the current measurement period, except as indicated below. For each of the following, a portion is recognized in pension expense in the current reporting period, 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, 2018, the County reported a net pension liability of \$75,627,524, 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, 2018, based on the total pension liability calculated on an actuarial valuation as of that date.

The contributions to the pension plans from employees 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, 2018, 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, 2018, are presented below for each plan.

CITRUS COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

NOTE 6: EMPLOYEE RETIREMENT SYSTEM (CONTINUED)

<u>Florida Retirement System</u>	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual results	\$ 5,035,622	\$ (182,769)
Changes in assumptions	19,422,720	—
Net difference between projected and actual earnings on pension plan investments	—	(4,592,611)
Changes in proportion and differences between County contributions and proportionate share of contributions	4,685,165	(5,100,326)
County Contributions subsequent to measurement date	1,609,271	—
Total	<u>\$ 30,752,778</u>	<u>\$ (9,875,706)</u>
<u>Health Insurance Subsidy</u>		
Differences between expected and actual results	\$ 247,795	\$ (27,499)
Changes in assumptions	1,800,042	(1,711,280)
Net difference between projected and actual earnings on pension plan investments	9,770	—
Changes in proportion and differences between County contributions and proportionate share of contributions	1,006,554	(1,106,217)
County Contributions subsequent to measurement date	223,963	—
Total	<u>\$ 3,288,124</u>	<u>\$ (2,844,996)</u>
Total pension-related deferred inflows and deferred outflows	<u>\$ 34,040,902</u>	<u>\$ (12,720,702)</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, 2018. 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	Total
2019	\$ 7,626,008	\$ 222,675	\$ 7,848,683
2020	5,204,433	221,852	5,426,285
2021	725,651	155,422	881,073
2022	3,465,471	34,909	3,500,380
2023	1,902,057	(132,294)	1,769,763
Thereafter	344,181	(283,399)	60,782
Totals	<u>\$ 19,267,801</u>	<u>\$ 219,165</u>	<u>\$ 19,486,966</u>

CITRUS COUNTY, FLORIDA
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED SEPTEMBER 30, 2018

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	Total
Clerk of the Circuit Court & Comptroller	\$ 3,411,019	\$ 1,257,092	4,668,111
Board of County Commissioners & Supervisor of Elections*	21,179,821	7,529,627	28,709,448
Property Appraiser	1,726,423	683,075	2,409,498
Tax Collector	1,605,184	681,317	2,286,501
Sheriff	31,519,447	6,034,519	37,553,966
	<u>\$ 59,441,894</u>	<u>\$ 16,185,630</u>	<u>\$ 75,627,524</u>

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

NOTE 7: OTHER POSTEMPLOYMENT BENEFITS

The County implemented GASB Statements No. 75; *Financial Reporting for Postemployment Benefits Plans Other than Pension Plans*, and *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. GASB Statement No. 74 establishes new financial and reporting requirements for OPEB, while Statement No. 75 replaces GASB Statement No. 45 and requires governments to report a liability on the face of the financial statements for the OPEB that they provide. This statement requires governments in all types of OPEB plans to present more note disclosures and Required Supplemental Information (RSI) about their OPEB liabilities.

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.

NOTE 7: OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

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. The calculations were based on October 1, 2107, data where there were 436 retirees receiving postemployment healthcare benefits. For the 2017-18 fiscal year, the County provided required contributions of \$337,885 toward annual OPEB costs, comprised of benefit payments made on behalf of retirees for claims expenses. Required contributions are based on projected pay-as-you-go financing.

As of September 30, 2018, the following employees were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefits	436
Active employees	1,201
	<u>1,637</u>

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 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 2017-18 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 4.18% 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 an annual healthcare cost trend rate of 7.48% pre-Medicare and 8.44% post-Medicare initially (5.0% for dental) for the 2017-18 fiscal year, grading down to an ultimate rate of 4.45% (5.0% for dental) for the fiscal year ending September 30, 2030. Under GASB 75 the entire amount of the unfunded OPEB liability is reported.

The long-term expected rate of return on OPEB investments was determined using the Bond Buyer 20-Bond Municipal Bond Index which is used to determine the interest rates for a new issue of general obligation bonds. The average yield drawn from the index is taken from a survey of muni bond traders. The index tracks the average yields of 20 general obligation municipal bonds of which the average rating Aa2 (Moody's) or AA (Standard & Poor's).

CITRUS COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

NOTE 7: OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Changes in Net OPEB Liability

The following table illustrates the Net OPEB Liability under GASB 75:

	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balance Recognized at 9/30/2017	\$ 8,202,335	\$ —	\$ 8,202,335
Changes Recognized for the Fiscal Year:			
Service Costs	454,414	—	454,414
Interest on the total OPEB Liability	309,012	—	309,012
Differences Between Expected and Actual Experience	(1,232,553)	—	(1,232,553)
Changes in Assumptions	(99,845)	—	(99,845)
Benefit Payments	(337,885)	(337,885)	—
Contributions from Employer	—	337,885	(337,885)
Balance Recognized at 9/30/2018	<u>\$ 7,295,478</u>	<u>\$ —</u>	<u>\$ 7,295,478</u>

Transition to GASB 75

The following table illustrates the transition from GASB 45 to GASB 75 for the beginning balance – Net OPEB Liability:

Net OPEB Obligation at 9/30/2017	\$ 1,905,435
Amount for Transition to GASB 75	<u>6,296,900</u>
Net OPEB Liability at 10/1/2017	<u>\$ 8,202,335</u>

Interest Rate Sensitivity

The following table illustrates the impact of interest rate sensitivity on the Net OPEB Liability for the fiscal year ended September 30, 2018:

	1% Decrease 3.18%	Current Rate 4.18%	1% Increase 5.18%
Net OPEB Liability	\$ 8,000,383	\$ 7,295,478	\$ 6,689,170

Healthcare Cost Trend Sensitivity

The following table illustrates the impact of healthcare cost trend sensitivity on the Net OPEB Liability for the fiscal year ended September 30, 2018:

	1% Decrease	Trend Rate	1% Increase
Net OPEB Liability	\$ 7,101,173	\$ 7,295,478	\$ 7,617,732

CITRUS COUNTY, FLORIDA
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED SEPTEMBER 30, 2018

NOTE 7: OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

OPEB Expense and Deferred Outflows/Inflows of Resources

For the year ended September 30, 2018 the County recognized OPEB expense of \$652,011. At September 30, 2018, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Description	Deferred Outflows	Deferred Inflows
Differences between Expected and Actual Experience	\$ —	\$ (1,125,199)
Change in Assumptions	126,978	(222,763)
Total	<u>\$ 126,978</u>	<u>\$ (1,347,962)</u>

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

Fiscal Year Ending September 30	
2019	\$ (111,414)
2020	(111,414)
2021	(111,414)
2022	(111,414)
2023	(111,414)
Total Thereafter	(663,914)
	<u>\$ (1,220,984)</u>

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

Clerk of the Circuit Court & Comptroller	\$ 315,452
Board of County Commissioners	1,999,746
Supervisor of Elections	28,613
Property Appraiser	157,726
Tax Collector	160,881
Sheriff	4,633,060
	<u>\$ 7,295,478</u>

CITRUS COUNTY, FLORIDA
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED SEPTEMBER 30, 2018

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	\$ 1,934,403	\$ 1,934,403
Deferred outflows for OPEB	20,167	126,978
Deferred outflows for pensions	3,416,234	34,040,902
Total deferred outflows	<u>5,370,804</u>	<u>36,102,283</u>
Deferred Inflows:		
Deferred inflows for OPEB	(41,603)	(1,347,962)
Deferred inflows for pensions	(682,280)	(12,720,702)
Total deferred inflows	<u>\$ (723,883)</u>	<u>\$ (14,068,664)</u>

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CITRUS COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

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	\$ 45,647,636	\$ —	\$ 3,448,951	\$ 42,198,685	\$ 3,573,414
Less unamortized premium	355,798	—	71,912	283,886	—
Revenue bonds, net	46,003,434	—	3,520,863	42,482,571	3,573,414
Notes payable	9,062,383	—	710,258	8,352,125	1,072,925
Capital leases	5,396,779	416,449	695,357	5,117,871	751,695
Compensated absences	5,755,520	3,653,693	3,562,852	5,846,361	3,774,091
Net pension liability	70,271,928	—	765,303	69,506,625	—
Other post-employment benefits	7,816,659	—	912,229	6,904,430	—
Total governmental long-term debt	\$ 144,306,703	\$ 4,070,142	\$ 10,166,862	\$ 138,209,983	\$ 9,172,125
Business-type Activities:					
Revenue bonds payable	\$ 44,070,000	\$ —	\$ 1,425,000	\$ 42,645,000	\$ 1,470,000
Less unamortized costs:					
Bond premium (discount)	5,706,602	—	288,333	5,418,269	—
Revenue bonds, net	49,776,602	—	1,713,333	48,063,269	1,470,000
Notes payable	1,286,108	—	107,431	1,178,677	110,115
Capital leases	847,734	—	138,480	709,254	534,314
Compensated absences	583,112	491,342	468,217	606,237	487,629
Net pension liability	5,390,239	730,660	—	6,120,899	—
Other post-employment benefits	385,676	5,372	—	391,048	—
Total business-type long-term debt	\$ 58,269,471	\$ 1,227,374	\$ 2,427,461	\$ 57,069,384	\$ 2,602,058
Component Unit:					
Notes payable	\$ 1,687,910	\$ —	\$ 99,168	\$ 1,588,742	\$ 106,969
Capital leases	764,466	168,221	237,979	694,708	189,710
Compensated absences	124,193	241,409	—	365,602	155,389
Total	\$ 2,576,569	\$ 409,630	\$ 337,147	\$ 2,649,052	\$ 452,068

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

CITRUS COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

NOTE 9: LONG-TERM LIABILITIES (CONTINUED)

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 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, 2018:

Purpose for Borrowing/Issue	Amount Issued	Amount Outstanding	Interest Rates
Notes:			
Special Assessment	\$ 5,000,000	\$ 2,370,000	3.36 - 4.28%
Energy Efficiency Upgrades	2,912,336	2,391,760	2.795%
Airport Hangar	93,885	4,365	5.49%
2014A Revenue Notes	2,000,000	1,781,000	3.47%
2014B Revenue Notes	824,000	596,000	2.35%
2014C Revenue Notes	1,334,000	1,209,000	5.05%
Total Governmental Activities Notes Payable		<u>\$ 8,352,125</u>	
Bonds:			
2004 Revenue Bonds - Capital Projects	8,000,000	3,382,685	3.73 - 5.54%
2001A Revenue Bonds - Refunding	4,445,000	675,000	4.55%
2001B Refunded - Refunding	7,000,000	1,020,000	4.45%
2011 Revenue Bonds	2,000,000	481,000	2.09%
2010 Revenue Bonds - Capital Projects	25,010,000	18,260,000	3%
Emergency Operations Center Construction	12,200,000	8,550,000	4.64%
2016 Revenue Bonds	10,580,000	9,830,000	Variable
		42,198,685	
Premium on Bonds Payable		283,886	
Total Governmental Activities Bonds Payable		<u>\$ 42,482,571</u>	
Capital Lease:			
General Government	455,657	142,894	3.51%
Public Safety	6,200,000	4,974,977	3.58%
Total Governmental Activities Capital Leases		<u>5,117,871</u>	
Total Governmental Activities Debt		<u>\$ 55,952,567</u>	

CITRUS COUNTY, FLORIDA
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED SEPTEMBER 30, 2018

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 3.6225% 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.

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	
2019	\$ 717,925	\$ 303,357	\$ 3,573,417	\$ 2,039,638	\$ 6,634,337
2020	744,422	276,732	3,708,755	1,700,968	6,430,877
2021	777,991	248,517	2,712,060	1,574,550	5,313,118
2022	812,896	219,288	2,834,332	1,432,956	5,299,472
2023	853,660	188,773	2,947,630	1,305,669	5,295,732
2024-2028	2,658,070	565,391	14,422,492	4,493,009	22,138,962
2029-2033	1,321,160	213,293	9,900,000	1,189,810	12,624,263
2034-2036	466,000	19,528	2,100,000	111,999	2,697,527
Total	\$ 8,352,124	\$ 2,034,879	\$ 42,198,686	\$ 13,848,599	\$ 66,434,288

The County acquired an emergency radio system, a storage area network, and patrol cars via capital lease financing. The future minimum lease obligations and the net present value of the minimum lease payments as of September 30, 2018, were as follows:

Fiscal Year	Lease Payment
2019	\$ 810,815
2020	881,931
2021	863,655
2022	863,655
2023	863,655
2024-2025	1,616,425
Total minimum lease payment	5,900,136
Less: amount representing interest	(782,265)
Present value of minimum lease payments	\$ 5,117,871

CITRUS COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

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, 2018:

Purpose for Borrowing/Issue	Amount Issued	Amount Outstanding	Interest Rates
Notes:			
State Revolving Loan	\$13,556,238	\$ 11,320,466	0 - 2.52%
Total Business-type Activities Notes Payable		11,320,466	
Bonds:			
Water & Wastewater Revenue Bonds			
Acquisition and Capital Projects	44,485,000	42,645,000	4.45%
Premium on Bonds Payable		5,418,269	
Total Business-type Activities Bonds Payable		48,063,269	
Capital Leases:			
Heavy equipment	1,011,398	\$ 709,254	2.6%
Total Business-type Capital Leases		709,254	
Total Business-type Activities Debt		\$ 60,092,989	

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	
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	118,750	20,419	1,665,000	1,484,794	3,288,963
2023	121,761	17,407	1,755,000	1,399,294	3,293,462
2024-2028	599,249	116,414	10,160,000	5,567,770	16,443,433
2029-2033	—	39,124	12,590,000	3,129,045	15,758,169
2034-2037	—	—	11,890,000	794,766	12,684,766
	\$ 1,178,677	\$ 271,952	\$ 42,645,000	\$ 17,274,576	\$ 61,370,205

CITRUS COUNTY, FLORIDA
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED SEPTEMBER 30, 2018

NOTE 9: LONG-TERM LIABILITIES (CONTINUED)

The County's Solid Waste operation has financed heavy equipment via capital lease financing. The future minimum lease obligations and the net present value of the minimum lease payments as of September 30, 2018, were as follows:

<u>Fiscal Year</u>	<u>Lease Payment</u>
2019	\$ 550,649
2020	177,120
Total minimum lease payment	<u>727,769</u>
Less: amount representing interest	(18,515)
Present value of minimum lease payments	<u><u>\$ 709,254</u></u>

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.

As of September 30, 2018, the County established a liability to cover estimated unpaid claims of \$1,879,143 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, 2018, to be \$(29,610). The County has accrued claims payable of this amount and has adequate cash reserves in the Self-Insurance Fund at September 30, 2018, to cover the reserve requirement.

CITRUS COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

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	\$25,000,000	\$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	\$—	\$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	\$200,000,000
On Premises	\$10,000 Single Loss Retention	\$150,000,000
In Transit	\$10,000 Single Loss Retention	\$150,000,000
Counterfeits	\$10,000 Single Loss Retention	\$500,000,000
Computer Fraud	\$10,000 Single Loss Retention	\$100,000,000
Funds Transfer Fraud	\$10,000 Single Loss Retention	\$100,000,000
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)	\$—	\$1,000,000,000
Flood	Various	Actual Cash Value/ 24 policies

CITRUS COUNTY, FLORIDA
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED SEPTEMBER 30, 2018

NOTE 10: SELF-INSURANCE FUND (CONTINUED)

Health insurance reserve requirements were determined by an actuarial study at September 30, 2018, to be \$1,696,733. The County has accrued claims payable of this amount and has adequate cash reserves in the Self-Insurance Fund at September 30, 2018, 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, 2018:

	Workers' Compensation	General Liability	Health/Dental Coverage	Total
Beginning of year liability	\$ 161,714	\$ 110,203	\$ 942,516	\$ 1,214,433
Incurred claims, including IBNR's	112,317	79,829	7,458,912	7,651,058
Payment on claims	(183,694)	(127,569)	(6,675,085)	(6,986,348)
End of year liability	<u>\$ 90,337</u>	<u>\$ 62,463</u>	<u>\$ 1,726,343</u>	<u>\$ 1,879,143</u>

Summary of Changes in Claims Liabilities - September 30, 2017:

	Workers' Compensation	General Liability	Health/Dental Coverage	Total
Beginning of year liability	\$ 121,344	\$ 111,468	\$ 520,960	\$ 753,772
Incurred claims, including IBNR's	126,339	155,117	5,044,650	5,326,106
Payment on claims	(85,969)	(156,382)	(4,623,094)	(4,865,445)
End of year liability	<u>\$ 161,714</u>	<u>\$ 110,203</u>	<u>\$ 942,516</u>	<u>\$ 1,214,433</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, 2018

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	<u>\$ 666,611,735</u>	<u>\$ 124,985,891</u>
Calculation of Outstanding Principal of Related Debt		
Notes Payable	8,352,125	1,178,677
Unearned Connection Credits	—	9,607,784
Capital Leases	5,117,871	709,254
Bonds Payable, Net of Unamortized Premium/Discount	<u>42,482,571</u>	<u>48,063,269</u>
Total Debt Principal	55,952,567	59,558,984
Less:		
Unspent Bond Proceeds	—	1,743,475
Unamortized Bond Insurance Costs	—	1,934,403
Asset-related Contract Receivable	—	3,243,070
Total Adjustments to Debt Principal	<u>—</u>	<u>6,920,948</u>
Outstanding Principal of Related Debt Net of Unamortized Costs	<u>55,952,567</u>	<u>52,638,036</u>
Net Investment in Capital Assets	<u>\$ 610,659,168</u>	<u>\$ 72,347,855</u>

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 \$36,461,764 in restricted net position, \$10,342,110 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 8% of its total governmental funds revenue for the year ended September 30, 2018.

CITRUS COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

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, 2018, was \$2,736,277.

In addition to the above, the County has also recorded unearned revenues reflecting unearned grant monies of \$1,289,921, utility connection fees of \$8,566,868, and billed but uncollected special assessment revenues in the amount of \$3,648,503.

NOTE 15: PLEDGED REVENUES

Citrus County has pledged certain revenues to repay certain bonds and notes outstanding as of September 30, 2018. 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, 2018, 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, 2018

NOTE 15: PLEDGED REVENUES (CONTINUED)

	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	\$ 8,767,970	\$ 3,926,181	6.9%	\$ 604,029	\$ 8,154,450	2025
2001A Revenue Bonds - Refunding	Half-cent Sales Tax	8,767,970	914,854	4.0%	352,879	5,746,142	2020
2001B Refunded - Refunding	Half-cent Sales Tax	8,767,970	1,066,865	6.1%	532,216	9,052,845	2020
2010A Capital Improvements	Available Non-ad valorem	49,578,960	3,418,208	2.5%	1,217,884	8,780,110	2020
2010B Capital Improvements	Available Non-ad valorem	49,578,960	2,305,341	1.9%	943,502	28,206,905	2020
Emergency Operations Center	Communications Svcs Tax	1,726,321	9,939,545	43.6%	751,932	7,375,968	2029
2011 Guaranteed Entitlement Rev Bonds	State Revenue Sharing	4,012,272	496,132	6.2%	247,923	1,716,744	2020
2015 Revenue Bonds	Available Non-ad valorem	49,578,960	13,232,156	1.5%	735,512	1,619,918	2036
Revenue Notes:							
Electrical Upgrades	Available Non-ad valorem	49,578,960	2,837,013	0.4%	213,000	855,063	2028
Citrus Springs Waterlines	Special Assessments	782,142	2,743,922	51.2%	400,391	4,111,964	2024
2014A Revenue Notes	Half-cent Sales Tax	8,767,970	2,356,758	1.6%	139,119	451,867	2035
2014B Revenue Notes	Half-cent Sales Tax	8,767,970	646,265	1.1%	92,923	289,154	2025
2014C Revenue Notes	Half-cent Sales Tax	8,767,970	1,798,614	1.2%	106,165	352,691	2035
Capital Leases:							
Motorola Radio System	Available Non-ad valorem	49,578,960	5,052,279	1.5%	721,754	2,165,263	2025
Total Revenue Notes, Bonds and Leases - Governmental Activities			<u>\$ 50,734,133</u>		<u>\$ 7,059,229</u>	<u>\$ 78,879,084</u>	
Business-type Activities							
Revenue Bonds:							
Water & Wastewater Revenue Bonds	System Revenue	\$ 13,890,164	\$ 59,919,572	12.3%	\$ 3,172,094	\$ 4,852,247	2037
Revenue Notes:							
State Revolving Loan	System Revenue	13,890,164	1,334,216	1.2%	139,168	1,471,422	2038
Capital Leases:							
Landfill Heavy Equipment	System Revenue	3,438,073	727,769	6.5%	162,010	187,977	2019
Total Revenue Notes and Bonds - Business-type Activities			<u>\$ 61,981,557</u>		<u>\$ 3,473,272</u>	<u>\$ 6,511,646</u>	

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 \$5,373,544. The total recognized closure and postclosure costs to date are \$12,073,818. These costs will be recognized in future periods as the remaining capacity of approximately 1,595,283 cubic yards is filled. These landfill areas are expected to close in phases until the year 2032. As of September 30, 2018, the active landfill areas were filled to approximately 69.20% of capacity.

The County is required by FDEP Rule 62-701.630(5), F.A.C., to make annual contributions to a landfill management escrow account for closure. The County is in compliance with these requirements, and at September 30, 2018, investments of \$11,393,592 are held for these purposes. At September 30, 2018, those funds were held in the SBA, as allowed in the escrow agreement, dated March 2, 2010. 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 investment account:

Landfill Closure Escrow Account	
Beginning Balance	\$ 11,030,972
10/1/17 Transfer from Operations	225,000
Investment Earnings	137,620
Ending Balance	<u>\$ 11,393,592</u>

CITRUS COUNTY, FLORIDA
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED SEPTEMBER 30, 2018

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
	Guaranteed Water Purchases	Renewal and Replacement	
2019	\$ 224,000	\$ 180,000	\$ 404,000
2020	224,000	180,000	404,000
2021	224,000	180,000	404,000
2022	224,000	180,000	404,000
2023	224,000	180,000	404,000
2024-2026	672,000	540,000	1,212,000
	<u>\$ 1,792,000</u>	<u>\$ 1,440,000</u>	<u>\$ 3,232,000</u>

For the fiscal year ended September 30, 2018, the County incurred charges of \$429,096 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 Authority shall apply a cost of living adjustment to the base rate on an annual basis, equal to the annual adjustment the County applies to its customers' rates, not to exceed 3%.

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, 2018, the water and wastewater facilities operated by the County had enough reserve capacity to meet such commitments.

Commitments Under Construction Contracts - At September 30, 2018, the County had outstanding construction contracts for various projects totaling \$73,689,834 with costs to complete of approximately \$22,770,817.

The CIC has a multi-year contract for aerial photography, software maintenance and data licenses with a payment of \$387,175 in 2019 and \$89,623 in 2020 and 2021, totaling \$566,421.

CITRUS COUNTY, FLORIDA
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED SEPTEMBER 30, 2018

NOTE 18: COMMITMENTS AND CONTINGENT LIABILITIES (CONTINUED)

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 \$9.1 million 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.

Encumbrances outstanding as of September 30, 2018, totaled \$25,243,832. A detailed breakdown is reflected below:

Major Governmental Funds	
General Fund	\$ 1,275,522
County Transportation Trust	4,495,809
TOTAL MAJOR FUNDS	<u>5,771,331</u>
Nonmajor Governmental funds	3,908,792
TOTAL GOVERNMENTAL FUNDS	<u>\$ 9,680,123</u>
Enterprise Funds	
Landfill	\$ 268,197
Utilities	15,295,512
TOTAL ENTERPRISE FUNDS	<u>\$ 15,563,709</u>
TOTAL ALL FUNDS	<u>\$ 25,243,832</u>

CITRUS COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

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, 2018, the County had fund balance classifications, as follows:

	General Fund	County Transportation Trust	Grants in Aid	Special Assessments	Nonmajor Gov't'l Funds	Total Governmental Funds
Nonspendable:						
Inventory	\$ 264,962	\$ —	\$ 26,010	\$ —	\$ 159,263	\$ 450,235
Prepays/Deposits	420,105	63,813	81,438	—	216,837	782,193
Total nonspendable	<u>685,067</u>	<u>63,813</u>	<u>107,448</u>	<u>—</u>	<u>376,100</u>	<u>1,232,428</u>
Restricted for:						
Health Department	241,904	—	—	—	—	241,904
Federal and State grants	—	—	5,039,362	—	157,383	5,196,745
Debt service	—	—	—	—	22,729	22,729
Transportation projects	—	16,922,620	—	408,046	1,005,913	18,336,579
Library	—	—	—	—	605,473	605,473
Economic development	—	—	—	—	2,521,270	—
Court programs	—	—	—	—	1,259,689	1,259,689
Public safety	—	—	—	—	2,623,239	2,623,239
Street lighting districts	—	—	—	—	481,891	481,891
Water & wastewater	—	—	—	3,322,129	—	3,322,129
Other purposes	—	—	—	—	3,364,572	3,364,572
Total restricted	<u>241,904</u>	<u>16,922,620</u>	<u>5,039,362</u>	<u>3,730,175</u>	<u>12,042,159</u>	<u>35,454,950</u>
Assigned for:						
Fleet Replacement	422,886	—	—	—	—	422,886
Aviation	10,262	—	—	—	—	10,262
Animal services	200,000	—	—	—	—	200,000
Lake Restoration	369,165	—	—	—	—	369,165
Water/wastewater infrastructure	905,435	—	—	—	—	905,435
2019 Operations	13,886,301	—	—	—	—	13,886,301
Total assigned	<u>15,794,049</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>15,794,049</u>
Unassigned fund balance	7,919,027	—	—	—	—	7,919,027
Total fund balances	<u>\$ 24,640,047</u>	<u>\$ 16,986,433</u>	<u>\$ 5,146,810</u>	<u>\$ 3,730,175</u>	<u>\$ 12,418,259</u>	<u>\$ 60,400,454</u>

CITRUS COUNTY, FLORIDA
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED SEPTEMBER 30, 2018

NOTE 20: RESTATEMENT

The County implemented GASB Statements No. 75; *Financial Reporting for Postemployment Benefits Plans Other than Pension Plans*, and *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. This implementation required a restatement of beginning net position for the proprietary funds and the government-wide statements.

Government-wide:

	Governmental Activities	Business-type Activities
Net Position 9/30/2017	\$ 637,102,165	\$ 116,445,090
9/30/2017 Net OPEB Obligation	1,761,150	144,285
10/1/2017 Net OPEB Liability	(7,816,659)	(385,676)
Deferred Outflows	121,491	20,916
Deferred Inflows	(1,431,655)	(43,150)
Net Position 10/1/17	<u>\$ 629,736,492</u>	<u>\$ 116,181,465</u>

Proprietary Fund Level:

	Fleet Management	Sanitary Landfill	Public Utility	Building Inspection
Net Position 9/30/2017	\$ 297,298	\$ 29,782,793	\$ 83,760,831	\$ 3,466,462
9/30/2017 Net OPEB Obligation	12,981	25,410	87,510	31,365
10/1/2017 Net OPEB Liability	(31,356)	(94,067)	(222,626)	(68,983)
Deferred Outflows	1,701	5,102	12,074	3,741
Deferred Inflows	(3,508)	(10,524)	(24,908)	(7,718)
Net Position 10/1/17	<u>\$ 277,116</u>	<u>\$ 29,708,714</u>	<u>\$ 83,612,881</u>	<u>\$ 3,424,867</u>



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REQUIRED SUPPLEMENTARY INFORMATION

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

Last 10 Fiscal Years

	2018	2017	2016	2015	2014
County's proportion of the net pension liability (asset)	0.1973468%	0.2004874%	0.2035205%	0.1937710%	0.1938990%
County's proportionate share of the net pension liability (asset)	\$ 59,441,894	\$ 59,323,189	\$ 51,389,089	\$ 25,028,072	\$ 11,830,675
County's covered payroll	\$ 38,983,855	\$ 37,272,948	\$ 41,137,093	\$ 46,910,319	\$ 45,690,944
County's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	152.48%	159.16%	124.92%	53.35%	25.89%
Plan fiduciary net position as a percentage of the total pension liability	84.26%	83.89%	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 five 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 CITRUS COUNTY'S PROPORTIONATE SHARE OF NET PENSION LIABILITY
 FLORIDA RETIREMENT SYSTEM HEALTH INSURANCE SUBSIDY PROGRAM

Last 10 Fiscal Years

	2018	2017	2016	2015	2014
County's proportion of the net pension liability (asset)	0.152924%	0.152999%	0.154860%	0.152317%	0.151826%
County's proportionate share of the net pension liability (asset)	\$ 16,185,360	\$16,359,335	\$18,048,310	\$15,533,887	\$14,196,072
County's covered payroll	\$ 50,707,256	\$50,092,192	\$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	31.92%	32.71%	36.48%	33.11%	31.07%
Plan fiduciary net position as a percentage of the total pension liability	2.15%	1.64%	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 five 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 CITRUS COUNTY'S CONTRIBUTIONS
 FLORIDA RETIREMENT SYSTEM

Last 10 Fiscal Years

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 5,624,227	\$ 5,219,181	\$ 4,963,172	\$ 4,724,292	\$ 4,247,405
Contributions in relation to the contractually required contribution	<u>(5,624,227)</u>	<u>(5,219,181)</u>	<u>(4,963,172)</u>	<u>(4,724,292)</u>	<u>(4,247,405)</u>
Contribution deficiency (excess)	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
County's covered payroll	\$ 38,389,721	\$ 38,657,390	\$ 41,137,093	\$ 46,910,319	\$ 45,690,944
Contributions as a percentage of covered-employee payroll	14.65%	13.50%	12.06%	10.07%	9.30%

*Only five 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 CITRUS COUNTY'S CONTRIBUTIONS
 FLORIDA RETIREMENT SYSTEM HEALTH INSURANCE SUBSIDY PROGRAM

Last 10 Fiscal Years

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 829,310	\$ 809,714	\$ 797,757	\$ 582,248	\$ 520,104
Contributions in relation to the contractually required contribution	<u>(829,310)</u>	<u>(809,714)</u>	<u>(797,757)</u>	<u>(582,248)</u>	<u>(520,104)</u>
Contribution deficiency (excess)	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
County's covered payroll	\$49,915,925	\$50,070,002	\$48,885,539	\$46,910,319	\$45,690,944
Contributions as a percentage of covered-employee payroll	1.66%	1.63%	1.64%	1.26%	1.26%

*Only five 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 CHANGES IN CITRUS COUNTY'S NET OPEB LIABILITY AND RELATED RATIOS

Last 10 Fiscal Years

	2018
Total OPEB liability	
Service cost	\$ 454,414
Interest	309,012
Changes in benefit terms	—
Differences between expected and actual experience	(1,232,553)
Changes of assumptions	(99,845)
Benefit payments	(337,885)
Net change in total OPEB liability	(906,857)
Total OPEB liability - beginning	8,202,335
Total OPEB liability - ending	\$ 7,295,478
 Plan fiduciary net position	
Contributions - employer	\$ 337,885
Net investment income	—
Benefit payments	(337,885)
Administrative expense	—
Net change in plan fiduciary net position	—
Plan fiduciary net position - beginning	—
Plan fiduciary net position - ending	—
 Net OPEB liability - ending	\$ 7,295,478
Plan fiduciary net position as a percentage of the total OPEB liability	0%
 Covered employee payroll	\$44,573,386
 Net OPEB liability as a percentage of covered employee payroll	16.37%

*GASB Statement No. 75 was implemented during the 2017-18 fiscal year. Therefore, data for a full 10-year presentation was not available. Additional years' information will be displayed as it becomes available.

CITRUS COUNTY, FLORIDA
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF COUNTY CONTRIBUTIONS - OTHER POST EMPLOYMENT BENEFITS

	2018
Required Employer Contributions	\$ 337,885
Actual Employer Contributions	(337,885)
Contribution deficiency (excess)	\$ —
County's covered employee payroll	\$ 44,573,386
OPEB Contribution as a percentage of covered employee payroll	0.76%

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

There is a significant increase in reported liability associated with transition to GASB 75. As of September 31, 2017, the Net OPEB Obligation under GASB 45 was \$1,904,435. Under GASB 75, the entire unfunded liability must be reported. At October 1, 2017, the Net OPEB Obligation was \$8,202,335.

Actuarial Valuation:

Cost Method - Entry Age Normal Cost Method

Method Changes - Effective for the fiscal year ended September 30, 2018, the Plan is reported under GASB 75.

Assumption Changes - The rate of return on investments increased from 4.0% to 4.5%. The healthcare cost trend rates changed from 7.50% and 8.00% for pre and post Medicare to 7.48% and 8.44%, respectively. The dental cost trend rate decreased from 5.5% to 5.0%.



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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

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

SHIP Grants - Accounts for grant programs for "State Housing Initiative Partnership" grants from the Florida Housing Finance Corporation. Provides down payment assistance, closing costs, construction costs, leverage of funds for rental development/group housing and rental assistance payments

HUD Section 8 - Accounts for grant programs for Section 8 Housing Choice Voucher Program from the US Department of Housing & Urban Development (HUD). This grant increases affordable housing choices for very low-income households by providing rental assistance payments.

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.

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, 2018

SPECIAL REVENUE

ASSETS	IMPACT FEES	COUNTY LIBRARIES	MUNICIPAL SERVICE TAXING DISTRICT	OTHER SPECIAL REVENUE	FIRE SPECIAL TAXING DISTRICT	SPECIAL LIGHTING MSTU	SHIP GRANT
1 Cash and investments	\$ 4,494,467	\$ 551,217	\$ 1,248,389	\$ 4,006,382	\$ 2,235,360	\$ 511,122	\$ 1,276,968
2 Accounts receivable (net of allowance for uncollectibles)	—	—	—	—	118	—	—
3 Due from other funds	—	—	—	—	—	—	—
4 Due from other governments	—	447	3,153	264,305	10,945	36	—
5 Inventory	—	—	—	—	159,263	—	—
6 Prepaid items	—	27,762	592	27,895	46,160	—	1,766
Total assets	<u>\$ 4,494,467</u>	<u>\$ 579,426</u>	<u>\$ 1,252,134</u>	<u>\$ 4,298,582</u>	<u>\$ 2,451,846</u>	<u>\$ 511,158</u>	<u>\$ 1,278,734</u>
LIABILITIES							
7 Accounts payable	\$ —	\$ 36,917	\$ 366,536	\$ 16,493	\$ 107,518	\$ 29,267	\$ 45,638
8 Contracts payable	—	—	9,433	7,789	—	—	—
9 Accrued liabilities	—	30,212	1,095	—	114,175	—	2,011
10 Due to other funds	498	—	—	—	—	—	—
11 Due to other governments	—	124	—	—	—	—	—
12 Deposits	—	—	—	—	—	—	33
13 Unearned revenue	2,736,277	—	—	—	—	—	1,223,749
Total liabilities	<u>2,736,775</u>	<u>67,253</u>	<u>377,064</u>	<u>24,282</u>	<u>221,693</u>	<u>29,267</u>	<u>1,271,431</u>
FUND BALANCES							
14 Nonspendable	—	27,762	592	27,895	205,423	—	1,766
15 Restricted	1,757,692	484,411	874,478	4,246,405	2,024,730	481,891	5,537
16 Assigned	—	—	—	—	—	—	—
17 Unassigned (Deficit)	—	—	—	—	—	—	—
Total Fund Balances	<u>1,757,692</u>	<u>512,173</u>	<u>875,070</u>	<u>4,274,300</u>	<u>2,230,153</u>	<u>481,891</u>	<u>7,303</u>
Total liabilities and fund balances	<u>\$ 4,494,467</u>	<u>\$ 579,426</u>	<u>\$ 1,252,134</u>	<u>\$ 4,298,582</u>	<u>\$ 2,451,846</u>	<u>\$ 511,158</u>	<u>\$ 1,278,734</u>

Continued

CITRUS COUNTY, FLORIDA
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
 SEPTEMBER 30, 2018

	SPECIAL REVENUE					DEBT SERVICE	
	HUD SECTION 8	COURTS SPECIAL REVENUE	CLERK OF CIRCUIT COURT SPECIAL REVENUE FUNDS	SUPERVISOR OF ELECTIONS GRANTS	SHERIFF SPECIAL REVENUE FUNDS	COUNTY ROAD 491 WIDENING	2001 PROJECTS
ASSETS							
1 Cash and investments	\$ 165,322	\$ 555,827	\$ 731,217	\$ 136,698	\$ 394,105	\$ 3,478	\$ 10,696
2 Accounts receivable (net of allowance for uncollectibles)	—	—	—	—	—	—	—
3 Due from other funds	—	—	—	—	—	—	—
4 Due from other governments	—	56,782	—	—	299,165	—	—
5 Inventory	—	—	—	—	—	—	—
6 Prepaid items	107,351	4,455	588	—	268	—	—
Total assets	<u>\$ 272,673</u>	<u>\$ 617,064</u>	<u>\$ 731,805</u>	<u>\$ 136,698</u>	<u>\$ 693,538</u>	<u>\$ 3,478</u>	<u>\$ 10,696</u>
LIABILITIES							
7 Accounts payable	\$ 485	\$ 75,488	\$ 786	\$ —	\$ —	\$ —	\$ —
8 Contracts payable	—	—	—	—	—	—	—
9 Accrued liabilities	13,031	3,273	957	—	11,936	—	—
10 Due to other funds	—	3,633	—	—	72,446	—	—
11 Due to other governments	950	—	—	—	—	—	—
12 Deposits	—	—	—	—	—	—	—
13 Unearned revenue	—	—	—	133,522	10,379	—	—
Total liabilities	<u>14,466</u>	<u>82,394</u>	<u>1,743</u>	<u>133,522</u>	<u>94,761</u>	<u>—</u>	<u>—</u>
FUND BALANCES							
14 Nonspendable	107,351	4,455	588	—	268	—	—
15 Restricted	150,856	530,215	729,474	3,176	598,509	3,478	10,696
16 Assigned	—	—	—	—	—	—	—
17 Unassigned (Deficit)	—	—	—	—	—	—	—
Total Fund Balances	<u>258,207</u>	<u>534,670</u>	<u>730,062</u>	<u>3,176</u>	<u>598,777</u>	<u>3,478</u>	<u>10,696</u>
Total liabilities and fund balances	<u>\$ 272,673</u>	<u>\$ 617,064</u>	<u>\$ 731,805</u>	<u>\$ 136,698</u>	<u>\$ 693,538</u>	<u>\$ 3,478</u>	<u>\$ 10,696</u>

Continued

CITRUS COUNTY, FLORIDA
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS (CONCLUDED)
 SEPTEMBER 30, 2018

	<u>DEBT SERVICE</u>		<u>CAPITAL PROJECTS</u>		
	<u>2004 BONDS</u>	<u>2010 BONDS</u>	<u>COUNTY ROAD 491 WIDENING</u>	<u>TELEPHONE SYSTEM</u>	<u>TOTAL NONMAJOR GOVERNMENTAL FUNDS</u>
ASSETS					
1 Cash and investments	\$ 7,040	\$ —	\$ 21,144	\$ 111,778	\$ 16,461,210
2 Accounts receivable (net of allowance for uncollectibles)	—	—	—	—	118
3 Due from other funds	—	—	—	—	—
4 Due from other governments	—	147,280	—	—	782,113
5 Inventory	—	—	—	—	159,263
6 Prepaid items	—	—	—	—	216,837
Total assets	<u>\$ 7,040</u>	<u>\$ 147,280</u>	<u>\$ 21,144</u>	<u>\$ 111,778</u>	<u>\$ 17,619,541</u>
LIABILITIES					
7 Accounts payable	\$ —	\$ —	\$ —	\$ 866	\$ 679,994
8 Contracts payable	—	—	—	—	17,222
9 Accrued liabilities	—	—	—	—	176,690
10 Due to other funds	—	145,765	—	—	222,342
11 Due to other governments	—	—	—	—	1,074
12 Deposits	—	—	—	—	33
13 Unearned revenue	—	—	—	—	4,103,927
Total liabilities	<u>—</u>	<u>145,765</u>	<u>—</u>	<u>866</u>	<u>5,201,282</u>
FUND BALANCES					
14 Nonspendable	—	—	—	—	376,100
15 Restricted	7,040	1,515	21,144	110,912	12,042,159
16 Assigned	—	—	—	—	—
17 Unassigned (Deficit)	—	—	—	—	—
Total Fund Balances	<u>7,040</u>	<u>1,515</u>	<u>21,144</u>	<u>110,912</u>	<u>12,418,259</u>
Total liabilities and fund balances	<u>\$ 7,040</u>	<u>\$ 147,280</u>	<u>\$ 21,144</u>	<u>\$ 111,778</u>	<u>\$ 17,619,541</u>

CITRUS COUNTY, FLORIDA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES -
 NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2018

	SPECIAL REVENUE			
	IMPACT FEES	COUNTY LIBRARIES	MUNICIPAL SERVICE TAXING DISTRICT	OTHER SPECIAL REVENUE
REVENUES				
1 Taxes and special assessments	\$ —	\$ 2,698,727	\$ 728,829	\$2,069,138
2 Licenses and permits	2,822,850	—	—	—
3 Intergovernmental revenue	—	917	—	101,796
4 Charges for services	—	450	—	—
5 Fines and forfeitures	—	—	—	—
6 Miscellaneous revenue	43,762	239,920	15,354	248,237
Total Revenue	<u>2,866,612</u>	<u>2,940,014</u>	<u>744,183</u>	<u>2,419,171</u>
EXPENDITURES				
Current:				
7 General government	—	—	—	—
8 Public safety	260,723	—	—	4,100
9 Physical environment	—	—	—	101,878
10 Transportation	480,674	—	420,165	4,885
11 Economic environment	—	—	—	1,351,105
12 Human services	—	—	—	—
13 Culture and recreation	60,284	2,883,439	—	—
14 Court-related expenditures	—	—	—	—
15 Capital outlay	—	—	—	—
Debt Service:				
16 Principal retirement	—	41,332	—	—
17 Interest and fiscal charges	—	17,307	—	—
Total Expenditures	<u>801,681</u>	<u>2,942,078</u>	<u>420,165</u>	<u>1,461,968</u>
Excess (deficiency) of Revenues Over(Under) Expenditures	2,064,931	(2,064)	324,018	957,203
OTHER FINANCING SOURCES (USES)				
18 Transfers in	—	50,000	—	4,885
19 Transfers out	(113,819)	(159,757)	(43,334)	(109,079)
Total other financing sources (uses)	<u>(113,819)</u>	<u>(109,757)</u>	<u>(43,334)</u>	<u>(104,194)</u>
Net Change in Fund Balances	1,951,112	(111,821)	280,684	853,009
Fund balance - beginning	(193,420)	623,994	594,386	3,421,291
Fund balance - ending	<u>\$ 1,757,692</u>	<u>\$ 512,173</u>	<u>\$ 875,070</u>	<u>\$4,274,300</u>

Continued

CITRUS COUNTY, FLORIDA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES -
 NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
 FOR THE YEAR ENDED SEPTEMBER 30, 2018

	SPECIAL REVENUE				
	FIRE SPECIAL TAXING DISTRICT	SPECIAL LIGHTING MSTU	SHIP GRANT	HUD SECTION 8	COURTS SPECIAL REVENUE
REVENUES					
1 Taxes and special assessments	\$ 8,641,607	\$ 410,489	\$ —	\$ —	\$ —
2 Licenses and permits	—	—	—	—	—
3 Intergovernmental revenue	12,024	—	896,718	1,276,863	—
4 Charges for services	65,493	—	—	—	728,448
5 Fines and forfeitures	—	—	—	—	33,970
6 Miscellaneous revenue	71,847	7,213	14,542	3,014	7,474
Total Revenue	<u>8,790,971</u>	<u>417,702</u>	<u>911,260</u>	<u>1,279,877</u>	<u>769,892</u>
EXPENDITURES					
Current:					
7 General government	—	—	—	—	—
8 Public safety	8,165,186	—	—	—	—
9 Physical environment	—	—	—	—	—
10 Transportation	—	379,910	—	—	—
11 Economic environment	—	—	904,322	—	—
12 Human services	—	—	—	1,340,854	—
13 Culture and recreation	—	—	—	—	—
14 Court-related expenditures	—	—	—	—	738,316
15 Capital outlay	—	—	—	—	—
Debt Service:					
16 Principal retirement	—	—	—	—	—
17 Interest and fiscal charges	—	—	—	—	—
Total Expenditures	<u>8,165,186</u>	<u>379,910</u>	<u>904,322</u>	<u>1,340,854</u>	<u>738,316</u>
Excess (deficiency) of Revenues Over(Under) Expenditures	625,785	37,792	6,938	(60,977)	31,576
OTHER FINANCING SOURCES (USES)					
18 Transfers in	378	—	—	—	355,641
19 Transfers out	(436,803)	(25,337)	—	—	(259,784)
Total other financing sources (uses)	<u>(436,425)</u>	<u>(25,337)</u>	<u>—</u>	<u>—</u>	<u>95,857</u>
Net Change in Fund Balances	189,360	12,455	6,938	(60,977)	127,433
Fund balance - beginning	2,040,793	469,436	365	319,184	407,237
Fund balance - ending	<u>\$ 2,230,153</u>	<u>\$ 481,891</u>	<u>\$ 7,303</u>	<u>\$ 258,207</u>	<u>\$ 534,670</u>

Continued

CITRUS COUNTY, FLORIDA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES -
 NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
 FOR THE YEAR ENDED SEPTEMBER 30, 2018

	SPECIAL REVENUE		
	CLERK OF CIRCUIT COURT SPECIAL REVENUE FUNDS	SUPERVISOR OF ELECTIONS GRANTS	SHERIFF SPECIAL REVENUE FUNDS
REVENUES			
1 Taxes and special assessments	\$ —	\$ —	\$ —
2 Licenses and permits	—	—	—
3 Intergovernmental revenue	—	63,439	1,240,835
4 Charges for services	363,348	—	—
5 Fines and forfeitures	—	—	94,521
6 Miscellaneous revenue	6,437	755	16,063
Total Revenue	<u>369,785</u>	<u>64,194</u>	<u>1,351,419</u>
EXPENDITURES			
Current:			
7 General government	—	67,374	—
8 Public safety	—	—	1,445,350
9 Physical environment	—	—	—
10 Transportation	—	—	—
11 Economic environment	—	—	—
12 Human services	—	—	—
13 Culture and recreation	—	—	—
14 Court-related expenditures	261,368	—	—
15 Capital outlay	—	—	—
Debt Service:			
16 Principal retirement	33,892	—	—
17 Interest and fiscal charges	3,258	—	—
Total Expenditures	<u>298,518</u>	<u>67,374</u>	<u>1,445,350</u>
Excess (deficiency) of Revenues Over(Under) Expenditures	71,267	(3,180)	(93,931)
OTHER FINANCING SOURCES (USES)			
18 Transfers in	—	2,464	—
19 Transfers out	—	—	—
Total other financing sources (uses)	<u>—</u>	<u>2,464</u>	<u>—</u>
Net Change in Fund Balances	71,267	(716)	(93,931)
Fund balance - beginning	658,795	3,892	692,708
Fund balance - ending	<u>\$ 730,062</u>	<u>\$ 3,176</u>	<u>\$ 598,777</u>

Continued

CITRUS COUNTY, FLORIDA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES -
 NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
 FOR THE YEAR ENDED SEPTEMBER 30, 2018

	DEBT SERVICE			
	COUNTY ROAD 491 WIDENING	2001 PROJECTS	2004 BONDS	2010 BONDS
REVENUES				
1 Taxes and special assessments	\$ —	\$ —	\$ —	\$ —
2 Licenses and permits	—	—	—	—
3 Intergovernmental revenue	—	—	—	301,495
4 Charges for services	—	—	—	—
5 Fines and forfeitures	—	—	—	—
6 Miscellaneous revenue	885	515	2,234	1,106
Total Revenue	885	515	2,234	302,601
EXPENDITURES				
Current:				
7 General government	—	—	—	—
8 Public safety	—	—	—	—
9 Physical environment	—	—	—	—
10 Transportation	—	—	—	—
11 Economic environment	—	—	—	—
12 Human services	—	—	—	—
13 Culture and recreation	—	—	—	—
14 Court-related expenditures	—	—	—	—
15 Capital outlay	—	—	—	—
Debt Service:				
16 Principal retirement	380,000	790,000	440,951	1,075,000
17 Interest and fiscal charges	358,147	95,095	163,078	1,087,695
Total Expenditures	738,147	885,095	604,029	2,162,695
Excess (deficiency) of Revenues Over(Under) Expenditures	(737,262)	(884,580)	(601,795)	(1,860,094)
OTHER FINANCING SOURCES (USES)				
18 Transfers in	731,179	885,134	602,909	1,850,923
19 Transfers out	—	—	—	—
Total other financing sources (uses)	731,179	885,134	602,909	1,850,923
Net Change in Fund Balances	(6,083)	554	1,114	(9,171)
Fund balance - beginning	9,561	10,142	5,926	10,686
Fund balance - ending	\$ 3,478	\$ 10,696	\$ 7,040	\$ 1,515

Continued

CITRUS COUNTY, FLORIDA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES -
 NONMAJOR GOVERNMENTAL FUNDS (CONCLUDED)
 FOR THE YEAR ENDED SEPTEMBER 30, 2018

	CAPITAL PROJECTS		
	COUNTY ROAD 491 WIDENING	TELEPHONE SYSTEM	TOTAL NONMAJOR GOVERNMENTAL FUNDS
REVENUES			
1 Taxes and special assessments	\$ —	\$ —	\$ 14,548,790
2 Licenses and permits	—	—	2,822,850
3 Intergovernmental revenue	—	—	3,894,087
4 Charges for services	—	—	1,157,739
5 Fines and forfeitures	—	—	128,491
6 Miscellaneous revenue	4,321	1,504	685,183
Total Revenue	4,321	1,504	23,237,140
EXPENDITURES			
Current:			
7 General government	—	—	67,374
8 Public safety	—	—	9,875,359
9 Physical environment	—	—	101,878
10 Transportation	—	—	1,285,634
11 Economic environment	—	—	2,255,427
12 Human services	—	—	1,340,854
13 Culture and recreation	—	—	2,943,723
14 Court-related expenditures	—	—	999,684
15 Capital outlay	1,182,206	35,394	1,217,600
Debt Service:			
16 Principal retirement	—	—	2,761,175
17 Interest and fiscal charges	—	—	1,724,580
Total Expenditures	1,182,206	35,394	24,573,288
Excess (deficiency) of Revenues Over(Under) Expenditures	(1,177,885)	(33,890)	(1,336,148)
OTHER FINANCING SOURCES (USES)			
18 Transfers in	—	—	4,483,513
19 Transfers out	—	—	(1,147,913)
Total other financing sources (uses)	—	—	3,335,600
Net Change in Fund Balances	(1,177,885)	(33,890)	1,999,452
Fund balance - beginning	1,199,029	144,802	10,418,807
Fund balance - ending	\$ 21,144	\$ 110,912	\$ 12,418,259

CITRUS COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
IMPACT FEES
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES			
Licenses and permits	\$ 621,850	\$ 2,822,850	\$ 2,201,000
Miscellaneous revenue	—	43,762	43,762
Less statutory deduction	(31,093)		31,093
Total revenues	<u>590,757</u>	<u>2,866,612</u>	<u>2,275,855</u>
EXPENDITURES			
Public safety	263,986	260,723	3,263
Transportation	1,054,270	480,674	573,596
Culture and recreation	188,270	60,284	127,986
Total expenditures	<u>1,506,526</u>	<u>801,681</u>	<u>704,845</u>
(Deficiency) of revenues (under) expenditures	<u>(915,769)</u>	<u>2,064,931</u>	<u>1,571,010</u>
OTHER FINANCING (USES)			
Transfers out	(113,821)	(113,819)	—
Total other financing (uses)	<u>(113,821)</u>	<u>(113,819)</u>	<u>—</u>
Net change in fund balance	<u>(1,029,590)</u>	<u>1,951,112</u>	<u>1,571,010</u>
Fund balance - beginning	(193,420)	(193,420)	—
Fund balance - ending	<u>\$ (1,336,418)</u>	<u>\$ 1,757,692</u>	<u>\$ 1,571,010</u>

CITRUS COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
COUNTY LIBRARIES
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES			
Taxes and special assessments	\$ 2,788,312	\$ 2,698,727	\$ (89,585)
Intergovernmental revenue	917	917	—
Charges for services	500	450	(50)
Miscellaneous revenue	122,850	—	117,070
Less statutory deduction	(147,146)	239,920	147,146
Total revenues	<u>2,765,433</u>	<u>2,940,014</u>	<u>174,581</u>
EXPENDITURES			
Current:			
Culture and recreation	2,896,350	2,883,439	12,911
Debt service:			
Principal retirement	41,332	41,332	—
Interest	17,900	17,307	593
Total expenditures	<u>2,955,582</u>	<u>2,942,078</u>	<u>13,504</u>
(Deficiency) of revenues (under) expenditures	(190,149)	(2,064)	161,077
OTHER FINANCING SOURCES (USES)			
Transfers in	50,000	50,000	—
Transfers out	(159,757)	(159,757)	—
Total other financing sources (uses)	<u>(109,757)</u>	<u>(109,757)</u>	<u>—</u>
Net change in fund balance	(299,906)	(111,821)	161,077
Fund balance - beginning	623,994	623,994	—
Fund balance - ending	<u>\$ 324,088</u>	<u>\$ 512,173</u>	<u>\$ 161,077</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, 2018

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES			
Taxes and special assessments	\$ 660,000	\$ 728,829	\$ 68,829
Miscellaneous revenue	2,200	15,354	13,154
Less statutory deduction	(33,110)	—	33,110
Total revenues	<u>629,090</u>	<u>744,183</u>	<u>115,093</u>
EXPENDITURES			
Current:			
Transportation	791,800	420,165	371,635
Total expenditures	<u>791,800</u>	<u>420,165</u>	<u>371,635</u>
Excess (deficiency) of revenues over(under) expenditures	(162,710)	324,018	486,728
OTHER FINANCING (USES)			
Transfers out	(43,334)	(43,334)	—
Total other financing (uses)	<u>(43,334)</u>	<u>(43,334)</u>	<u>—</u>
Net change in fund balance	(206,044)	280,684	486,728
Fund balance - beginning	594,386	594,386	—
Fund balance - ending	<u>\$ 388,342</u>	<u>\$ 875,070</u>	<u>\$ 486,728</u>

ITRUS COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
OTHER SPECIAL REVENUE
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES			
Taxes and special assessments	\$ 1,685,458	\$ 2,069,138	\$ 383,680
Intergovernmental revenue	91,000	101,796	10,796
Miscellaneous revenue	138,290	248,237	109,947
Less statutory deduction	(95,188)	—	95,188
Total revenues	<u>1,819,560</u>	<u>2,419,171</u>	<u>599,611</u>
EXPENDITURES			
Current:			
Public safety	27,760	4,100	23,660
Physical environment	851,641	101,878	749,763
Transportation	4,885	4,885	—
Economic environment	1,884,763	1,351,105	533,658
Total expenditures	<u>11,364</u>	<u>1,461,968</u>	<u>1,307,081</u>
Excess (deficiency) of revenues over(under) expenditures	1,808,196	957,203	1,906,692
OTHER FINANCING SOURCES (USES)			
Transfers in	97,415	4,885	(92,530)
Transfers out	(202,109)	(109,079)	93,030
Total other financing sources (uses)	<u>(104,694)</u>	<u>(104,194)</u>	<u>500</u>
Net change in fund balance	1,703,502	853,009	1,907,192
Fund balance - beginning	3,421,291	3,421,291	—
Fund balance - ending	<u>\$ 5,124,793</u>	<u>\$ 4,274,300</u>	<u>\$ 1,907,192</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, 2018

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES			
Taxes and special assessments	\$ 8,848,899	\$ 8,641,607	\$ (207,292)
Intergovernmental	—	12,024	12,024
Charges for services	—	65,493	65,493
Miscellaneous revenue	76,800	71,847	(4,953)
Less statutory deduction	(446,285)	—	446,285
Total revenues	<u>8,479,414</u>	<u>8,790,971</u>	<u>311,557</u>
EXPENDITURES			
Current:			
Public Safety	8,775,784	8,165,186	610,598
Total expenditures	<u>8,775,784</u>	<u>8,165,186</u>	<u>610,598</u>
Excess of revenues over expenditures	(296,370)	625,785	922,155
OTHER FINANCING SOURCES (USES)			
Transfers in	—	378	378
Transfers out	(436,803)	(436,803)	—
Total other financing sources (uses)	<u>(436,803)</u>	<u>(436,425)</u>	<u>378</u>
Net change in fund balance	(733,173)	189,360	922,533
Fund balance - beginning	2,040,793	2,040,793	—
Fund balance - ending	<u>\$ 1,307,620</u>	<u>\$ 2,230,153</u>	<u>\$ 922,533</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, 2018

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES			
Taxes and special assessments	\$ 423,216	\$ 410,489	\$ (12,727)
Miscellaneous revenue	905	7,213	6,308
Less statutory deduction	(21,220)	—	21,220
Total revenues	<u>402,901</u>	<u>417,702</u>	<u>14,801</u>
EXPENDITURES			
Current:			
Transportation	43,156	379,910	(336,754)
Total expenditures	<u>43,156</u>	<u>379,910</u>	<u>(336,754)</u>
Excess of revenues over expenditures	359,745	37,792	(321,953)
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	334,408	12,455	(321,953)
Fund balance - beginning	469,436	469,436	—
Fund balance - ending	<u>\$ 803,844</u>	<u>\$ 481,891</u>	<u>\$ (321,953)</u>

CITRUS COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
SHIP GRANT
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES			
Intergovernmental revenue	\$ 3,087,373	\$ 896,718	\$ (2,190,655)
Miscellaneous revenue	13,698	14,542	844
Total revenues	<u>3,101,071</u>	<u>911,260</u>	<u>(2,189,811)</u>
EXPENDITURES			
Economic environment	<u>3,104,439</u>	<u>904,322</u>	<u>2,200,117</u>
Total expenditures	<u>3,104,439</u>	<u>904,322</u>	<u>2,200,117</u>
Net change in fund balance	(3,368)	6,938	10,306
Fund balance - beginning	<u>365</u>	<u>365</u>	<u>—</u>
Fund balance - ending	<u>\$ (3,003)</u>	<u>\$ 7,303</u>	<u>\$ 10,306</u>

CITRUS COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
HUD SECTION 8
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES			
Intergovernmental revenue	\$ 2,653,002	\$ 1,276,863	\$ (1,376,139)
Miscellaneous revenue	791	3,014	2,223
Total revenues	<u>2,653,793</u>	<u>1,279,877</u>	<u>(1,373,916)</u>
EXPENDITURES			
Human services	<u>2,681,218</u>	<u>1,340,854</u>	<u>1,340,364</u>
Total expenditures	<u>2,681,218</u>	<u>1,340,854</u>	<u>1,340,364</u>
Net change in fund balance	(27,425)	(60,977)	(33,552)
Fund balance - beginning	319,184	319,184	—
Fund balance - ending	<u>\$ 291,759</u>	<u>\$ 258,207</u>	<u>\$ (33,552)</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, 2018

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES			
Charges for services	\$ 618,860	\$ 728,448	\$ 109,588
Fines and forfeitures	21,678	33,970	12,292
Miscellaneous revenue	500	7,474	6,974
Less statutory deduction	(31,791)	—	31,791
Total revenues	<u>609,247</u>	<u>769,892</u>	<u>160,645</u>
EXPENDITURES			
Current:			
Court related expenditures	806,431	738,316	68,115
Total expenditures	<u>806,431</u>	<u>738,316</u>	<u>68,115</u>
Excess (deficiency) of revenues over (under) expenditures	(197,184)	31,576	228,760
OTHER FINANCING SOURCES (USES)			
Transfers in	353,450	355,641	2,191
Transfers out	(271,839)	(259,784)	12,055
Total other financing sources (uses)	<u>81,611</u>	<u>95,857</u>	<u>14,246</u>
Net change in fund balance	(115,573)	127,433	243,006
Fund balance - beginning	407,237	407,237	—
Fund balance - ending	<u>\$ 291,664</u>	<u>\$ 534,670</u>	<u>\$ 243,006</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, 2018

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES			
Charges for services	\$ 325,000	\$ 363,348	\$ 38,348
Miscellaneous revenue	375	6,437	6,062
Total revenues	<u>325,375</u>	<u>369,785</u>	<u>44,410</u>
EXPENDITURES			
Current:			
General government	85,375	—	85,375
Court related expenditures	461,489	261,368	200,121
Debt Service:			
Principal retirement	33,893	33,892	1
Interest and fiscal charges	3,258	3,258	—
Total expenditures	<u>584,015</u>	<u>298,518</u>	<u>285,497</u>
Net change in fund balance	<u>(258,640)</u>	<u>71,267</u>	<u>329,907</u>
Fund balance - beginning	658,795	658,795	—
Fund balance - ending	<u>\$ 400,155</u>	<u>\$ 730,062</u>	<u>\$ 329,907</u>

CITRUS COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SUPERVISOR OF ELECTIONS GRANTS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES			
Intergovernmental revenue	\$ 172,010	\$ 63,439	\$ (108,571)
Miscellaneous revenue	—	755	755
Total revenues	<u>172,010</u>	<u>64,194</u>	<u>(107,816)</u>
EXPENDITURES			
Current:			
General government	203,319	67,374	135,945
Total expenditures	<u>203,319</u>	<u>67,374</u>	<u>135,945</u>
Excess (deficiency) of revenues over (under) expenditures	(31,309)	(3,180)	28,129
OTHER FINANCING SOURCES			
Transfers in	2,464	2,464	—
Total other financing sources	<u>2,464</u>	<u>2,464</u>	<u>—</u>
Net change in fund balance	(28,845)	(716)	28,129
Fund balance - beginning	3,892	3,892	—
Fund balance - ending	<u>\$ (24,953)</u>	<u>\$ 3,176</u>	<u>\$ 28,129</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, 2018

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES			
Intergovernmental revenue	\$ 2,058,090	\$ 1,240,835	\$ (817,255)
Fines and forfeitures	271,200	94,521	(176,679)
Miscellaneous revenue	—	16,063	16,063
Total revenues	<u>2,329,290</u>	<u>1,351,419</u>	<u>(977,871)</u>
EXPENDITURES			
Current:			
Public safety	2,329,290	1,445,350	883,940
Total expenditures	<u>2,329,290</u>	<u>1,445,350</u>	<u>883,940</u>
Net change in fund balance	—	(93,931)	(93,931)
Fund balance - beginning	692,708	692,708	—
Fund balance - ending	<u>\$ 692,708</u>	<u>\$ 598,777</u>	<u>\$ (93,931)</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, 2018

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES			
Miscellaneous revenue	\$ 250	\$ 885	\$ 635
Total revenues	<u>250</u>	<u>885</u>	<u>635</u>
EXPENDITURES			
Debt Service:			
Principal retirement	380,000	380,000	—
Interest	357,100	358,147	(1,047)
Total expenditures	<u>737,100</u>	<u>738,147</u>	<u>(1,047)</u>
(Deficiency) of revenues (under) expenditures	(736,850)	(737,262)	(412)
OTHER FINANCING SOURCES			
Transfers in	731,179	731,179	—
Total other financing sources	<u>731,179</u>	<u>731,179</u>	<u>—</u>
Net change in fund balance	(5,671)	(6,083)	(412)
Fund balance - beginning	9,561	9,561	—
Fund balance - ending	<u>\$ 3,890</u>	<u>\$ 3,478</u>	<u>\$ (412)</u>

CITRUS COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
2001 BONDS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES			
Miscellaneous revenue	\$ 160	\$ 515	\$ 355
Total revenues	<u>160</u>	<u>515</u>	<u>355</u>
EXPENDITURES			
Debt Service:			
Principal retirement	790,000	790,000	—
Interest and fiscal charges	95,430	95,095	335
Total expenditures	<u>885,430</u>	<u>885,095</u>	<u>335</u>
(Deficiency) of revenues (under) expenditures	(885,270)	(884,580)	690
OTHER FINANCING SOURCE (USES)			
Transfers in	885,134	885,134	—
Total other financing sources	<u>885,134</u>	<u>885,134</u>	<u>—</u>
Net change in fund balance	(136)	554	690
Fund balance - beginning	10,142	10,142	—
Fund balance - ending	<u>\$ 10,006</u>	<u>\$ 10,696</u>	<u>\$ 690</u>

CITRUS COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
2004 BONDS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES			
Miscellaneous revenue	\$ 400	\$ 2,234	\$ 1,834
Less statutory deduction	(20)	—	20
Total revenues	<u>380</u>	<u>2,234</u>	<u>1,854</u>
EXPENDITURES			
Debt Service:			
Principal retirement	440,960	440,951	9
Interest and fiscal charges	163,100	163,078	22
Total expenditures	<u>604,060</u>	<u>604,029</u>	<u>31</u>
(Deficiency) of revenues (under) expenditures	(603,680)	(601,795)	1,885
OTHER FINANCING SOURCE (USES)			
Transfers in	602,909	602,909	—
Total other financing sources	<u>602,909</u>	<u>602,909</u>	<u>—</u>
Net change in fund balance	(771)	1,114	1,885
Fund balance - beginning	<u>5,926</u>	<u>5,926</u>	<u>—</u>
Fund balance - ending	<u>\$ 5,155</u>	<u>\$ 7,040</u>	<u>\$ 1,885</u>

CITRUS COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
2010 BONDS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES			
Intergovernmental revenue	\$ 307,440	\$ 301,495	\$ (5,945)
Miscellaneous revenue	200	1,106	906
Total revenues	<u>307,640</u>	<u>302,601</u>	<u>(5,039)</u>
EXPENDITURES			
Debt Service:			
Principal retirement	1,075,000	1,075,000	—
Interest and fiscal charges	1,088,475	1,087,695	780
Total expenditures	<u>2,163,475</u>	<u>2,162,695</u>	<u>780</u>
(Deficiency) of revenues (under) expenditures	(1,855,835)	(1,860,094)	(4,259)
OTHER FINANCING SOURCE (USES)			
Transfers in	1,850,923	1,850,923	—
Total other financing sources	<u>1,850,923</u>	<u>1,850,923</u>	<u>—</u>
Net change in fund balance	(4,912)	(9,171)	(4,259)
Fund balance - beginning	10,686	10,686	—
Fund balance - ending	<u>\$ 5,774</u>	<u>\$ 1,515</u>	<u>\$ (4,259)</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, 2018

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES			
Miscellaneous revenue	\$ —	\$ 4,321	\$ 4,321
Total revenues	—	4,321	4,321
EXPENDITURES			
Capital outlay	1,199,029	1,182,206	16,823
Total expenditures	1,199,029	1,182,206	16,823
Net change in fund balance	(1,199,029)	(1,177,885)	21,144
Fund balance - beginning	1,199,029	1,199,029	—
Fund balance - ending	\$ —	\$ 21,144	\$ 21,144

CITRUS COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
TELEPHONE SYSTEM
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES			
Miscellaneous revenue	\$ —	\$ 1,504	\$ 1,504
Total revenues	<u>—</u>	<u>1,504</u>	<u>1,504</u>
EXPENDITURES			
Capital outlay	144,802	\$ 35,394	\$ 109,408
Total expenditures	<u>144,802</u>	<u>35,394</u>	<u>109,408</u>
Net change in fund balance	(144,802)	(33,890)	110,912
Fund balance - beginning	144,802	144,802	—
Fund balance - ending	<u>\$ —</u>	<u>\$ 110,912</u>	<u>\$ 110,912</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

Citrus Information Cooperative - provides 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, 2018

	<u>BUILDING INSPECTION</u>	<u>CITRUS INFORMATION COOPERATIVE</u>	<u>TOTAL</u>
ASSETS			
Current Assets:			
Cash and cash equivalents	\$ 5,189,386	\$ 986,441	\$ 6,175,827
Due from other governments	7,257	120,060	127,317
Prepaid items	16,300	3,642	19,942
Total Current Assets	<u>5,212,943</u>	<u>1,110,143</u>	<u>6,323,086</u>
Noncurrent Assets:			
Restricted cash-customer deposits	125,571	—	125,571
Capital Assets:			
Equipment	224,873	235,826	460,699
Less: Accumulated depreciation	(109,085)	(186,922)	(296,007)
Total capital assets	<u>115,788</u>	<u>48,904</u>	<u>164,692</u>
Total Noncurrent Assets	<u>241,359</u>	<u>48,904</u>	<u>290,263</u>
Total Assets	<u>5,454,302</u>	<u>1,159,047</u>	<u>6,613,349</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows for pension	722,381	—	722,381
Deferred outflows for OPEB	3,336	—	3,336
Total deferred outflows of resources	<u>725,717</u>	<u>—</u>	<u>725,717</u>
LIABILITIES			
Current liabilities:			
Accounts and contracts payable	10,563	763	11,326
Due to other funds	—	10,140	10,140
Due to other governments	38,039	—	38,039
Other accrued liabilities and compensated absences	164,455	—	164,455
Unearned revenue	—	184,078	184,078
Total current liabilities	<u>213,057</u>	<u>194,981</u>	<u>408,038</u>
Noncurrent liabilities:			
Customer deposits	87,970	—	87,970
Compensated absences	12,854	—	12,854
Other post-employment benefits	69,944	—	69,944
Net pension liability	1,415,457	—	1,415,457
Total Noncurrent Liabilities	<u>1,586,225</u>	<u>—</u>	<u>1,586,225</u>
Total Liabilities	<u>1,799,282</u>	<u>194,981</u>	<u>1,994,263</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows for pension	144,272	—	144,272
Deferred inflows for OPEB	6,882	—	6,882
Total deferred inflows of resources	<u>151,154</u>	<u>—</u>	<u>151,154</u>
NET POSITION			
Net investment in capital assets	115,788	48,904	164,692
Restricted for capital projects	—	520,000	520,000
Restricted for public safety	4,113,795	—	4,113,795
Unrestricted	—	395,162	395,162
Total Net Position	<u>\$ 4,229,583</u>	<u>\$ 964,066</u>	<u>\$ 5,193,649</u>

CITRUS COUNTY, FLORIDA
 COMBINING STATEMENT OF REVENUES, EXPENSES,
 AND CHANGES IN NET POSITION
 NONMAJOR ENTERPRISE FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2018

	<u>BUILDING INSPECTION</u>	<u>CITRUS INFORMATION COOPERATIVE</u>	<u>TOTAL</u>
Operating revenues:			
Charges for services	\$ 2,892,619	\$ 935,436	\$ 3,828,055
Miscellaneous operating revenues	1,359	—	1,359
Total operating revenues	<u>2,893,978</u>	<u>935,436</u>	<u>3,829,414</u>
Operating Expenses:			
Personal services	1,615,966	—	1,615,966
Contractual services	35,395	576,212	611,607
General operating	99,379	374,586	473,965
Depreciation/amortization	23,301	10,927	34,228
Total operating expenses	<u>1,774,041</u>	<u>961,725</u>	<u>2,735,766</u>
Operating income (loss)	<u>1,119,937</u>	<u>(26,289)</u>	<u>1,093,648</u>
Nonoperating revenues (expenses):			
Interest income	60,736	—	60,736
Total nonoperating revenues	<u>60,736</u>	<u>—</u>	<u>60,736</u>
Income (loss) before transfers	<u>1,180,673</u>	<u>(26,289)</u>	<u>1,154,384</u>
Transfers in	54,267	120,000	174,267
Transfers out	(430,224)	—	(430,224)
Total transfers	<u>(375,957)</u>	<u>120,000</u>	<u>(255,957)</u>
Change in net position	<u>804,716</u>	<u>93,711</u>	<u>898,427</u>
Net position - beginning (restated)	3,424,867	870,355	4,295,222
Net position - ending	<u>\$ 4,229,583</u>	<u>\$ 964,066</u>	<u>\$ 5,193,649</u>

CITRUS COUNTY, FLORIDA
 COMBINING STATEMENT OF CASH FLOWS
 NONMAJOR ENTERPRISE FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2018

	<u>BUILDING INSPECTION</u>	<u>CITRUS INFORMATION COOPERATIVE</u>	<u>TOTAL</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from customers	\$ 2,893,665	\$ 828,695	\$ 3,722,360
Cash payments to suppliers	(282,967)	(949,403)	(1,232,370)
Cash payments to employees for services	(1,579,346)	—	(1,579,346)
Customer deposits	(39,693)	—	(39,693)
Net cash provided by (used for) operating activities	<u>991,659</u>	<u>(120,708)</u>	<u>870,951</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers from other funds	54,267	120,000	174,267
Transfer to other funds	(430,224)	—	(430,224)
Net cash (used for) noncapital financing activities	<u>(375,957)</u>	<u>120,000</u>	<u>(255,957)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition of capital assets	(2,256)	(42,333)	(44,589)
Net cash (used for) capital and related financing activities	<u>(2,256)</u>	<u>(42,333)</u>	<u>(44,589)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment income	60,736	—	60,736
Net cash provided by investing activities	<u>60,736</u>	<u>—</u>	<u>60,736</u>
Net increase (decrease) in cash	674,182	(43,041)	631,141
Cash at beginning of year	4,640,775	1,029,482	5,670,257
Cash at end of year	<u>\$ 5,314,957</u>	<u>\$ 986,441</u>	<u>\$ 6,301,398</u>
Classified as:			
Cash and cash equivalents	\$ 5,189,386	\$ 986,441	\$ 6,175,827
Restricted cash and investments	125,571	—	125,571
Total	<u>\$ 5,314,957</u>	<u>\$ 986,441</u>	<u>\$ 6,301,398</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:			
Operating income	\$ 1,119,937	\$ (26,289)	\$ 1,093,648
Adjustments to reconcile operating income to net cash provided by operating activities			
Depreciation	23,301	10,927	34,228
Changes in assets and liabilities:			
(Increase) Decrease in:			
Accounts receivable	—	18	18
Due from other governments	(313)	(120,060)	(120,373)
Prepaid items	(1,423)	—	(1,423)
Deferred pension outflows	(279,706)	—	(279,706)
Increase (Decrease) in:			
Accounts and contracts payable	(183,434)	148	(183,286)
Due to other governments	36,664	1,247	37,911
Accrued liabilities	14,770	—	14,770
Unearned revenue	—	13,301	13,301
Customer deposits	(39,693)	—	(39,693)
Net pension liability	243,711	—	243,711
Deferred pension inflows	56,884	—	56,884
Other post-employment benefits	961	—	961
Total Adjustments	<u>(128,278)</u>	<u>(94,419)</u>	<u>(222,697)</u>
Net cash provided/(used) by operating activities	<u>\$ 991,659</u>	<u>\$ (120,708)</u>	<u>\$ 870,951</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, 2018

	<u>SELF INSURANCE</u>	<u>FLEET MANAGEMENT</u>	<u>SHERIFF SELF INSURANCE</u>	<u>TOTAL</u>
ASSETS				
Current Assets:				
Cash and cash equivalents	\$ 6,261,147	\$ 260,215	\$ 1,256,574	\$ 7,777,936
Accounts receivable (net of allowance for uncollectibles)	2,636	3,842	450,000	456,478
Due from other governments	16,743	81,539	—	98,282
Inventory	—	59,092	—	59,092
Prepaid expenses	427,553	13,247	85,477	526,277
Total Current Assets	<u>6,708,079</u>	<u>417,935</u>	<u>1,792,051</u>	<u>8,918,065</u>
Noncurrent Assets:				
Capital Assets:				
Buildings	—	519,920	—	519,920
Equipment	—	1,010,775	—	1,010,775
Less: Accumulated depreciation	—	(935,394)	—	(935,394)
Total Noncurrent Assets	<u>—</u>	<u>595,301</u>	<u>—</u>	<u>595,301</u>
Total Assets	<u>6,708,079</u>	<u>1,013,236</u>	<u>1,792,051</u>	<u>9,513,366</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows for pension	—	292,422	—	292,422
Deferred outflows for OPEB	—	1,517	—	1,517
Total deferred outflows of resources	<u>—</u>	<u>293,939</u>	<u>—</u>	<u>293,939</u>
LIABILITIES				
Current liabilities:				
Accounts payable	284,421	80,507	306,207	671,135
Accrued liabilities and compensated absences	—	64,248	—	64,248
Unearned revenue	145,894	—	—	145,894
Unpaid claims liability	393,299	—	1,485,844	1,879,143
Total current liabilities	<u>823,614</u>	<u>144,755</u>	<u>1,792,051</u>	<u>2,760,420</u>
Noncurrent liabilities:				
Compensated absences	—	6,424	—	6,424
Other post-employment benefits	—	31,793	—	31,793
Net pension liability	—	572,981	—	572,981
Total Noncurrent Liabilities	<u>—</u>	<u>611,198</u>	<u>—</u>	<u>611,198</u>
Total Liabilities	<u>823,614</u>	<u>755,953</u>	<u>1,792,051</u>	<u>3,371,618</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows for pension	—	58,402	—	58,402
Total deferred inflows of resources	<u>—</u>	<u>61,530</u>	<u>—</u>	<u>61,530</u>
NET POSITION				
Net investment in capital assets	—	595,301	—	595,301
Restricted	5,895,493	—	—	5,895,493
Unrestricted	(11,028)	(105,609)	—	(116,637)
Total Net Position	<u>5,884,465</u>	<u>489,692</u>	<u>—</u>	<u>6,374,157</u>
Total liabilities and net position	<u>\$ 6,708,079</u>	<u>\$ 1,307,175</u>	<u>\$ 1,792,051</u>	<u>\$ 9,807,305</u>

CITRUS COUNTY, FLORIDA
 COMBINING STATEMENT OF REVENUES, EXPENSES,
 AND CHANGES IN NET POSITION
 INTERNAL SERVICE FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2018

	<u>SELF INSURANCE</u>	<u>FLEET MANAGEMENT</u>	<u>SHERIFF SELF INSURANCE</u>	<u>TOTAL</u>
Operating revenues:				
Charges for services	\$ 6,536,753	\$ 710,876	\$ 4,543,937	\$11,791,566
Miscellaneous operating revenues	1,231,408	36,683	851	1,268,942
Total operating revenues	<u>7,768,161</u>	<u>747,559</u>	<u>4,544,788</u>	<u>13,060,508</u>
Operating Expenses:				
Personal services	—	680,505	—	680,505
Contractual services	1,347,604	5,458	—	1,353,062
General operating	40,275	163,332	—	203,607
Claims and premiums	6,843,668	—	4,546,011	11,389,679
Depreciation/amortization	—	74,130	—	74,130
Total operating expenses	<u>8,231,547</u>	<u>923,425</u>	<u>4,546,011</u>	<u>13,700,983</u>
Operating income (loss)	<u>(463,386)</u>	<u>(175,866)</u>	<u>(1,223)</u>	<u>(640,475)</u>
Nonoperating revenues (expenses):				
Interest income	77,194	1,160	1,223	79,577
Total nonoperating revenues	<u>77,194</u>	<u>1,160</u>	<u>1,223</u>	<u>79,577</u>
Income (loss) before transfers	<u>(386,192)</u>	<u>(174,706)</u>	<u>—</u>	<u>(560,898)</u>
Transfers in	1,830,185	401,040	—	2,231,225
Transfers out	(694,804)	(13,758)	—	(708,562)
Total transfers	<u>1,135,381</u>	<u>387,282</u>	<u>—</u>	<u>1,522,663</u>
Change in net position	749,189	212,576	—	961,765
Net position - beginning	5,135,276	277,116	—	5,412,392
Net position - ending	<u>\$ 5,884,465</u>	<u>\$ 489,692</u>	<u>\$ —</u>	<u>\$ 6,374,157</u>

CITRUS COUNTY, FLORIDA
 COMBINING STATEMENT OF CASH FLOWS
 INTERNAL SERVICE FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2018

	SELF- INSURANCE	FLEET MANAGE- MENT	SHERIFF SELF- INSURANCE	TOTAL
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from customers and users	\$ 7,826,534	\$ 682,571	\$ 4,344,855	\$ 12,853,96
Cash payments to suppliers	(8,147,563)	(150,338)	(3,986,396)	(12,284,29)
Cash payments to employees	(119,117)	(703,541)	—	(822,658)
Net cash provided by (used in) operating activities	<u>(440,146)</u>	<u>(171,308)</u>	<u>358,459</u>	<u>(252,995)</u>
CASH FLOWS FROM NONCAPITAL FINANCING				
Transfers from other funds	1,830,185	401,040	—	2,231,225
Transfer to other funds	(694,804)	(13,758)	—	(708,562)
Net cash provided by noncapital financing	<u>1,135,381</u>	<u>387,282</u>	<u>—</u>	<u>1,522,663</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition/Disposition of capital assets	—	(10,403)	—	(10,403)
Net cash (used in) capital and related financing	<u>—</u>	<u>(10,403)</u>	<u>—</u>	<u>(10,403)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest on investments	77,194	1,160	1,223	79,577
Net cash provided by investing activities	<u>77,194</u>	<u>1,160</u>	<u>1,223</u>	<u>79,577</u>
Net increase (decrease) in cash				
Cash at beginning of year	5,488,718	53,484	896,892	6,439,094
Cash at end of year	<u>\$ 6,261,147</u>	<u>\$ 260,215</u>	<u>\$ 1,256,574</u>	<u>\$ 7,777,936</u>
Classified as:				
Cash and cash equivalents	<u>\$ 6,261,147</u>	<u>\$ 260,215</u>	<u>\$ 1,256,574</u>	<u>\$ 7,777,936</u>
Total	<u>\$ 6,261,147</u>	<u>\$ 260,215</u>	<u>\$ 1,256,574</u>	<u>\$ 7,777,936</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:				
Operating income (loss)	\$ (463,386)	\$ (175,866)	\$ (1,223)	\$ (640,475)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities				
Depreciation	—	74,130	—	74,130
Changes in assets and liabilities:				
(Increase) Decrease in:				
Accounts receivable	(861)	11,874	(199,933)	(188,920)
Due from other governments	60,277	(76,862)	—	(16,585)
Prepaid items	7,594	(3,729)	77,964	81,829
Inventory	—	49,136	—	49,136
Deferred outflows	—	(109,377)	—	(109,377)
Increase (Decrease) in:				
Accounts payable	61,633	(26,617)	(22,682)	12,334
Due to other governments	—	(338)	—	(338)
Due to other funds	—	(17,111)	—	(17,111)
Unpaid claims liability	(104,360)	—	504,333	399,973
Accrued liabilities	—	(7,392)	—	(7,392)
Unearned revenue	(1,043)	—	—	(1,043)
Net pension liability	—	88,023	—	88,023
Other post-employment benefits	—	241	—	241
Deferred inflows	—	22,580	—	22,580
Total Adjustments	<u>23,240</u>	<u>4,558</u>	<u>359,682</u>	<u>387,480</u>
Net cash provided by (used in) by operating activities	<u>\$ (440,146)</u>	<u>\$ (171,308)</u>	<u>\$ 358,459</u>	<u>\$ (252,995)</u>



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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, 2018

	BOARD OF COUNTY COMMISSIONERS	CLERK OF THE CIRCUIT COURT	TAX COLLECTOR	SHERIFF	TOTAL AGENCY FUNDS
ASSETS					
Cash and cash equivalents	\$ 300,615	\$ 3,745,020	\$ 3,543,099	\$ 178,756	\$ 7,767,490
Due from other govts	—	—	182,227	—	182,227
Assets held not forfeited	—	—	—	33,825	33,825
Total Assets	<u>\$ 300,615</u>	<u>\$ 3,745,020</u>	<u>\$ 3,725,326</u>	<u>\$ 212,581</u>	<u>\$ 7,983,542</u>
LIABILITIES					
Due to individuals	\$ 294,838	\$ 3,209,623	\$ 288,525	\$ 209,611	\$ 4,002,597
Due to other governments	5,777	535,397	3,436,801	2,970	3,980,945
Total Liabilities	<u>\$ 300,615</u>	<u>\$ 3,745,020</u>	<u>\$ 3,725,326</u>	<u>\$ 212,581</u>	<u>\$ 7,983,542</u>

CITRUS COUNTY, FLORIDA
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2018

	<u>BALANCE OCTOBER 1, 2017</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE SEPTEMBER 30, 2018</u>
<u>Board of County Commissioners</u>				
<u>ASSETS</u>				
Cash and cash equivalents	\$ 91,253	\$ 401,711	\$ 192,349	\$ 300,615
Total Assets	<u>\$ 91,253</u>	<u>\$ 401,711</u>	<u>\$ 192,349</u>	<u>\$ 300,615</u>
<u>LIABILITIES</u>				
Due to individuals	\$ 74,959	\$ 317,656	\$ 97,777	\$ 294,838
Due to other funds	—	77,440	77,440	—
Due to other governments	16,294	99,187	109,704	5,777
Total Liabilities	<u>\$ 91,253</u>	<u>\$ 494,283</u>	<u>\$ 284,921</u>	<u>\$ 300,615</u>
<u>Clerk of the Circuit Court</u>				
<u>ASSETS</u>				
Cash and investments	\$ 3,181,803	\$ 25,470,839	\$ 24,907,622	\$ 3,745,020
Total Assets	<u>\$ 3,181,803</u>	<u>\$ 25,470,839</u>	<u>\$ 24,907,622</u>	<u>\$ 3,745,020</u>
<u>LIABILITIES</u>				
Due to individuals	\$ 2,727,844	\$ 18,381,442	\$ 17,899,663	\$ 3,209,623
Due to other governments	453,959	15,170,974	15,089,536	535,397
Total Liabilities	<u>\$ 3,181,803</u>	<u>\$ 33,552,416</u>	<u>\$ 32,989,199</u>	<u>\$ 3,745,020</u>
<u>Tax Collector</u>				
<u>ASSETS</u>				
Cash and cash equivalents	\$ 3,506,442	\$ 174,241,317	\$ 174,204,660	\$ 3,543,099
Accounts receivable	155,134	15,915,626	15,888,533	182,227
Due from other funds	—	—	—	—
Total Assets	<u>\$ 3,661,576</u>	<u>\$ 190,156,943</u>	<u>\$ 190,093,193</u>	<u>\$ 3,725,326</u>
<u>LIABILITIES</u>				
Due to individuals	\$ 299,346	\$ 8,452,169	\$ 8,462,990	\$ 288,525
Due to other funds	—	—	—	—
Due to other governments	3,362,230	169,022,493	168,947,922	3,436,801
Total Liabilities	<u>\$ 3,661,576</u>	<u>\$ 177,474,662</u>	<u>\$ 177,410,912</u>	<u>\$ 3,725,326</u>
<u>Sheriff</u>				
<u>ASSETS</u>				
Cash and cash equivalents	\$ 133,279	\$ 252,788	\$ 207,311	\$ 178,756
Assets held not forfeited	—	33,825	—	33,825
Total Assets	<u>\$ 133,279</u>	<u>\$ 286,613</u>	<u>\$ 207,311</u>	<u>\$ 212,581</u>
<u>LIABILITIES</u>				
Due to individuals	\$ 130,109	\$ 188,428	\$ 108,926	\$ 209,611
Due to other governments	3,170	57,740	57,940	2,970
Total Liabilities	<u>\$ 133,279</u>	<u>\$ 246,168</u>	<u>\$ 166,866</u>	<u>\$ 212,581</u>

continued

CITRUS COUNTY, FLORIDA
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS (CONTINUED)
 FOR THE YEAR ENDED SEPTEMBER 30, 2018

	BALANCE OCTOBER 1, 2017	ADDITIONS	DEDUCTIONS	BALANCE SEPTEMBER 30, 2018
<u>TOTAL AGENCY FUNDS</u>				
<u>ASSETS</u>				
Cash and cash equivalents	\$ 6,912,777	\$ 200,366,655	\$ 199,511,942	\$ 7,767,490
Accounts receivable	155,134	15,915,626	15,888,533	182,227
Assets held not forfeited	—	33,825	—	33,825
	<u>\$ 7,067,911</u>	<u>\$ 216,316,106</u>	<u>\$ 215,400,475</u>	<u>\$ 7,983,542</u>
<u>LIABILITIES</u>				
Due to individuals	3,232,258	\$ 27,339,695	\$ 26,569,356	\$ 4,002,597
Due to other funds	—	102,260	102,260	—
Due to other governments	3,835,653	184,350,394	184,205,102	3,980,945
	<u>\$ 7,067,911</u>	<u>\$ 211,792,349</u>	<u>\$ 210,876,718</u>	<u>\$ 7,983,542</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, 2018

	ADULT DAY CARE	CASE MANAGEMENT	COMPANIONSHIP	CONGREGATE MEALS	EDUCATION	EMERGENCY ALERT RESPONSE	HOME DELIVERED MEALS	HOUSING IMPROVEMENT	PERSONAL CARE
Number of Units	3,305	2,606	20	32,611	167	21,364	69,498	2	3,942
Expenses:									
1 Salaries	\$ —	\$ 62,122	\$ —	\$ 34,073	\$ 6,779	\$ —	\$ 60,989	\$ —	\$ 1,578
2 Payroll tax and benefits	—	23,363	—	14,623	3,099	—	27,533	—	628
3 Travel	—	22	—	—	—	—	20,127	—	—
4 Education/training	—	—	—	375	—	—	—	—	—
5 Communications/postage	—	—	—	1,855	—	—	416	—	—
6 Utilities	—	—	—	1,448	—	—	1,609	—	—
7 Advertising	—	—	—	—	—	—	—	—	—
8 Maintenance & repair	—	3,636	—	1,808	—	—	2,250	—	—
9 Printing/supplies	—	—	—	—	—	—	—	—	—
10 Building cost	—	—	—	—	—	—	—	—	—
11 Equipment	—	—	—	—	—	—	—	—	—
12 Professional fees/Legal/Audit	—	—	—	308	—	—	44	—	—
13 Sub-contractors	19,815	—	325	131,796	—	13,981	268,438	605	69,776
14 Program supplies	—	—	—	10	—	—	10	—	—
15 Depreciation	—	—	—	—	—	—	—	—	—
16 Food & food supplies	—	—	—	—	—	—	—	—	—
17 Other	—	—	—	10,991	3,545	—	16,384	—	—
Total expenses before allocation	19,815	89,143	325	197,287	13,423	13,981	397,800	605	71,982
Administrative allocation	2,520	11,337	41	25,091	1,707	1,778	50,591	77	9,155
Total Expenses	<u>\$ 22,335</u>	<u>\$100,480</u>	<u>\$ 366</u>	<u>\$ 222,378</u>	<u>\$ 15,130</u>	<u>\$ 15,759</u>	<u>\$ 448,391</u>	<u>\$ 682</u>	<u>\$ 81,137</u>

CITRUS COUNTY, FLORIDA
SCHEDULE OF FUNCTIONAL EXPENSES -
DEPARTMENT OF ELDER AFFAIRS FEDERAL AND STATE PROGRAMS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	HOMEMAKER	RESPITE	CAREGIVER	CHORE	MATERIAL AID	NUTRITION EDUCATION	OUTREACH	RESPITE - FACILITY	SCREENING & ASSESMEN	SUBSIDY (HCE)
	16,993	15,664	16	3	1	3,396	2,119	402	1,319	218
1	\$ 12,716	\$ —	\$ —	\$ —	\$ —	\$ 3,759	\$ 14,426	\$ —	\$ 23,791	\$ —
2	5,068	—	—	—	—	1,743	6,696	—	10,676	—
3	—	—	—	—	—	—	—	—	—	—
4	—	—	—	—	—	—	—	—	—	—
5	—	—	—	—	—	—	—	—	—	—
6	—	—	—	—	—	—	—	—	—	—
7	—	—	—	—	—	—	—	—	—	—
8	—	—	—	—	—	—	20	—	1,568	—
9	—	—	—	—	—	—	—	—	—	—
10	—	—	—	—	—	—	—	—	—	—
11	—	—	—	—	—	—	—	—	—	—
12	—	—	—	—	—	—	—	—	—	—
13	276,757	259,583	—	510	80	—	—	3,017	—	—
14	—	—	—	—	—	—	—	—	—	—
15	—	—	—	—	—	—	—	—	—	—
16	—	—	—	—	—	—	—	—	—	—
17	7,331	—	—	—	—	—	—	—	—	—
	301,872	259,583	—	510	80	5,502	21,142	3,017	36,035	—
	38,392	33,013	—	65	10	700	2,689	384	4,583	—
	<u>\$ 340,264</u>	<u>\$292,596</u>	<u>\$ —</u>	<u>\$ 575</u>	<u>\$ 90</u>	<u>\$ 6,202</u>	<u>\$ 23,831</u>	<u>\$ 3,401</u>	<u>\$ 40,618</u>	<u>\$ —</u>

Continued

CITRUS COUNTY, FLORIDA
SCHEDULE OF FUNCTIONAL EXPENSES -
DEPARTMENT OF ELDER AFFAIRS FEDERAL AND STATE PROGRAMS (CONCLUDED)
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	CONSUMABLE MEDICAL SUPPLIES	SERVICES FOR OTHER DOEA	TOTAL PROGRAM COSTS	MANAGEMENT & GENERAL	TOTAL SUPPORTING SERVICES	TOTAL
Number of Units	403	—				
Expenses:						
1 Salaries	\$ —	\$ —	\$ 220,233	\$ 90,897	\$ 90,897	\$ 311,130
2 Payroll tax and benefits	—	—	93,429	38,944	38,944	132,373
3 Travel	—	—	20,149	1,798	1,798	21,947
4 Education/training	—	—	375	1,869	1,869	2,244
5 Communications/postage	—	—	2,271	4,137	4,137	6,408
6 Utilities	—	—	3,057	797	797	3,854
7 Advertising	—	—	—	—	—	—
8 Maintenance & repair	—	—	9,282	4,442	4,442	13,724
9 Printing/supplies	—	—	—	6,135	6,135	6,135
10 Building cost	—	—	—	—	—	—
11 Equipment	—	—	—	—	—	—
12 Professional fees/Legal/ Audit	—	—	352	308	308	660
13 Sub-contractors	—	—	1,044,683	1,363	1,363	1,046,046
14 Program supplies	66,321	—	66,341	78	78	66,419
15 Depreciation	—	—	—	—	—	—
16 Food & food supplies	—	—	—	—	—	—
17 Other	—	—	38,251	39,800	39,800	78,051
Total expenses before allocation	66,321	—	1,498,423	190,568	190,568	1,688,991
Administrative allocation	8,435	—	190,568	(190,568)	(190,568)	—
Total Expenses	<u>\$ 74,756</u>	<u>\$ —</u>	<u>\$ 1,688,991</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 1,688,991</u>

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.



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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	\$ 75,844	\$ 75,844
112	Cash - restricted - modernization and development	—	—
113	Cash - other restricted	89,478	89,478
114	Cash - tenant security deposits	—	—
100	Total cash	<u>165,322</u>	<u>165,322</u>
	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, loans and mortgages receivable - current	—	—
128	Fraud recovery	—	—
128.1	Allowance for doubtful accounts - fraud	(658)	(658)
129	Accrued interest receivable	—	—
120	Total receivables, net allowances for uncollectibles	<u>(658)</u>	<u>(658)</u>
	Current investments		
131	Investments - unrestricted	—	—
132	Investments - restricted	—	—
142	Prepaid expenses and other assets	107,351	107,351
143	Inventories	—	—
143.1	Allowance for obsolete inventories	—	—
144	Interprogram due from	—	—
146	Amounts to be provided	—	—
150	TOTAL CURRENT ASSETS	<u>272,015</u>	<u>272,015</u>
	NONCURRENT ASSETS:		
	Fixed assets:		

FINANCIAL DATA SCHEDULE - BALANCE SHEET - HUD - SECTION 8

161	Land	—	—
162	Buildings	—	—
163	Furniture, equipment & machinery - dwellings	—	—
164	Furniture, equipment & machinery - administration	—	—
165	Leasehold improvements	—	—
166	Accumulated depreciation	—	—
160	Total fixed assets, net of accumulated depreciation	<u>—</u>	<u>—</u>
171	Notes, loans and mortgages receivable - non-current	—	—
172	Notes, loans and mortgages receivable-non-current-past due	—	—
174	Other assets	—	—
175	Undistributed debits	—	—
176	Investments in joint venture	—	—
180	TOTAL NONCURRENT ASSETS	<u>—</u>	<u>—</u>
190	TOTAL ASSETS	<u>272,015</u>	<u>272,015</u>
	LIABILITIES AND EQUITY:		
	LIABILITIES:		
	CURRENT LIABILITIES		
311	Bank overdraft	—	—
312	Accounts payable < 90 days	485	485
313	Accounts payable > 90 days past due	—	—
321	Accrued wage/payroll taxes payable	1,279	1,279
322	Accrued compensated absences - current portion	11,752	11,752
324	Accrued contingency liability	—	—
325	Accrued interest payable	—	—
332	Accounts payable - HUD PHA programs	290	290
333	Accounts payable - other government	—	—
0.341	Tenant security deposits	—	—
342	Deferred revenues	—	—
343	Currents portion of Long-Term debt - capital projects	—	—
344	Currents portion of Long-Term debt - operating borrowings	—	—
345	Other current liabilities	—	—
346	Accrued liabilities - other	—	—
0.347	Inter Program - due to	—	—
310	TOTAL CURRENT LIABILITIES	<u>13,806</u>	<u>13,806</u>
	NONCURRENT LIABILITIES		
351	Long-term debt, net of current - capital projects	—	—

FINANCIAL DATA SCHEDULE - BALANCE SHEET - HUD - SECTION 8

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>13,806</u>	<u>13,806</u>
	EQUITY:		
501	Investment in general fixed assets	—	—
	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	89,478	89,478
510	Reserved for capital activities	—	—
511	Total reserved fund balance	<u>89,478</u>	<u>89,478</u>
512	Unassigned Fund Balance	168,731	168,731
513	TOTAL EQUITY	<u>258,209</u>	<u>258,209</u>
600	TOTAL LIABILITIES AND EQUITY	<u>\$ 272,015</u>	<u>\$ 272,015</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	1,003,202	1,003,202
708	Other government grants	—	—
711	Investment income - unrestricted	3,015	3,015
712	Mortgage interest income	—	—
714	Fraud recovery	1,306	1,306
715	Other revenue	272,355	272,355
716	Gain or loss on the sale of fixed assets	—	—
720	Investment income - restricted	—	—
700	TOTAL REVENUE	<u>1,279,878</u>	<u>1,279,878</u>
EXPENSES:			
Administrative			
911	Administrative salaries	87,017	87,017
912	Auditing fees	—	—
913	Bookkeeping fee	—	—
914	Compensated absences	—	—
915	Employee benefit contributions - administrative	34,496	34,496
916	Office Expenses	10,658	10,658
918	Travel	1,216	1,216
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 maintenance and operations - labor	—	—
942	Ordinary maintenance and operations - materials & other	—	—
943	Ordinary maintenance and operations - contract costs	—	—
945	Employee benefit contributions - ordinary maintenance	—	—
	Protective services	—	—

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

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	4,011	4,011
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>137,398</u>	<u>137,398</u>
970	EXCESS OPERATING REVENUE OVER OPERATING EXPENSES	<u>1,142,480</u>	<u>1,142,480</u>
971	Extraordinary maintenance	—	—
972	Casualty losses - non capitalized	—	—
973	Housing assistance payments	956,010	956,010
973	HAP Portability In	247,319	247,319
974	Depreciation expense	—	—
975	Fraud losses	127	127
976	Capital outlays - governmental funds	—	—
977	Debt principal payment - governmental funds	—	—
978	Dwelling units rent expense	—	—
900	TOTAL EXPENSES	<u>1,340,854</u>	<u>1,340,854</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)	<u>—</u>	<u>—</u>
1000	EXCESS OF REVENUE OVER EXPENSES	<u>\$ (60,976)</u>	<u>\$ (60,976)</u>
MEM			
1100	Change in contributed capital	—	—
1101	Capital outlays - enterprise funds	—	—
1102	Debt principal payments - enterprise funds	—	—
1103	Beginning equity	319,185	319,185
1104	Prior period adjustments	—	—
1105	Changes in compensated absence liab. Balance	—	—
1106	Changes in contingent liability balance	—	—
1109	Changes in allowance for doubtful accounts - dwelling rents (126.1)	—	—
1110	Changes in allowance for doubtful accounts - other (126.2)	—	—
1112	Depreciation "add back"	—	—
1117	Admin Fee Equity	168,731	168,731
1118	HAP Equity	89,478	89,478
1119	Gross number of units	2,916	2,916
1121	Number of units months leased	2,275	2,275



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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>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014 *</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Governmental activities										
Net investment in capital assets	\$ 628,498	\$ 654,686	\$ 655,277	\$ 653,863	\$ 648,482	\$ 644,564	\$ 638,762	\$ 622,904	\$ 617,031	\$ 610,659
Restricted	38,310	46,775	42,529	39,544	35,753	15,133	13,805	22,349	28,787	15,529
Unrestricted	43,994	20,566	15,384	17,802	14,561	47,216	11,229	1,081	(8,716)	(7,032)
Total governmental activities net position	<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>	<u>\$ 637,102</u>	<u>\$ 619,156</u>
Business-type activities										
Net investment in capital assets	\$ 50,493	\$ 55,086	\$ 52,428	\$ 51,652	\$ 50,290	\$ 52,855	\$ 50,389	\$ 35,040	\$ 53,200	\$ 72,348
Restricted	8,670	6,359	5,987	6,138	6,434	6,964	6,801	22,481	21,442	20,933
Unrestricted	31,346	34,788	41,291	44,900	47,258	49,584	50,437	53,712	41,803	30,116
Total business-type activities net position	<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>	<u>\$ 116,445</u>	<u>\$ 123,397</u>
Primary government										
Net investment in capital assets	\$ 678,991	\$ 709,772	\$ 707,705	\$ 705,515	\$ 698,772	\$ 697,419	\$ 689,151	\$ 657,944	\$ 670,231	\$ 683,007
Restricted	46,980	53,134	48,516	45,682	42,187	22,097	20,606	44,830	50,229	36,462
Unrestricted	75,340	55,354	56,675	62,702	61,819	96,800	61,666	54,793	33,087	23,084
Total primary government	<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>	<u>\$ 753,547</u>	<u>\$ 742,553</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>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014 *</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Expenses										
Governmental activities:										
General government	\$ 40,318	\$ 43,697	\$ 28,347	\$ 24,871	\$ 27,085	\$ 28,313	\$ 27,622	\$ 32,849	\$ 28,878	\$ 34,894
Public safety	42,174	41,510	54,500	53,608	54,950	53,458	55,337	61,899	60,709	65,232
Physical environment	5,780	4,331	4,499	3,265	3,571	3,189	3,621	3,257	3,799	2,952
Transportation	26,649	30,451	24,061	24,230	22,370	24,368	20,446	33,823	29,243	29,561
Economic environment	3,360	3,174	2,468	1,277	1,985	1,968	1,832	1,825	1,983	2,938
Human services	7,950	7,764	8,496	9,070	9,948	9,008	9,954	10,063	9,950	9,663
Culture and recreation	6,660	6,079	5,904	4,026	4,650	4,438	4,459	4,978	4,431	5,171
Interest on long-term debt	2,044	2,546	2,993	2,803	2,633	2,552	2,502	2,819	2,448	2,258
Total governmental activities expenses	<u>134,934</u>	<u>139,551</u>	<u>131,269</u>	<u>123,148</u>	<u>127,191</u>	<u>127,295</u>	<u>125,773</u>	<u>151,512</u>	<u>141,441</u>	<u>152,671</u>
Business-type activities:										
Sanitary landfill	4,543	5,668	4,728	5,288	4,107	3,233	6,024	2,705	4,639	7,421
Public utility	14,706	14,153	14,873	15,205	14,726	15,405	15,508	15,922	16,119	16,988
Nonmajor enterprise funds	2,295	2,241	1,994	2,059	2,179	2,480	2,469	2,607	2,585	2,747
Total business-type activities expenses	<u>21,545</u>	<u>22,063</u>	<u>21,595</u>	<u>22,551</u>	<u>21,012</u>	<u>21,118</u>	<u>24,002</u>	<u>21,235</u>	<u>23,343</u>	<u>27,157</u>
Total primary government expenses	<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>	<u>\$ 164,784</u>	<u>\$ 179,827</u>
Program Revenues										
Governmental activities:										
Charges for Services:										
General government	9,067	4,557	7,050	6,622	7,363	7,266	7,790	8,442	7,945	8,193
Public safety	9,872	8,375	9,638	8,834	9,218	9,034	8,752	7,718	7,233	8,181
Physical environment	3,420	2,204	2,064	1,059	2,301	1,302	1,649	2,494	1,884	1,549
Transportation	1,545	1,184	2,443	2,686	1,495	1,291	1,481	1,175	2,755	3,367
Economic environment	235	—	1	—	—	—	156	65	114	276
Human services	998	1,135	1,249	1,336	972	852	417	492	566	418
Culture and recreation	714	738	1,465	1,809	808	929	539	234	496	1,346
Operating grants and contributions	10,325	25,691	9,014	9,732	8,512	8,625	9,965	11,986	8,071	9,014
Capital grants and contributions	5,942	23,916	6,397	6,652	5,152	10,264	6,756	3,911	8,709	13,486
Total governmental activities program revenues	<u>42,117</u>	<u>67,801</u>	<u>39,321</u>	<u>38,730</u>	<u>35,822</u>	<u>39,563</u>	<u>37,504</u>	<u>36,517</u>	<u>37,773</u>	<u>45,829</u>
Business-type activities:										
Sanitary landfill	5,969	6,148	6,149	5,785	5,787	5,503	4,901	5,070	6,230	6,566
Public utility	16,539	15,722	16,181	15,238	15,768	15,281	16,881	17,222	19,562	18,945
Nonmajor enterprise funds	2,279	2,126	2,138	2,268	2,301	2,637	3,162	3,412	3,960	3,829
Operating grants and contributions	915	246	5	284	634	155	1,149	88	32	57

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

	2009	2010	2011	2012	2013	2014 *	2015	2016	2017	2018
Capital grants and contributions	1,602	—	817	1,405	288	4,606	673	886	483	5,672
Total business-type activities program revenues	27,304	24,242	25,290	24,980	24,778	28,181	26,766	26,679	30,267	35,069
Total primary government revenues	\$ 69,422	\$ 92,043	\$ 64,611	\$ 63,710	\$ 60,599	\$ 67,745	\$ 64,271	\$ 63,196	\$ 68,040	\$ 80,898
Net (expense)/revenue										
Governmental activities	\$ (92,817)	\$ (71,750)	\$ (91,948)	\$ (84,418)	\$ (91,370)	\$ (87,732)	\$ (88,269)	\$ (114,995)	\$ (103,668)	\$ (106,841)
Business-type activities	5,760	2,180	3,695	2,428	3,765	7,064	2,765	5,444	6,924	7,912
Total primary government net expense	\$ (87,057)	\$ (69,570)	\$ (88,253)	\$ (81,990)	\$ (87,604)	\$ (80,669)	\$ (85,504)	\$ (109,551)	\$ (96,744)	\$ (98,929)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Property taxes	\$ 79,814	\$ 67,341	\$ 62,813	\$ 60,084	\$ 60,905	\$ 54,975	\$ 72,192	\$ 67,498	\$ 65,519	\$ 67,231
Sales taxes	6,563	6,168	6,126	6,204	6,227	6,420	6,932	7,490	8,210	8,768
Gas taxes	7,892	7,785	7,790	7,635	7,505	7,580	7,752	8,033	8,478	8,762
Business taxes	212	149	135	135	123	119	117	116	111	117
Tourist tax	632	616	634	567	608	630	746	858	975	1,952
Franchise fees	1,985	—	—	—	—	—	—	—	—	—
Other	—	—	—	—	—	—	—	—	—	—
Intergovernmental revenues	3,481	3,176	4,167	5,099	4,699	3,987	4,051	4,298	4,339	4,902
Investment income	3,606	941	1,684	913	525	590	406	587	404	1,129
Communication services tax	—	2,144	1,935	1,881	1,799	1,802	1,794	1,708	1,709	1,726
Miscellaneous	(447)	—	—	—	—	—	—	—	—	—
Special Item	—	—	—	—	—	—	—	—	—	—
Transfers	3,092	(1,247)	(2,646)	593	47	2,836	1,842	1,852	2,087	1,674
Total governmental activities	106,828	87,073	82,640	83,111	82,437	78,939	95,833	92,441	91,832	96,261
Business-type activities:										
Other	5,721	—	—	—	—	—	—	—	—	—
Investment income	1,625	461	898	371	603	362	200	401	373	977
Miscellaneous	9	8	—	—	—	—	—	—	—	—
Transfers	(3,092)	1,247	2,646	(593)	(47)	(2,836)	(1,842)	(1,852)	(2,087)	(1,674)
Total business-type activities	4,263	1,716	3,544	(222)	556	(2,474)	(1,642)	(1,451)	(1,713)	(697)
Total primary government	\$ 111,092	\$ 88,789	\$ 86,184	\$ 82,889	\$ 82,993	\$ 76,465	\$ 94,191	\$ 90,990	\$ 90,119	\$ 95,564
Change in Net Position										
Governmental activities	\$ 33,496	\$ (5,744)	\$ 10,890	\$ (8,837)	\$ (1,981)	\$ (12,430)	\$ 8,100	\$ 4,172	\$ (11,836)	\$ (10,580)
Business-type activities	10,809	7,476	5,724	3,473	2,985	1,291	5,422	1,314	5,210	7,215
Total primary government	\$ 44,305	\$ 1,732	\$ 16,614	\$ (5,364)	\$ 1,004	\$ (11,139)	\$ 13,522	\$ 5,486	\$ (6,625)	\$ (3,365)

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	Communication Svcs Tax	Total
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
2017	66,259,805	8,508,370	8,624,249	1,437,169	1,821,155	86,650,748
2018	67,230,980	8,767,970	8,761,619	1,951,889	1,726,321	88,438,779

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

	<u>2009</u>	<u>2010</u>
General Fund		
Reserved	\$ 3,978,417	\$ 1,159,406
Unreserved	27,610,449	25,610,811
Total general fund	<u>\$ 31,588,866</u>	<u>\$ 26,770,217</u>
All other governmental funds		
Reserved, reported in:		
Special revenue funds	\$ 11,012,648	\$ 3,117,733
Debt service funds	337	—
Capital projects funds	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>\$ 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>	<u>(1)</u> <u>2017</u>	<u>(1)</u> <u>2018</u>
General Fund								
Nonspendable	\$ 607,007	\$ 581,076	\$ 520,924	\$ 599,924	\$ 617,769	\$ 583,585	\$ 565,142	\$ 685,067
Restricted	356,917	33,770	40,643	100,764	93,833	160,450	348,477	241,904
Assigned	11,650,063	9,876,651	6,117,963	8,163,965	8,137,047	2,237,993	11,920,830	15,794,049
Unassigned	7,471,100	7,570,375	5,400,720	12,488,141	15,163,369	21,243,815	12,913,901	7,919,027
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>	<u>\$ 25,748,350</u>	<u>\$ 24,640,047</u>
All other governmental funds:								
Nonspendable	\$ 923,365	\$ 1,036,569	\$ 1,050,610	\$ 676,142	\$ 350,960	\$ 301,931	\$ 269,674	\$ 547,361
Restricted	39,754,144	36,496,976	35,467,183	34,057,339	38,464,794	38,272,222	39,822,346	37,734,316
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)	(167,142)	—
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>	<u>\$ 39,924,878</u>	<u>\$ 38,281,677</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>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Revenues										
Taxes	\$ 78,192	\$ 72,808	\$ 70,062	\$ 71,449	\$ 64,875	\$ 86,812	\$ 82,326	\$ 80,858	\$ 82,383	\$ 83,795
Licenses and permits	228	191	181	101	2	—	—	—	901	2,823
Intergovernmental	26,175	39,170	30,587	30,682	26,293	23,081	24,998	25,884	28,181	34,504
Charges for services	17,613	14,284	14,951	13,716	14,724	14,835	14,480	15,097	12,626	13,139
Fines and forfeitures	1,124	493	464	403	1,230	933	1,114	976	1,113	1,159
Miscellaneous	3,598	3,713	4,209	3,141	2,683	3,364	4,583	4,042	4,853	5,258
Impact fee	2,035	1,553	1,208	811	1,269	1,345	352	—	—	—
Total revenue	<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>	<u>130,058</u>	<u>140,678</u>
Expenditures										
General government	39,271	38,377	24,517	19,826	23,158	26,661	30,839	25,016	27,678	28,042
Public safety	41,360	40,351	52,327	51,833	50,856	52,576	54,591	54,786	53,887	58,733
Physical environment	5,412	4,200	4,381	3,372	3,445	3,250	3,552	3,397	3,685	3,386
Economic environment	20,734	29,928	19,198	16,594	16,443	14,356	13,355	23,973	18,465	22,806
Transportation	3,344	3,631	2,580	1,762	2,062	1,890	1,835	1,783	1,908	2,844
Human services	8,257	7,753	7,814	9,687	9,294	8,308	9,076	9,122	8,987	8,942
Culture and recreation	7,213	5,130	4,712	3,855	3,428	3,716	3,688	4,355	4,036	4,286
Court related expenditures	2,770	3,476	2,979	3,178	3,281	3,500	3,449	3,104	1,047	3,251
Capital outlay	8,858	9,647	8,269	7,779	6,345	6,357	969	9,044	1,667	4,440
Debt service:										
Principal	5,476	4,021	4,987	4,373	4,223	4,845	4,383	4,830	4,590	4,855
Interest	2,059	1,889	2,880	2,838	2,679	2,536	2,524	2,551	2,640	2,413
Total expenditures	<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>	<u>128,591</u>	<u>143,998</u>
Excess of revenues over (under) expenditures	(15,789)	(16,191)	(12,983)	(4,794)	(14,138)	2,376	(408)	(15,106)	1,467	(3,320)
Other financing sources (uses)										
Issuance of debt	—	20,110	2,000	34	2,912	4,158	—	10,978	—	—
Premium on refunding debt	—	255	—	—	—	—	—	—	—	—
Capital leases	—	813	74	661	—	—	6,200	—	456	—
Insurance proceeds	—	55	—	—	—	—	—	—	—	—
Transfers in	10,974	8,982	10,652	9,021	10,718	9,365	9,943	12,682	15,497	18,308
Transfers out	(13,334)	(12,526)	(11,096)	(10,008)	(7,406)	(8,563)	(9,154)	(12,788)	(14,840)	(18,156)
Total Other Financing Sources (uses)	<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>	<u>1,113</u>	<u>152</u>
Net Change in Fund Balance	<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>	<u>2,579</u>	<u>(3,168)</u>
Debt service as a % of non-capital expenditures	6.04%	4.80%	6.72%	6.63%	6.34%	6.46%	5.74%	5.20%	5.62%	5.05%

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				
2009	\$ 10,671,692	\$ 3,043,067	\$ 743,322	\$ 135,962	\$ 1,922,353	\$ 4,797,844	\$ 11,718,552	7.666	\$ 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	7.497	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	6.747	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	7.053	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	7.348	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	9.245	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	8.911	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	8.466	13,804,418	65.11%
2017	7,481,814	3,042,320	517,065	50,965	3,338,381	5,328,590	9,101,955	8.330	14,430,545	63.07%
2018	7,926,592	3,080,606	551,634	56,193	3,367,004	6,320,678	8,661,351	8.081	14,982,029	57.81%

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

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Countywide:										
BOCC - General Revenue										
General Revenue Fund	4.9394	4.9447	4.9447	4.9447	5.1871	7.0271	6.9917	6.6738	6.5685	6.3822
Transportation	0.6925	0.6872	0.6872	0.6872	0.7172	0.7069	0.6976	0.6976	0.6858	0.6619
Hospital Capital Improvement	1.1689	1	0.25	0.245	0.245	0.245	—	—	—	—
Health Department	0.098	0.098	0.098	0.098	0.074	0.1011	0.0962	0.084	0.0776	0.0749
Total General County	<u>6.8988</u>	<u>6.7299</u>	<u>5.9799</u>	<u>5.9749</u>	<u>6.2233</u>	<u>8.0801</u>	<u>7.7855</u>	<u>7.4554</u>	<u>7.3319</u>	<u>7.119</u>
School Board	7.569	7.815	7.84	8.054	7.639	7.313	7.304	7.189	6.925	6.581
Mosquito Control	<u>0.2755</u>	<u>0.2992</u>	<u>0.2992</u>	<u>0.2992</u>	<u>0.3586</u>	<u>0.3452</u>	<u>0.4478</u>	<u>0.4478</u>	<u>0.4478</u>	<u>0.4478</u>
Special Districts										
Fire Protection	0.4566	0.4566	0.4566	0.7682	0.8014	0.7315	0.6926	0.5768	0.5645	0.5443
Stormwater	N/A	N/A	N/A	N/A	N/A	0.1	0.1	0.1	0.1	0.0964
Library	<u>0.3102</u>	<u>0.3102</u>	<u>0.3102</u>	<u>0.3102</u>	<u>0.3236</u>	<u>0.3333</u>	<u>0.3333</u>	<u>0.3333</u>	<u>0.3333</u>	<u>0.3217</u>
Total Special Districts	<u>0.7668</u>	<u>0.7668</u>	<u>0.7668</u>	<u>1.0784</u>	<u>1.125</u>	<u>1.1648</u>	<u>1.1259</u>	<u>1.0101</u>	<u>0.9978</u>	<u>0.9624</u>
Total Countywide	<u><u>15.510</u></u>	<u><u>15.611</u></u>	<u><u>14.886</u></u>	<u><u>15.407</u></u>	<u><u>15.346</u></u>	<u><u>16.903</u></u>	<u><u>16.663</u></u>	<u><u>16.102</u></u>	<u><u>15.703</u></u>	<u><u>15.110</u></u>
Non-Countywide:										
Southwest Florida Water Management District:										
General	0.3866	0.3866	0.377	0.3928	0.3928	0.3818	0.3818	0.3488	0.3317	0.3131
Coastal	0.1885	0.1885	0.1885	—	—	—	—	—	—	—
Withlacoochee	0.2308	0.2308	0.2308	—	—	—	—	—	—	—
Homosassa Special Water District	0.72	0.7597	0.8385	0.8781	0.9059	0.9162	0.9162	0.9162	1.3743	1.3743
Municipalities:										
Crystal River	3.8	3.8	3.8	3.8	3.8	3.8	4.2	4.2	4.2	4.5
Inverness	4.968	5.3902	5.981	6.2159	6.4923	6.4955	6.9949	6.9949	7.5729	8.0729
Total Direct Tax Rate	7.6656	7.4967	6.7467	7.0533	7.3483	9.2449	8.9114	8.4655	8.3297	8.0814

**CITRUS COUNTY, FLORIDA
PRINCIPAL PROPERTY TAXPAYERS
SEPTEMBER 30, 2018**

TAXPAYER	2018			2009		
	TAXABLE ASSESSED VALUE	RANK	PERCENTAGE OF TOTAL TAXABLE VALUATION	TAXABLE ASSESSED VALUE	RANK	PERCENTAGE OF TOTAL TAXABLE VALUATION
Duke Energy	\$ 1,481,458,117	1	17.10%	\$ 384,035,280	2	3.25%
Florida Gas Transmission Co.	96,620,304	2	1.12%	39,219,930	7	0.330%
Citrus Memorial Hospital	89,096,258	3	1.03%			
Withlacoochee River Electric	62,165,277	4	0.72%	49,053,524	6	0.42%
WalMart Stores East LP	41,118,013	5	0.47%			
7 Rivers Regional Medical Center	37,411,007	7	0.43%			
Sumter Electric Cooperative	36,245,602	7	0.42%	33,372,502	8	0.29%
SHP V / Ryan Citrus	35,244,954	8	0.41%			
Bright House Networks	30,295,750	8	0.35%	58,131,910	4	0.50%
Hampton Hills	27,228,361	10	0.31%	62,443,730	3	0.53%
Progress Energy				1,412,327,794	0.001	11.97%
Sprint Florida, Inc.				51,588,183	5	0.47%
Simon Property				26,630,270	9	0.27%
Deltona Corporation				24,145,514	10	0.210%

**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
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	53,001,995	83.57%	1,972,860	54,974,855	86.68%
2013-14	91,197,116	68,668,178	75.30%	3,524,228	72,192,406	79.16%
2014-15	69,971,584	65,370,894	93.42%	2,127,411	67,498,305	96.47%
2015-16	68,325,166	63,567,186	93.04%	1,951,774	65,518,960	95.89%
2016-17	68,519,562	64,358,305	93.93%	1,901,500	66,259,805	96.70%
2017-18	69,468,706	65,297,891	94.00%	1,933,089	67,230,980	96.78%

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

FISCAL YEAR	REVENUE DEBT	SPECIAL ASSESS- MENT DEBT	CAPITAL LEASES	UTILITIES REVENUE DEBT	SOLID WASTE CAPITAL LEASE	TOTAL PRIMARY GOVERNMENT	% OF PERSONAL INCOME	PER CAPITA
GOVERNMENTAL ACTIVITIES				BUSINESS-TYPE ACTIVITIES				
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	50,479,936	619,057	115,727,184	2.23%	809
2017	52,355,817	2,710,000	5,396,779	51,062,710	847,734	112,373,040	2.13%	781
2018	46,094,696	2,370,000	5,117,871	49,241,946	709,254	103,533,767	(a)	710

(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 Revenue Bonds		Net Available Revenue	Debt Service		Coverage
	Water and Wastewater Gross Revenue	Less: Operating Expenses		Principal	Interest	
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
2017	19,926,478	9,348,763	10,577,715	415,000	1,802,172	4.77
2018	19,445,110	3,544,410	15,900,700	1,425,000	1,725,719	5.05

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
PLEGDED REVENUE COVERAGE
LAST TEN FISCAL YEARS (CONTINUED)**

Fiscal Year	Revenues	Debt Service		Coverage
		Principal	Interest	
Half-Cent Sales Tax Revenue Bonds				
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
2017	8,508,370	1,368,342	433,969	4.72
2018	8,767,970	1,428,951	371,260	4.87
State Revenue Sharing				
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
2017	4,593,274	228,000	18,500	18.63
2018	4,012,272	233,000	13,709	16.26
Communications Services Tax Revenue Bonds				
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
2017	1,821,155	505,000	316,793	2.22
2018	1,726,321	530,000	215,261	2.32

(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				
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
2017	36,611,712	1,640,157	1,546,471	11.49
2018	49,578,960	1,597,187	1,485,917	16.08



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

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Sales Revenue					
Water-Existing Rate Revenue	\$ 7,113,275	\$ 7,413,144	\$ 7,910,985	\$ 8,703,543	\$ 8,298,521
Sewer-Existing Rate Revenue	7,176,655	7,666,389	8,051,919	8,675,975	8,810,489
Total Sales Revenue	14,289,930	15,079,533	15,962,904	17,379,518	17,109,010
Other Operating Revenue ⁽²⁾	241,511	201,188	1,166,858	2,182,542	1,836,364
Total Gross Revenues	14,531,441	15,280,721	17,129,762	19,562,060	18,945,374
Total Cost of Operation & Maintenance ⁽³⁾	8,511,764	8,450,117	9,344,671	9,348,763	5,932,222
Net Revenues	<u>\$ 6,019,677</u>	<u>\$ 6,830,604</u>	<u>\$ 7,785,091</u>	<u>\$10,213,297</u>	<u>\$13,013,152</u>
Bond Service Requirement ⁽⁴⁾					
Acquisition Bond / Refunded Bond	\$ 3,192,856	\$ 3,192,856	\$ 3,172,094	\$ 1,299,344	\$ 3,172,094
Total Bond Service Requirement	3,192,856	3,192,856	3,172,094	1,299,344	3,172,094
Debt Service Coverage (Without Connection Fees)					
Coverage Ratio-Calculated	1.89	2.14	2.45	7.86	4.10
Coverage Ratio-Minimum	1.10	1.10	1.10	1.10	1.10
Available Connection Fees ⁽⁵⁾	620,761	1,308,409	679,504	807,773	877,012
Net Revenues With Available Connection Fees	<u>\$ 6,640,438</u>	<u>\$ 8,139,013</u>	<u>\$ 8,464,595</u>	<u>\$11,021,070</u>	<u>\$13,890,164</u>
Debt Service coverage (With Available Connection Fees)					
Coverage Ratio-Calculated	2.08	2.55	2.67	8.48	4.38
Coverage Ratio-Minimum	1.20	1.20	1.20	1.20	1.20
Net Revenues less Bond Service Requirement	<u>\$ 2,826,821</u>	<u>\$ 3,637,748</u>	<u>\$ 4,612,997</u>	<u>\$ 8,913,953</u>	<u>\$ 9,841,058</u>
Required Transfers					
Renewal and Replacement Fund ⁽⁶⁾	\$ 764,431	\$ 726,572	\$ 764,036	\$ 856,488	\$ 978,103
WRWSA Renewal and Replacements ⁽⁷⁾	144,192	156,078	168,944	180,000	180,000
	<u>908,623</u>	<u>882,650</u>	<u>932,980</u>	<u>1,036,488</u>	<u>1,158,103</u>
Net Revenues after Bond Service Requirement and Other Required Transfers	1,918,198	2,755,098	3,680,017	7,877,465	8,682,955
Available Connection Fees	620,761	1,308,409	679,504	807,773	877,012
Net Available for Other Expenditures	<u>\$ 2,538,959</u>	<u>\$ 4,063,507</u>	<u>\$ 4,359,521</u>	<u>\$ 8,685,238</u>	<u>\$ 9,559,967</u>

(Continued)

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

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Subordinate Lien/Bonds					
SRFWW33103S	\$ 158,096	\$ 158,094	\$ 79,047	\$ —	\$ —
SRFDW0901 090	138,040	138,012	139,169	123,034	137,924
Total Debt Service on Subordinate Debt	<u>296,136</u>	<u>296,106</u>	<u>218,216</u>	<u>123,034</u>	<u>137,924</u>
Subordinate Debt Coverage					
Coverage Ratio-Calculated	8.7	13.6	19.98	70.59	69.31
Coverage Ratio-Minimum	1.15	1.15	1.15	1.15	1.15
Special Assessments Revenues ⁽⁸⁾	<u>344,647</u>	<u>408,330</u>	<u>629,869</u>	<u>748,646</u>	<u>782,142</u>
Less Expenditures					
Operating Expenses	28,834	23,818	37,183	37,969	29,040
Debt Service	455,339	458,107	455,892	401,418	400,391
	<u>484,173</u>	<u>481,925</u>	<u>493,075</u>	<u>439,387</u>	<u>429,431</u>
Net Impact of Special Assessments	<u>(139,526)</u>	<u>(73,595)</u>	<u>136,794</u>	<u>309,259</u>	<u>352,711</u>
Net Revenues Above Required Transfers	2,990,454	1,586,356	851,558	1,222,713	1,372,890
Connection Fees	620,761	1,308,409	679,504	807,773	877,012
Total Amount Available for Capital Expenditures and Other Purposes	<u>\$ 3,611,215</u>	<u>\$ 2,894,765</u>	<u>\$ 1,531,062</u>	<u>\$ 2,030,486</u>	<u>\$ 2,249,902</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	\$ 19,402,710	19.81%
Wastewater System Improvements	78,551,746	80.19%
Total Capital Program	\$ 97,954,456	100.00%
Funding Source:		
Operating Fees	\$ 4,998,600	5.10%
Water Connection Fees	4,931,400	5.03%
Waste Water Connection Fees	5,617,000	5.73%
Series 2015 Bond	517,160	0.53%
Renewal and Replacement	4,750,000	4.85%
WRWSA Renewal and Replacement	575,000	0.59%
Grants	76,065,296	77.66%
Other	500,000	0.51%
Total Capital Funding	\$ 97,954,456	100.00%

The Series 2016 Bond Debt Service is budgeted for in the CIP, however that total has been removed from this chart and now only reflects capital.

*Includes approximately \$ 14 million in grants to improve the County's water and wastewater infrastructure which have been approved also includes approximately \$ 22 million in pending wastewater grants, the remaining \$ 39 million of projects would only be constructed by the County if grant funding is obtained.

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>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Revenues:					
Taxes:					
Six Cent Local Option Fuel Tax ⁽²⁾	\$ 2,829,861	\$ 2,942,120	\$ 3,122,759	\$ 3,167,289	\$ 3,218,793
Five Cent Local Option Fuel Tax	2,112,014	2,166,177	2,293,823	2,321,795	2,372,413
Ninth Cent Local Option Fuel Tax	559,898	581,879	617,484	626,186	636,295
Constitutional Fuel Tax	1,489,213	1,549,109	1,618,845	1,668,440	1,684,135
County Fuel Tax	650,057	679,295	710,143	727,541	741,358
Communications Services Taxes ⁽⁴⁾	1,793,523	1,707,750	1,709,044	1,821,155	1,726,321
Impact Fees:					
Road Impact Fees ⁽⁵⁾	478,302	151,032	—	701,691	1,414,140
Licenses and Permits:					
Business License Tax	117,396	116,000	111,302	108,787	117,249
Intergovernmental:					
Local Government Half-Cent Sales Tax ⁽⁶⁾	6,931,934	7,490,337	8,209,650	8,508,370	8,767,970
State Revenue Sharing ⁽⁷⁾	3,289,947	3,544,649	4,339,239	3,807,408	4,012,272
Other	405,556	401,210	428,971	404,206	429,555
Charges for services:⁽⁸⁾					
General Government	3,783,958	4,037,816	2,476,243	7,839,921	8,193,202
Public Safety	7,175,367	7,350,866	6,989,793	7,233,374	8,180,887
Physical Environment	4,136	4,227	6,578	1,883,702	1,549,222
Transportation	184	—	—	3,599,254	3,366,765
Human Services	140,891	122,398	242,740	113,508	275,624
Recreation and Culture	326,109	329,444	173,681	566,239	417,727
Other	—	—	—	495,537	1,345,978
Interest income	604,880	587,185	259,654	743,244	1,129,054
Total sources of Non-Ad Valorem Revenue	<u>\$ 32,693,226</u>	<u>\$ 33,761,494</u>	<u>\$ 33,309,949</u>	<u>\$ 46,337,647</u>	<u>\$ 49,578,960</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>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Revenues					
Taxes	\$ 59,189,817	\$ 55,673,762	\$ 54,441,430	\$ 55,119,141	\$ 55,891,106
Licenses and permits	—	—	—	—	—
Intergovernmental	12,225,085	13,305,610	14,173,515	15,321,501	15,207,835
Charges for services	11,430,645	11,844,751	11,640,502	9,830,566	10,498,169
Fines and forfeitures	664,356	823,414	669,681	744,763	1,015,796
Miscellaneous	1,453,986	2,129,732	2,402,427	2,930,791	3,251,117
Total revenue	<u>\$ 84,963,889</u>	<u>\$ 83,777,269</u>	<u>\$ 83,327,555</u>	<u>\$ 83,946,762</u>	<u>\$ 85,864,023</u>
Expenditures					
General government	26,350,987	30,205,206	24,865,441	27,651,994	27,974,965
Public safety	41,913,090	43,891,428	44,445,048	43,585,695	46,563,123
Physical environment	1,069,965	1,546,477	1,406,561	1,949,879	1,220,686
Transportation	298,115	92,140	78,069	134,009	170,007
Economic environment	87,216	321,443	315,592	316,067	344,424
Human services	4,665,255	5,203,219	5,318,830	5,309,228	5,047,229
Culture and recreation	1,032,059	940,554	1,130,930	1,011,370	1,281,250
Court related expenditures	2,351,136	2,352,371	2,262,454	23,910	2,208,118
Capital outlay	—	—	—	—	—
Debt service:					
Principal	1,258,874	1,222,385	1,837,892	1,648,757	1,753,390
Interest	522,004	669,698	673,604	733,827	628,279
Total expenditures	<u>79,548,701</u>	<u>86,444,921</u>	<u>82,334,421</u>	<u>82,364,736</u>	<u>87,191,471</u>
Excess of revenues over (under) expenditures	5,415,188	(2,667,652)	993,134	1,582,026	(1,327,448)
Other financing sources (uses)					
Capital lease	—	6,200,000	—	455,657	—
Issuance of debt	3,334,000	—	—	—	—
Transfers in ⁽¹⁾	3,934,870	3,336,422	5,193,619	6,315,114	7,928,390
Transfers out ⁽²⁾	(3,411,514)	(4,209,546)	(5,952,928)	(7,590,498)	(8,125,694)
Transfers to other governments	—	—	—	—	—
Refunding bonds issued	—	—	—	—	—
Refunding debt redeemed	—	—	—	—	—
Total Other Financing Sources (uses)	<u>3,857,356</u>	<u>5,326,876</u>	<u>(759,309)</u>	<u>(819,727)</u>	<u>(197,304)</u>
Net Change in Fund Balances	9,272,544	2,659,224	233,825	762,299	(1,524,752)
Beginning Fund Balance⁽³⁾	<u>12,080,250</u>	<u>21,352,794</u>	<u>24,012,018</u>	<u>24,986,051</u>	<u>25,748,350</u>
Ending Fund Balance	<u>\$ 21,352,794</u>	<u>\$ 24,012,018</u>	<u>\$ 24,245,843</u>	<u>\$ 25,748,350</u>	<u>\$ 24,223,598</u>

⁽¹⁾ Transfers from other funds of the County

⁽²⁾ Transfers to other funds of the County

Source: Finance Department, Citrus County, Florida

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
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%
2017	25,422,279,621	4.1%	102,294,922	4.5%	8,508,370	3.6%
2018	26,976,531,209	6.1%	105,039,403	2.7%	8,767,970	3.1%

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 Personal Income	Personal Income ⁽²⁾ (in thousands)	Public School Enrollment ⁽³⁾	Unemployment Rate	
					County ⁽⁴⁾	National ⁽⁵⁾
2008-09	142,122	\$31,047	\$4,389,513	15,677	12.0%	9.8%
2009-10	141,381	30,810	4,352,256	15,538	13.4%	9.6%
2010-11	141,288	31,912	4,462,561	15,704	12.0%	9.1%
2011-12	139,809	32,394	4,513,878	15,249	10.1%	7.8%
2012-13	139,320	33,312	4,632,409	14,676	9.2%	7.2%
2013-14	140,520	34,424	4,793,996	14,755	7.8%	5.9%
2014-15	141,364	35,875	5,049,688	15,123	6.9%	5.1%
2015-16	143,054	36,483	5,199,072	15,666	6.8%	5.0%
2016-17	143,801	37,379	5,444,144	15,758	4.8%	4.2%
2017-18	145,721	(a)	(a)	15,752	4.3%	3.7%

(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>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
General government	374	371	377	344	348	337	365	364	382
Public safety	478	477	469	435	480	422	402	466	470
Physical environment	40	28	28	16	20	15	21	22	22
Economic environment	9	10	10	14	13	9	15	14	13
Transportation	133	132	130	114	124	117	143	150	143
Human services	47	50	54	54	46	44	53	53	57
Culture and recreation	82	69	62	63	57	52	57	68	69
Sanitary landfill	21	29	28	26	28	26	31	38	35
Water and sewer utilities	55	59	62	67	73	70	84	96	102

Source: Finance Department and Constitutional Officers

CITRUS COUNTY, FLORIDA
Principal Employers

Employer	<u>2018</u>			<u>2009</u>		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Citrus County School Board	2,475	1	7.95%	1,000	2	1.74%
Citrus Memorial Hospital	1,400	2	4.50%	1,000	3	1.74%
Citrus County Board of County Comm	587	3	1.88%			
Wal-Mart Retail Stores	750	4	2.41%			
Seven Rivers Hospital	525	5	1.69%	500	4	0.87%
Citrus County Sheriff's Department	375	6	1.20%	250	6	0.44%
Duke Energy (f.k.a Progress Energy)	350	7	1.12%	100	1	1.92%
Black Diamond Ranch	250	8	0.08%			
Citrus Hills Investment Prop	250	9	0.08%			
Crystal River Health & Rehab	100	10	0.32%			
Spring Lodge 378				100	7	0.17%
Pro-Line Boat Manufacturing				250	5	0.44%
Citrus County Detention Facility				100	9	0.17%
Cypress Creek Correctional				100	10	0.17%
Service Zone Inc				100	8	0.17%

Source: Citrus County Chamber of Commerce, eflorida.com

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

FUNCTION	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Public safety										
<u>Sheriff</u>										
Physical arrests	4,894	4,554	4,606	4,556	4,881	4,370	4,974	5,736	5,864	5,653
Parking violations	368	386	315	394	285	190	219	374	460	345
Traffic violations	4,253	2,712	2,041	2,413	2,858	3,349	4,474	6,722	7,264	6,056
Warnings	19,189	13,133	18,381	13,136	15,573	18,215	20,004	34,075	42,592	37,993
<u>Fire</u>										
Number of calls answered	5,997	12,227	11,926	13,971	10,210	6,411	6,997	5,263	4,304	5,180
Inspections	1,026	1,098	1,069	1,013	911	587	610	1,335	1,809	1,830
<u>Physical environment</u>										
Grant expenditures (in thousands)	17,106	1,195	826	1,890	1,105	2,147	1,603	2,470	2,769	5,265
<u>Transportation</u>										
Road resurfacing - asphalt (miles)	69	57	40	18	1	5	22	34	72	41
Road resurfacing - micro paving (miles)	—	—	—	—	—	2	—	—	—	—
Construction expenditures (in thousands)	6,963	6,963	10,450	8,044	9,550	7,152	10,149	11,767	14,450	11,926
<u>Human services</u>										
Grant expenditures (in thousands)	3,895	4,038	3,769	3,649	3,590	4,324	2,711	3,524	3,328	3,508
Number of citizens served by the following programs:										
Alzheimers	63	50	39	54	26	22	16	13	8	9
Community care for the elderly	178	162	193	174	202	224	217	220	214	235
Home care for the elderly	27	29	29	20	23	30	27	26	24	40
Older Americans Act	989	911	1,024	1,126	1,009	1,292	972	1,173	1,278	1,418
Emergency Assistance (over 60 years)	195	200	224	264	174	263	218	245	159	165
Senior Companion Program	89	79	—	—	—	—	—	—	—	—
Local Services Program	26	11	14	13	5	—	—	—	—	—

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

FUNCTION	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
<u>Culture and recreation</u>										
Library book circulation (in thousands)	569	589	629	642	663	675	705	726	761	765
Athletic field permits issued	950	7,029	5,321	7,053	10,037	8,428	8,927	8,497	4,384	4,564
Community center admissions	13,500	15,140	33,147	39,142	80,821	79,098	58,470	55,666	60,488	78,514
Pool attendance	30,217	40,257	41,540	51,095	47,531	50,051	40,746	41,059	34,388	27,272
<u>Sanitary landfill</u>										
Total solid waste disposal (thousands of cubic yards)	97	91	93	116	80	93	112	134	121	160
<u>Water and wastewater</u>										
New connections water and sewer	480	1,223	239	241	169	139	128	117	334	461
Average daily flow (water) (thousands of gallons)	8,330	8,293	9,625	9,161	8,075	8,804	14,762	9,693	9,154	8,461
Average daily flow (wastewater) (thousands of gallons)	1,682	1,589	1,414	2,185	1,463	1,088	1,470	1,439	1,461	1,396

Sources: Various government departments

Note: Indicators are not available for the general government function

CITRUS COUNTY, FLORIDA
Capital Asset Statistics by Function

FUNCTION	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
<u>Public safety</u>										
Sheriff substations	3	3	3	3	3	3	3	3	5	5
Patrol units	155	157	157	157	157	137	137	136	137	138
Fire Stations	9	9	9	9	9	18	18	21	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	2,256	2,256
Traffic signals	55	55	55	96	96	95	68	66	70	68
<u>Culture and recreation</u>										
Parks	32	32	32	32	29	27	27	27	26	26
Swimming pools	2	2	2	2	2	2	2	1	1	1
Tennis courts	14	14	14	14	14	12	12	12	12	12
Community centers	8	8	8	8	8	7	7	5	5	5
<u>Water and sewer</u>										
Water mains (miles)	860	860	788	788	786	785	783	778	620	619
Sanitary sewers (miles)	360	360	359	273	268	267	267	266	257	253
Maximum daily water capacity (millions of gallons)	28	28	28	28	28	28	28	28	28	29
Maximum daily wastewater treatment capacity (thousands of gallons)	3,242	3,242	3,463	3,463	3,463	3,463	3,558	3,620	3,597	3,637
<u>Solid waste</u>										
Landfill remaining capacity (thousands of cubic yards)	1,724	1,724	1,823	1,916	1,919	1,966	1,928	2,383	701	822

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, 2018

Federal State Agency, Pass-through Entity, Federal Program/State Project	CFDA/ CSFA Number	Contract/ Grant Number	Expenditures
FEDERAL AGENCY NAME			
<u>Federal Emergency Management Agency</u>			
Direct Programs:			
Hurricane Hermine Disaster Declaration	97.036	PA-00-05-19-02-034	\$ 299,434
Hurricane Irma Disaster Declaration	97.036	PA-00-05-19-02-477	2,385,681
Total Federal Emergency Management Agency			<u>2,685,115</u>
<u>U.S. Department of Housing and Urban Development</u>			
Direct Programs:			
Section 8 Housing Choice Voucher Program	14.871	FL147	185,092
Section 8 Housing Choice Voucher Program	14.871	FL147	818,110
Shelter Plus Care	14.267	FL0400L4H201606	84,013
Shelter Plus Care	14.267	FL0400L4H201707	419
Indirect Programs:			
Passed-Through Department of Economic Opportunity:			
Community Development Block Grant	14.228	16DB-OK-05-19-01-H 04	236,815
Total U.S. Department of Housing and Urban Development			<u>1,324,449</u>
<u>U.S. Department of Justice</u>			
Direct Programs:			
FI Coalition Against Domestic Violence (STOP)	16.588	18-8047-LE-ENH	95,838
FI Coalition Against Domestic Violence (STOP)	16.588	19-8047-LE-ENH	34,291
Edward Byrne Memorial Justice Assistance Grant Mobile Wireless	16.738	2016-DJ-BX-0677	34,736
Indirect Programs:			
Passed-Through State Office of Attorney General:			
Victims of Crime Act (VOCA)	16.576	VOCA-2017-00201	112,309
Total U.S. Department of Justice			<u>277,174</u>
<u>U.S. Department of Transportation</u>			
Direct Programs:			
Crystal River Airport Master Plan & ALP Update	20.106	03-12-0156-007-2014	2,367

CITRUS COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2018

Indirect Programs:

Passed-Through Florida Department of Transportation:

Transportation Section 5307 Urban Formula Funding	20.507	FL-2017-087-00	324,932
Transportation 5311 Operations	20.509	ART65	36,964
Transportation 5311 Operations	20.509	G0J69 40262818417	164,281
Transportation 5311 Operations	20.509	G0B96 40262838415	15,617
Transportation 5311 Operations	20.509	G0V68 40262828418	61,324
Transportation 5311 Capital	20.509	G0J70 40262829417	896
Transportation Capital USC Section 5310	20.513	FY 2015 / 2016	84,377
Transportation Capital USC Section 5310	20.513	FY 2016 / 2017	76,500
Total Department of Transportation			767,258

Federal Highway Administration

Indirect Programs:

Passed-Through Florida Department of Transportation

LAP Yulee Drive Sidewalk Project	20.205	AQX13 43258113801	1,165
Total Federal Highway Administration			1,165

Federal Environmental Protection Agency

Direct Programs:

North West Quadrant Water Extension	66.468	FS984522-012	2,464,544
Total Department of Environmental Protection			2,464,544

Department of Homeland Security

Indirect Programs:

Passed-Through State of Florida Emergency Management:

State Homeland Security	97.008	17-DS-V4-05-19-01-237	6,259
Department of Homeland Security / FEMA	97.067	17-DS-V4-05-19-01-371	5,389
Department of Homeland Security / CEMP Planning & EMI Travel	97.067	17-DS-V4-05-19-01-241	12,150

Passed-Through Department of Community Affairs:

DEM/Emergency Management Assistance Trust Fund	97.042	17-FG-P9-05-19-01-180	17,416
DEM/Emergency Management Assistance Trust Fund	97.042	18-FG-7A-05-19-01-049	56,410

CITRUS COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2018

Volunteer Florida - Citizens Corp	97.042	3,523
Total Department of Homeland Security		101,147

U.S. Department of Health and Human Services

Indirect Programs:

Passed-Through State Department of Revenue:

Title IV D Child Support	95.563	1704FLCSES	283,526
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Passed-Through State Department of Community Affairs:

Low-Income Home Energy Assistance	93.568	17EA-0F-05-19-01-008	507,748
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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-17-CITCSS	40,158
Title III B	93.044	OAA-18-CITCSS	148,187
Title III C-1	93.045	OAA-17-CITCSS	53,879
Title III C-1	93.045	OAA-18-CITCSS	139,119
Title III C-2	93.045	OAA-17-CITCSS	76,601
Title III C-2	93.045	OAA-18-CITCSS	179,259
Title III E	93.052	OAA-17-CITCSS	10,883
Title III E	93.052	OAA-18-CITCSS	24,776
Nutrition Services Incentive Program	93.053	OAA-17-CITCSS	20,274
Nutrition Services Incentive Program	93.053	OAA-18-CITCSS	44,443
Emergency Home Energy Assistance	93.568	EA-17-CITCSS	40,837

Total U.S. Department of Health and Human Services	1,569,690
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Corporation for National and Community Services

Direct Programs:

Retired and Senior Volunteer Program	94.002	16SRSFL006 #2	65,325
Retired and Senior Volunteer Program	94.002	16SRSFL006 #3	18,660

Indirect Programs:

Passed-Through State Department of Elder Affairs:

Senior Companion Program	94.016	Purchase Order FSC17	2,153
Senior Companion Program	94.016	Purchase Order FSC18	2,158
Senior Companion Program	94.016	Purchase Order FSC19	331

Total Corporation for National and Community Services	88,627
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CITRUS COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2018

U.S. Elections Assistance Commission

Indirect Programs:

Passed-Through FI Department of State:

Federal Election Activities	90.401	Memo of Agreement 2016-2017-0001-CIT	22,300
Federal Election Activities	90.401	Memo of Agreement 2018-2019-002-CIT	18,337
Federal Election Activities	90.401	Memo of Agreement 2018-2019-001-CIT	22,802
Total U.S. Elections Assistance Commission			<u>63,439</u>

TOTAL EXPENDITURES OF FEDERAL AWARDS \$ 9,342,608

STATE AGENCY NAME

Department of Education

Direct Programs:

Take Stock in Children	48.068		\$ 38,006
Take Stock in Children	48.068		14,869
Total Department of Education			<u>52,875</u>

Department of Economic Opportunity

Direct Programs:

Economical Development Technical Assistance	40.038	P0290	11,000
Total Department of Economic Opportunity			<u>11,000</u>

Department of Environmental Protection

Direct Programs:

Homosassa Wastewater Collection System	37.039	LP6041	104,329
Fort Island Trail Sewer Expansion Ph I	37.039	LP09012	300,000
Certification and Water Restoration Program	37.039	WQ148	739,826
Sugarmill Woods Advanced Wastewater Treatment	37.052	15CS0000004	1,074,544
Private Package Plant Interconnection	37.052	16CF0000306	359,821
Wastewater Treatment & Stormwater Management TF	37.077	WW090130	10,141,789
Total Division of Environmental Protection			<u>12,720,309</u>

CITRUS COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2018

Division of Emergency Management

Direct Programs:

Emergency Management Assistance Trust Fund	52.008	18-BG-W9-05-19-01-052	95,334
Emergency Management Assistance Trust Fund	52.008	19-BG-21-05-19-01-021	6,499
Total Division of Emergency Management			101,833

Department of Community Affairs

Direct Programs:

State Housing Initiative Program	40.901	FY 2015 / 2018	235,131
State Housing Initiative Program	40.901	FY 2016 / 2019	636,449
State Housing Initiative Program	40.901	FY 2017 / 2020	18,255
Total Department of Community Affairs			889,835

Department of Juvenile Justice

Direct Programs:

Safety Town	80.002	X1290	47,105
Total Department of Juvenile Justice			47,105

Department of Transportation

Direct Programs:

Transportation Disadvantaged Trip & Equipment	55.001	G0M31 43202718401	298,144
Transportation Disadvantaged Trip & Equipment	55.001	G0X15 43202911401	79,165
Transportation Disadvantaged Planning	55.001	G0X94 43202718401	5,219
Transportation Disadvantaged Planning	55.002	G0N2143202911401	18,429
Crystal River Airport Runway & Taxiway Extension	55.004	ARD68 42592639401	222,461
Crystal River Airport Lift Station	55.004	GO871 429591-1-94-01	17,275
Crystal River Airport Hangar Pavement Rehabilitation	55.004	GO842 424100-2-94-01	24,000
Crystal River Airport Crystal Aero Group Apron Rehabilitation	55.004	GOI53 431266-1-94-01	46,069
Crystal River Airport 10-Unit T-Hangar Building & Taxilanes	55.004	GO056 432999-1-94-01	50,615
CIGP CR 491 Road Widening	55.008	G0109 43449815801	114,533
SCOP W Roosevelt Blvd	55.009	G0083 43529415801	387,240
SCOP CR495 from W Dunklin to W Riverbend Rd	55.009	G0K36 43123515401	767,300
Transportation Block Grant	55.010	G0M99 43884518418	162,466

CITRUS COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2018

TRIP CR 491 Road Widening	55.026	G0107 43449815801	3,902,700
Total Department of Transportation			6,095,616

Department of Highway Safety and Motor Vehicles

Direct Programs:

Florida Arts License Plate	76.041		3,686
Total Florida Department of Highway Safety and Motor Vehicles			3,686

Florida Fish and Wildlife Conservation Commission

Direct Programs:

Derelict Vessel Removal	77.005	FWC-17241	23,910
Total Florida Fish and Wildlife Conservation Commission			23,910

Department of Elder Affairs

Indirect Programs:

Passed-Through Elder Options dba Mid-Florida Area Agency on Aging:

Home Care for the Elderly	65.001	HCE-17-CITCSS	27,311
Home Care for the Elderly	65.001	HCE-18-CITCSS	5,464
ADI-Alzheimers Disease Initiative	65.004	ADI-17-CITCSS	123,812
ADI-Alzheimers Disease Initiative	65.004	ADI-18-CITCSS	69,643
Local Services Program - ADC	65.009	LSP-17-CITCSS	9,161
Local Services Program - ADC	65.009	LSP-18-CITCSS	14,271
Community Care for the Elderly	65.010	CCE-17-CITCSS	368,128
Community Care for the Elderly	65.010	CCE-18-CITCSS	188,239
Total Department of Elder Affairs			806,029

Division of Library & Information Services

Direct Programs:

State Aid to Libraries	45.030	18-ST-06	57,258
Total Division of Library & Information Services			57,258

CITRUS COUNTY, FLORIDA
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
 FOR THE YEAR ENDED SEPTEMBER 30, 2018

Executive Office of the Governor

Direct Programs:

Hazardous Materials Analysis	31.067	18-CP-11-05-19-23-345	1,912
			1,912
Total Executive Office of the Governor			1,912

TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE	\$ 20,811,367
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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 Uniform Guidance allows the County to elect a 10% de minimus indirect cost rate. For the year ended September 30, 2018, the County elected not to use this rate.

The State Revolving Loan listed on the Schedule of Financial Assistance did not have an outstanding loan balance as of September 30, 2018. The expenditures listed in the schedule occurred during fiscal year ended September 30, 2018. The County intends to draw down on the loan in fiscal year 2019.

Program Title	CSFA Number	Loan Agreement	Total Outstanding
Wastewater Treatment & Stormwater Management TF	37.077	WW090130	\$ —



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**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, discretely presented component unit, each major fund, and the aggregate remaining fund information of Citrus County, Florida (the County) as of and for the year ended September 30, 2018, 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 21, 2019. This report does not include the results of the Citrus Information Cooperative enterprise fund and the Citrus County Sheriff's Internal Service Fund's 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

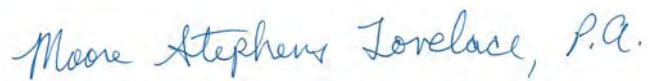
As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material 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 21, 2019.

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.

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

MOORE STEPHENS LOVELACE, P.A.
Certified Public Accountants

Orlando, Florida
March 21, 2019



**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, 2018. 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. The County's basic financial statements include the operations of the Citrus Information Cooperative and the Citrus County Sheriff's Internal Service Fund. Our audit, described below, did not include the operations of the units noted above because the units engaged other auditors to perform an audit of compliance.

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 in the first paragraph that could have a direct and material effect on each of its major federal programs and state projects for the year ended September 30, 2018.

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 in the first paragraph. 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, 2018, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated March 21, 2019, 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 21, 2019

CITRUS COUNTY, FLORIDA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended September 30, 2018

SECTION I - SUMMARY OF INDEPENDENT AUDITOR'S RESULTS

Financial Statements

Type of Auditor's Report Issued:

Unmodified Opinion

Internal control over financial reporting:

- Material weakness(es) identified? ___ Yes X No
- Significant deficiency(ies) identified? ___ Yes X None reported

Noncompliance material to financial statements noted? ___ Yes X No

Federal Awards and State Financial Assistance

Internal control over major programs:

- Material weakness(es) identified? ___ Yes X No
- Significant deficiency(ies) identified? ___ Yes X None reported

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

Unmodified Opinion

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

___ Yes X No

Identification of Major Federal Programs and Major State Projects:

<u>CFDA Number(s)</u>	<u>Name of Federal Program(s)</u>
66.468	Capitalization Grants for Drinking Water SRF

<u>CSFA Number(s)</u>	<u>Name of State Project(s)</u>
37.039	Homosassa Wastewater
37.052	Fort Island Trail WW Force Main Project
37.077	Wastewater Treatment & Stormwater Management

Dollar threshold used to distinguish between Type A and Type B programs:	Federal	<u>\$750,000</u>
	State	<u>\$624,341</u>

Auditee qualified as low-risk auditee? X Yes ___ No

CITRUS COUNTY, FLORIDA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (*Continued*)

For the Year Ended September 30, 2018

SECTION II - FINANCIAL STATEMENT FINDINGS

None reported.

SECTION III - FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE FINDINGS AND QUESTIONED COSTS SECTION

None reported.

SECTION IV - PRIOR-YEAR AUDIT FINDINGS

None reported.



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, 2018, and have issued our report thereon dated March 21, 2019. This report does not include the results of other auditors' testing that were reported on separately by those auditors.

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 Reporting Requirements

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*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports and schedule, which are dated March 21, 2019, 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. Corrective actions have been taken to address findings and recommendations made in the preceding 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 and Management

Sections 10.554(1)(i)5.a. and 10.566(7), *Rules of the Auditor General*, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the County has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify specific conditions 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.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), *Rules of the Auditor General*, we applied financial condition assessment procedures for the County. 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.

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. Please see below for recommendation.

MLC-001-2018 – Depreciation of Assets

Condition: During our testing of capital assets, we noted an error in the calculation of depreciation for a group of imported assets.

Criteria: Depreciation should be calculated in accordance with the County's Fixed Assets accounting policies.

Cause: The County transferred assets into its financial software in the current year. Upon running depreciation calculations, it appears that the software used an incorrect field for the assets' estimated useful lives.

Effect: Incorrect calculations related to depreciation may impact financial reporting accuracy.

Recommendation: We recommend that the County contact the software vendor in order to ensure that the depreciation calculation of assets is operating as intended and continue to monitor this calculation after it's completed.

Management Response: The Clerk's office will consult with the vendor to ascertain why this happened. Additionally, a comparison of calculated depreciation to system-generated depreciation will be conducted for all assets prior to recording depreciation expense.

Special District Component Units

Section 10.554(1)(i)5.c., *Rules of the Auditor General*, requires, if appropriate, that we communicate the failure of a special district that is a component unit of a county, municipality, or special district, to provide 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.

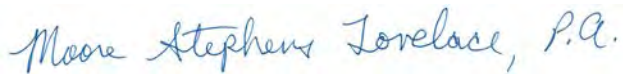
Honorable Board of County Commissioners
Citrus County, Florida

Additional Matters

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

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, federal and other granting agencies, County Commission, and applicable management and is not intended to be, and should not be, used by anyone other than these specified parties.

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

MOORE STEPHENS LOVELACE, P.A.
Certified Public Accountants

Orlando, Florida
March 21, 2019



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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, 2018. 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. This report does not include the results of the other auditors' examination that were reported on separately by those auditors.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the County complied with those requirements. An examination involves performing procedures to obtain evidence about the County's compliance with those requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. 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, 2018.

Moore Stephens Lovelace, P.A.

MOORE STEPHENS LOVELACE, P.A.
Certified Public Accountants

Orlando, Florida
March 21, 2019



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**CLERK OF THE CIRCUIT COURT
AND COMPTROLLER
CITRUS COUNTY, FLORIDA**



**SPECIAL PURPOSE FINANCIAL STATEMENTS, SUPPLEMENTARY
INFORMATION
AND
INDEPENDENT AUDITOR'S REPORTS
FOR THE YEAR ENDED SEPTEMBER 30, 2018**

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Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

To the Honorable Angela Vick,
Clerk of the Circuit Court and
Comptroller of Citrus County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the Clerk of the Circuit Court and Comptroller of Citrus County, Florida (the "Clerk") as of and for the fiscal year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the Clerk's financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 Clerk'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 Clerk's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Clerk as of September 30, 2018, and the respective changes in financial position, and the respective budgetary comparisons for the General Fund and Records Modernization Trust Fund for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America.

To the Honorable Angela Vick,
Clerk of the Circuit Court and
Comptroller of Citrus County, Florida

INDEPENDENT AUDITOR'S REPORT
(Concluded)

Emphasis-of-Matter

As described in Note 1 to the financial statements, the accompanying financial statements were prepared for the purpose of complying with Section 218.39, Florida Statutes, and Section 10.557(3), *Rules of the Auditor General for Local Governmental Entity Audits*. These financial statements are not intended to be a complete presentation of the financial position of Citrus County, Florida as of September 30, 2018, and the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

The financial statements include certain prior-year summarized comparative information. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Clerk's financial statements for the year ended September 30, 2017, from which the summarized information was derived.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 18, 2019, on our consideration of the Clerk's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Clerk's internal control over financial reporting and compliance.

Moore Stephens Lovelace, P.A.

MOORE STEPHENS LOVELACE, P.A.

Certified Public Accountants

Orlando, Florida

February 18, 2019

CITRUS COUNTY, FLORIDA
 CLERK OF THE CIRCUIT COURT AND COMPTROLLER
 BALANCE SHEET - GOVERNMENTAL FUNDS
 SEPTEMBER 30, 2018
 (WITH COMPARATIVE TOTALS FOR 2017)

	GENERAL	MODERNIZATION TRUST FUND	TITLE IV-D INCENTIVE (NONMAJOR) FUND	TOTALS	
				2018	2017
ASSETS					
Cash and cash equivalents	1,420,344	720,234	10,983	\$ 2,151,561	\$ 1,650,888
Accounts receivable	20,183	—	—	20,183	17,083
Due from other governments	77,743	—	—	77,743	281,173
Prepays	64,664	588	—	65,252	60,721
Total assets	<u>\$ 1,582,934</u>	<u>\$ 720,822</u>	<u>\$ 10,983</u>	<u>\$ 2,314,739</u>	<u>\$ 2,009,865</u>
LIABILITIES					
Accounts payable	\$ 46,214	\$ 786	\$ —	\$ 47,000	\$ 73,680
Accrued liabilities	178,780	957	—	179,737	87,378
Due to other funds	—	—	—	—	87,378
Due to other governments	283,539	—	—	283,539	388,352
Due to individuals	92,599	—	—	92,599	72,814
Deposits	981,802	—	—	981,802	683,664
Unearned revenue	—	—	—	—	45,182
Total liabilities	<u>1,582,934</u>	<u>1,743</u>	<u>—</u>	<u>1,584,677</u>	<u>1,351,070</u>
FUND BALANCES					
Non-spendable fund balance	64,664	588	—	65,252	60,721
Restricted fund balance	—	718,491	10,983	729,474	658,207
Unassigned deficit	(64,664)	—	—	(64,664)	(60,133)
Total fund balances	<u>—</u>	<u>719,079</u>	<u>10,983</u>	<u>730,062</u>	<u>658,795</u>
Total liabilities and fund balances	<u>\$ 1,582,934</u>	<u>\$ 720,822</u>	<u>\$ 10,983</u>	<u>\$ 2,314,739</u>	<u>\$ 2,009,865</u>

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

CITRUS COUNTY, FLORIDA
 CLERK OF THE CIRCUIT COURT AND COMPTROLLER
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-
 GOVERNMENTAL FUNDS
 SEPTEMBER 30, 2018
 (WITH COMPARATIVE TOTALS FOR 2017)

	GENERAL	RECORDS MODERNIZATION	TITLE IV-D INCENTIVE (NONMAJOR) FUND	TOTALS	
				2018	2017
Revenues:					
Intergovernmental revenue	\$ 358,025	\$ —	\$ —	\$ 358,025	\$ 494,731
Charges for services	2,708,310	363,348	—	3,071,658	2,839,243
Fines and forfeitures	669,344	—	—	669,344	573,169
Miscellaneous revenue	35,626	4,748	1,689	42,063	27,636
Total revenues	3,771,305	368,096	1,689	4,141,090	3,934,779
Expenditures:					
Court operations	2,185,516	261,368	—	2,446,884	2,443,367
General government	3,773,047	—	—	3,773,047	3,840,967
Debt Service:					
Principal	33,892	33,892	—	67,784	—
Interest	3,258	3,258	—	6,516	—
Total expenditures	5,995,713	298,518	—	6,294,231	6,284,334
Excess of Revenues Over (Under) Expenditures	(2,224,408)	69,578	1,689	(2,153,141)	(2,349,555)
Other Financing Sources (Uses)					
Transfers in from Citrus County Board of County Commissioners	2,582,160	—	—	2,582,160	2,535,831
Transfers out to State of Florida Department of Revenue - CCOC	(357,752)	—	—	(357,752)	(282,742)
Total other financing sources (uses)	2,224,408	—	—	2,224,408	2,463,768
Net change in fund balance	—	69,578	1,689	71,267	114,213
Fund Balance - October 1	—	649,501	9,294	658,795	544,582
Fund Balance - September 30	\$ —	\$ 719,079	\$ 10,983	\$ 730,062	\$ 658,795

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

CITRUS COUNTY, FLORIDA
 CLERK OF THE CIRCUIT COURT AND COMPTROLLER
 STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - GENERAL FUND
 FOR THE YEAR ENDED SEPTEMBER 30, 2018

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		
Revenues:				
Intergovernmental revenue	\$ 293,718	\$ 367,718	\$ 358,025	\$ (9,693)
Charges for services	2,478,534	2,524,569	2,708,310	183,741
Fines and forfeitures	592,067	592,067	669,344	77,277
Miscellaneous revenue	21,500	37,175	35,626	(1,549)
Total revenues	<u>3,385,819</u>	<u>3,521,529</u>	<u>3,771,305</u>	<u>249,776</u>
Expenditures:				
Court operations	2,195,212	2,195,212	2,185,516	9,696
General government	3,645,467	3,770,526	3,773,047	(2,521)
Debt Service:				
Principal	—	33,893	33,892	1
Interest	—	3,258	3,258	—
Total expenditures	<u>5,840,679</u>	<u>6,002,889</u>	<u>5,995,713</u>	<u>7,176</u>
Excess of Revenues Over (Under) Expenditures	<u>(2,454,860)</u>	<u>(2,481,360)</u>	<u>(2,224,408)</u>	<u>256,952</u>
Other Financing Sources (Uses)				
Transfers in from Citrus County Board of County Commissioners	2,555,660	2,582,160	2,582,160	—
Transfers out to State of Florida Department of Revenue - CCOC	(100,800)	(100,800)	(357,752)	(256,952)
Total other financing sources (uses)	2,454,860	2,481,360	2,224,408	(256,952)
Fund Balance - October 1	—	—	—	—
Fund Balance - September 30	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>

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

CITRUS COUNTY, FLORIDA
 CLERK OF THE CIRCUIT COURT AND COMPTROLLER
 STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL -
 MODERNIZATION TRUST FUND
 FOR THE YEAR ENDED SEPTEMBER 30, 2018

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		
Revenues:				
Charges for services	\$ 325,000	\$ 325,000	\$ 363,348	\$ 38,348
Fines and forfeitures	—	—	—	—
Miscellaneous revenue	375	375	4,748	4,373
Total revenues	<u>325,375</u>	<u>325,375</u>	<u>368,096</u>	<u>42,721</u>
Expenditures:				
Current:				
Court operations	498,640	461,489	261,368	200,121
General government	85,375	85,375	—	85,375
Debt Service:				
Principle	—	33,893	33,892	1
Interest	—	3,258	3,258	—
Total expenditures	<u>584,015</u>	<u>584,015</u>	<u>298,518</u>	<u>285,497</u>
Excess of Revenues Over (Under) Expenditures	(258,640)	(258,640)	69,578	328,218
Fund Balance - October 1	<u>649,501</u>	<u>649,501</u>	<u>649,501</u>	—
Fund Balance - September 30	<u>\$ 390,861</u>	<u>\$ 390,861</u>	<u>\$ 719,079</u>	<u>\$ 328,218</u>

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

CITRUS COUNTY, FLORIDA
 CLERK OF THE CIRCUIT COURT AND COMPTROLLER
 COMPARATIVE STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES -
 FIDUCIARY FUNDS
 FOR THE YEARS ENDED SEPTEMBER 30, 2018
 (WITH COMPARATIVE TOTALS FOR 2017)

	2018	2017
ASSETS		
Cash and cash equivalents	\$ 3,745,020	\$ 3,181,803
Total assets	\$ 3,745,020	\$ 3,181,803
LIABILITIES		
Due to other governments	\$ 535,397	\$ 453,959
Due to individuals	3,209,623	2,727,844
Total liabilities	\$ 3,745,020	\$ 3,181,803

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



NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

THE REPORTING ENTITY

The Citrus County, Florida, Clerk of the Circuit Court and Comptroller (the Clerk) is an elected constitutional officer, as provided for by the Constitution of the State of Florida. Pursuant to Chapter 129, Florida Statutes, the Clerk's budget is submitted to the Citrus County, Florida Board of County Commissioners (the Board) for approval.

The financial statements presented include the general fund, special revenue funds, and agency funds of the Clerk's office. The accompanying financial statements were prepared for the purpose of complying with Section 218.39, Florida Statutes, and Section 10.557(3), Rules of the Auditor General for Local Government Entity Audits.

Rules of the Auditor General for Local Governmental Entity Audits, requires the Clerk to only present fund financial statements. Accordingly, due to the omission of certain financial statement disclosures, including a management's discussion and analysis, these financial statements do not constitute a complete presentation of the financial position of the Clerk and the changes in its financial position, for the year then ended, in conformity with Governmental Accounting Standards Board Statement No. 34, but otherwise constitute financial statements prepared in conformity with accounting principles generally accepted in the United States of America.

The financial activities of the Clerk, as a constitutional officer, are included in the Citrus County, Florida Comprehensive Annual Financial Report.

MEASUREMENT, FOCUS, BASIS OF ACCOUNTING, AND BASIS OF PRESENTATION

Fund financial statements report detailed information about the Clerk. The focus of fund financial statements is on major funds, rather than reporting funds by type. Each major fund is reported in a separate column, except as noted.

Governmental Funds

Governmental funds are accounted for using the flow of current financial resources measurement focus. Only current assets and current liabilities, generally, are included on the balance sheet. Operating statements for these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets. The Clerk reports the General Fund and Modernization Fund as major governmental funds:

General Fund - To account for all revenues and expenditures applicable to the general operations of the Clerk that are not accounted for in another fund. All general operating revenues, which are not restricted or designated as to use by outside sources, are recorded in the general fund. The governmental fund measurement focus is made upon determination of financial position and changes in financial position (sources, uses and balances of financial resources, rather than upon net income determination).

Transfers to the general fund are provided by appropriations from the Board pursuant to law. Estimated receipts and budgeted fund balances must equal appropriations. The Clerk is required to refund to the Board all excess appropriations annually; therefore, no unappropriated fund balance is carried forward. The Clerk had no excess fees due to the County at fiscal year end.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Special Revenue Funds - To account for specific revenue sources that are legally restricted to expenditures for a specified purpose. The Clerk's special revenue funds are the Records Modernization, and the Title IV-D Incentive, a nonmajor fund.

Florida Statutes provide that the amount by which revenues and transfers exceed annual expenditures be remitted to:

- The Citrus County, Florida Board of County Commissioners immediately following the fiscal year for which the funding was provided or when revenue was recognized. The amount of this distribution is recorded as a liability and as an other financing use in the accompanying financial statements.
- The State Trust Fund, due to SB 1512 / HB 5301, which passed in the 2013 Legislative sessions, took the Clerks out of the state budget appropriation and returned the process that existed prior to 2009; thus effective July 1, 2013, the Clerks retained revenues collected for the operations of the office, remitting any collections over 1/12 of the budget authority by the 10th of each month (excluding child support).

The modified accrual basis of accounting is used by governmental and agency funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become measurable and available to finance liabilities of the current fiscal year). For this purpose, the Clerk considers revenues to be available if they are collected within 30 days of the end of the current period. Expenditures are recorded when the related fund liability is incurred, except for certain compensated absences, which are recognized as expenditures to the extent they have matured.

Interest income and other revenues are recognized as they are earned and become measurable and available to pay liabilities of the current period.

Fiduciary Funds

Agency Funds - The fiduciary funds of the Clerk are agency funds. Agency funds are used to account for assets held by the Clerk in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations or have a measurement focus. The Clerk maintains the following agency funds: tax deed overbid, child support, documentary stamps, court registry, court collection, and intangible tax.

CAPITAL ASSETS

Capital assets used in governmental fund type operations are capitalized in the basic financial statements of the Board. Upon acquisition, such assets are recorded as expenditures in the governmental funds of the Clerk and are capitalized in the basic financial statements of the Board. No depreciation has been provided on capital assets in these fund financial statements. However, depreciation expense on these capital assets is recorded in the basic financial statements of the Board.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

COMPENSATED ABSENCES

All full-time employees of the Clerk are entitled to annual leave with pay. Paid leave and sick leave payments are included in operating costs when the payments are made to the employees. The Clerk does not, nor is she legally required to, accumulate financial resources for these unmatured obligations. Accordingly, the liability for compensated absences is not reported in the governmental funds but rather is reported in the basic financial statements of the Board.

USE OF ESTIMATES

Management of the Clerk has recorded estimates and assumptions related to the reporting of assets and liabilities to prepare these financial statements in conformity with accounting principles generally accepted in the United States of America. Actual results could differ from those estimates.

COMPARATIVE DATA

The financial information for the year ended September 30, 2017 is presented for comparative purposes and is not intended to be a complete presentation.

NOTE 2: BUDGETARY PROCESS

Florida Statutes 28.35 and 129.03 govern the preparation, adoption and administration of the Clerk's annual budget. The Clerk prepares a budget for governmental funds which is approved by the Clerk of Courts, the Clerk of Courts Operations Corporation (CCOC), and the Board of County Commissioners. Any amendments to the general fund court-related budget must be approved by CCOC. The budgets for the governmental funds are prepared on a basis consistent with accounting principles generally accepted in the United States of America. The annual budget serves as the legal authorization for expenditures and expenditures may not legally exceed appropriations at the fund level. Budgetary control is maintained at the departmental major object expenditure level. Appropriations lapse at year end. Budgetary changes within major object expenditure categories are made at the discretion of the Clerk.

The original budget is the first complete appropriated budget. The final budget is the original budget adjusted by all reserves, transfers, allocations, supplemental appropriations and other legally authorized changes applicable to the fiscal year, whenever legally authorized.

CITRUS COUNTY, FLORIDA
 CLERK OF THE CIRCUIT COURT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED SEPTEMBER 30, 2018

NOTE 3: CASH AND INVESTMENTS

Cash

The Clerk maintains deposits with financial institutions. Such deposits are collateralized as public funds through State procedures 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 any applicable deposit insurance. The public deposit security trust fund has a procedure to allocate and recover losses in the event of a default or insolvency. When public deposits are made in accordance with Chapter 280, no public depositor shall be liable for any loss thereof. At year-end, the carrying amount of the Clerk's deposits was \$5,896,581, and the bank balance was \$3,255,632.

As of September 30, 2018, the following deposits and cash on hand were held:

Type	Carrying Amount and Fair Value
Amount collateralized by Chapter 280, Florida Statutes	\$ 3,255,632
Florida PRIME	2,626,636
Cash on hand	14,313
	<u>\$ 5,896,581</u>

Investments

The Clerk's deposits in the local government surplus funds account, Florida PRIME, have a carrying amount and fair value of \$2,626,636 as of September 30, 2018.

Statute 218.415 of the State of Florida allows local governments to invest in the following:

1. The Local Government Surplus Funds Trust Fund or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act, as provided in s.163.01.
2. Securities and Exchange Commission (SEC) registered money market funds with the highest credit quality rating from a nationally recognized rating agency.
3. Savings accounts in state-certified, qualified public depositories, as defined in Section 280.02, Florida Statutes.
4. Certificates of deposit in state-certified, qualified public depositories, as defined in Section 280.02, Florida Statutes.
5. Direct obligations of the U.S. Treasury.
6. Federal agencies and instrumentalities.
7. Other investments authorized by a written policy adopted under Section 218.415, Florida Statutes.

NOTE 3: CASH AND INVESTMENTS (CONTINUED)

Investments in the Local Government Surplus Funds Trust Fund represent funds on deposit with the Florida State Board of Administration.

In March 1997, GASB issued Statement 31, titled "Accounting and Financial Reporting for Certain Investments and for External Investment Pools." GASB 31 defines an external investment pool as an arrangement that commingles (pools) the moneys of more than one legally separate entity and invests, on the participants' behalf, in an investment portfolio; one or more of the participants is not part of the sponsor's reporting entity. GASB 31 applies to Florida PRIME.

GASB 31 outlined the two options for accounting and reporting for money market investment pools as either "2a-7 like" or fluctuating net asset value ("NAV"). GASB 31 described a "2a-7 like" pool as an "external investment pool that is not registered with the Securities and Exchange Commission ("SEC") as an investment company, but nevertheless has a policy that it will, and does, operate in a manner consistent with Rule 2a-7 under the Investment Company Act of 1940 (the "1940 Act").

In June 2010, GASB issued Statement 59, titled "Financial Instruments Omnibus." GASB 59 clarified the definition of a "2a-7 like" pool as an "external investment pool that operates in conformity with the Securities and Exchange Commission's (SEC) Rule 2a-7 as promulgated under the Investment Company Act of 1940, as amended." To qualify as a 2a7-like pool, the pool was required to satisfy all SEC requirements of Rule 2a-7, including that a group of individuals fulfills the functions of a board of directors. The pool was not required to register with the SEC.

In December 2015, GASB issued Statement 79 titled "Certain External Investment Pools and Pool Participants" in response to the Securities and Exchange Commission's amendments in 2014 to regulations that apply to money market funds. GASB 79 addresses accounting and financial reporting for certain external investment pools and pool participants. Specifically, it establishes criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes. If the external investment pool meets the criteria in GASB 79 and measures all of its investments at amortized cost, the pool's participants also should measure their investments in that external investment pool at amortized cost for financial reporting purposes.

Credit Quality Disclosure

Florida PRIME is rated by Standard and Poor's. The current rating is AAAm.

Interest Rate Risk Disclosure

The dollar weighted average days to maturity (WAM) of Florida PRIME at September 30, 2018, is 35 days. Next interest rate reset dates for floating rate securities are used in the calculation of the WAM. The weighted average life (WAL) of Florida PRIME at September 30, 2018, is 74 days.

Foreign Currency Risk Disclosure

Florida PRIME was not exposed to any foreign currency risk during the period from October 1, 2017 through September 30, 2018.

NOTE 3: CASH AND INVESTMENTS (CONTINUED)

Securities Lending Disclosure

Since the Clerk owns shares of Florida PRIME and not the underlying securities, the Clerk is not required to make a disclosure related to GASB 28. Florida PRIME did not participate in a securities lending program in the period October 1, 2017 through September 30, 2018.

Fair Value Hierarchy Disclosure

Florida PRIME currently meets all of the necessary criteria to elect to measure all of the investments in Florida PRIME at amortized cost.

The SBA will provide separate financial statements for Florida PRIME for the fiscal year ended June 30, 2018 once the audit is complete. The SBA will not provide financial statements for Florida PRIME for the period ending September 30th.

NOTE 4: RETIREMENT SYSTEM

The Clerk'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 Clerk'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.

The Clerk participates in the Elected State Officers' Class. Contribution rates are established statewide for all participating governmental units. Accordingly, the actuarial information and related disclosures attributable to the Clerk's employees are not determinable.

Employees hired prior to June 30, 2011 are "grandfathered" into the original plan whereby employees can retire at or after age 62 with 6 years of credited service, or with 30 years of service regardless of age, are entitled to a retirement benefit payable monthly for life, equal to 1.6% for each year of credited service times their average final compensation. Employees hired as of July 1, 2011, can retire at or after age 65 with 8 years of credited service, or with 33 years of service regardless of age, and are entitled to a retirement benefit payable monthly for life, equal to 1.6% for each year of credited service times their average final compensation.

Final average compensation is the employee's average of the five highest years for those hired prior to July 1, 2011 and eight highest years for those hired after June 30, 2011, of salary earned during credited service. Vested employees (depending on when they started) may retire before age 62 or 65 and receive benefits that are reduced 5% for each year prior to normal retirement age or date. The System also provides death and disability benefits. Benefits are established by Chapter 121, Florida Statutes, and Chapter 22B, Florida Administrative Code.

The Deferred Retirement Option Program (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

CITRUS COUNTY, FLORIDA
 CLERK OF THE CIRCUIT COURT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED SEPTEMBER 30, 2018

NOTE 4: RETIREMENT SYSTEM (CONTINUED)

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 the time of termination of employment, 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, calling (850) 488-5706 or accessing their Internet site at www.frs.state.fl.us/frs/public/pub.htm.

The Clerk is required to contribute an actuarially determined rate, which is in line with the State's fiscal year, July 1 - June 30. The Clerk's employees fall into one of the following FRS retirement classes.

FRS Class	10/1/2017 thru 6/30/2018	7/1/2018 thru 9/30/2018
Regular employees	7.92%	8.26%
Senior management	22.71%	24.5%
County elected officers	45.50%	48.70%

Contributions to Florida Retirement System during the past three fiscal years are as follows:

Fiscal Year	Employer Required Contribution	Employee Required 3% Contribution
2016	\$388,041	\$107,154
2017	394,599	103,471
2018	428,452	107,229

For financial reporting purposes, the Clerk is deemed to be part of the primary government of Citrus County, Florida. Effective October 1, 2014, the County implemented the provisions of GASB Statement No. 68, Accounting and Financial Reporting for Pensions. A liability, if any, related to the Clerk's proportionate share of FRS retirement benefits, along with a detailed plan description, is reported in the financial statements of Citrus County, Florida for the fiscal year ended September 30, 2018.

CITRUS COUNTY, FLORIDA
 CLERK OF THE CIRCUIT COURT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED SEPTEMBER 30, 2018

NOTE 5: LONG-TERM LIABILITIES

The following is a summary of changes in general long-term liabilities, which are reported in the basic financial statements of the Board of County Commissioners:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Capital Lease	\$ 210,679	\$ —	\$ 67,785	\$ 142,894	\$ 70,198
Compensated Absences	275,779	407,967	407,311	276,435	276,435
Total	<u>\$ 486,458</u>	<u>\$ 407,967</u>	<u>\$ 475,096</u>	<u>\$ 419,329</u>	<u>\$ 346,633</u>

The Clerk acquired a data storage device via capital lease financing in fiscal year 2017. The future minimum lease obligations and the net present value of the minimum lease payments as of September 30, 2018, were as follows:

Fiscal Year	Lease Payment
2019	\$ 74,300
2020	74,300
Total minimum lease payment	<u>148,600</u>
Less: amount representing interest	(5,706)
Present value of minimum lease payments	<u>\$ 142,894</u>

NOTE 6: CAPITAL ASSETS

The tangible personal property used by the Clerk is reported in the basic financial statements of the Board of County Commissioners. Upon acquisition, such assets are recorded as expenditures in the general fund of the Clerk and are capitalized at cost in the basic financial statements of the Board. The Clerk maintains custodial responsibility for the capital assets used by its office.

NOTE 7: POST-EMPLOYMENT HEALTH CARE BENEFITS

All eligible employees of the Clerk participate in the Citrus County, Florida, Other Post-Employment Benefits plan. A detailed plan description and the amount of any liability for the employees of the Clerk has been reported in the September 30, 2018, Citrus County, Florida Comprehensive Annual Financial Report.

CITRUS COUNTY, FLORIDA
 CLERK OF THE CIRCUIT COURT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED SEPTEMBER 30, 2018

NOTE 8: SELF-INSURANCE FUND

The Clerk participates in the insurance program of the Board of County Commissioners for its liability, property and group dental coverage.

The Self-Insurance Fund of Citrus County, Florida, covers claims on losses up to the following limits:

Type of Coverage	Limits	
	Per Claim	Per Occurrence
Property and Crime		
Crime	\$ 10,000	\$ 10,000
Computer Fraud	100,000	100,000
Theft, Disappearance & Destruction	150,000	150,000
Forgery or Alteration	200,000	200,000
Employee Dishonesty	500,000	500,000
General Liability	100,000	100,000
Automobile Liability	100,000	100,000
Dental - only	\$1,250 per year per person	

The Clerk has no obligation to fund any portion of the insurance premiums for the Self-Insurance Fund. Premiums are funded out of the Board’s budget. In addition, all of the Clerk’s financial exposure to risk is transferred to the County. There has been no significant reduction in insurance coverage for the past three years. Settlement amounts have not exceeded insurance coverage for the current year or prior three years.

NOTE 9: FUND BALANCE

The Public Records Modernization Fund balance is legally restricted for the public records system of the Clerk’s office. The remaining fund balance is restricted for grant programs. The non-spendable amount in the Public Records Modernization fund represents the prepaid amount which cannot be converted to cash, whereas the remaining amount in both reserves are restricted by enabling legislation. It is the Clerk’s policy to use its resources in the following order as needed to fund expenses: restricted, committed, assigned, then unassigned.



CITRUS COUNTY, FLORIDA
 CLERK OF THE CIRCUIT COURT
 COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES -
 FIDUCIARY FUNDS
 SEPTEMBER 30, 2018

	<u>TAX DEED OVERBIDS</u>	<u>CHILD SUPPORT</u>	<u>DOCUMENTARY TAX</u>	<u>COURT REGISTRY</u>	<u>INTANGIBLE TAX</u>	<u>COURT COLLECTIONS</u>	<u>TOTALS</u>
Cash and cash equivalents	\$1,448,941	\$ 630	\$ 244,198	\$ 1,761,442	\$ 42,616	\$ 247,193	\$ 3,745,020
	<u>\$1,448,941</u>	<u>\$ 630</u>	<u>\$ 244,198</u>	<u>\$ 1,761,442</u>	<u>\$ 42,616</u>	<u>\$ 247,193</u>	<u>\$ 3,745,020</u>
Due to individuals	\$1,448,181	\$ —	\$ —	\$ 1,761,442	\$ —	\$ —	\$ 3,209,623
Due to other governments	760	630	244,198	—	42,616	247,193	535,397
	<u>\$1,448,941</u>	<u>\$ 630</u>	<u>\$ 244,198</u>	<u>\$ 1,761,442</u>	<u>\$ 42,616</u>	<u>\$ 247,193</u>	<u>\$ 3,745,020</u>

CITRUS COUNTY, FLORIDA
 CLERK OF THE CIRCUIT COURT
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -
 FIDUCIARY FUNDS
 SEPTEMBER 30, 2018

<u>TAX DEED OVERBID</u>	<u>BALANCE OCTOBER 1, 2017</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE SEPTEMBER 30, 2018</u>
<u>ASSETS</u>				
Cash and investments	\$ 1,489,220	\$ 2,978,685	\$ 3,018,964	\$ 1,448,941
Total Assets	<u>\$ 1,489,220</u>	<u>\$ 2,978,685</u>	<u>\$ 3,018,964</u>	<u>\$ 1,448,941</u>
<u>LIABILITIES</u>				
Due to other governments	\$ 6,109	\$ 153,315	\$ 158,664	\$ 760
Due to individuals	1,483,111	5,021,036	5,055,966	1,448,181
Total Liabilities	<u>\$ 1,489,220</u>	<u>\$ 5,174,351</u>	<u>\$ 5,214,630</u>	<u>\$ 1,448,941</u>
<u>SUPPORT FUND</u>				
<u>ASSETS</u>				
Cash and investments	\$ 625	\$ 257,163	\$ 257,158	\$ 630
Total Assets	<u>\$ 625</u>	<u>\$ 257,163</u>	<u>\$ 257,158</u>	<u>\$ 630</u>
<u>LIABILITIES</u>				
Due to other governments	\$ 625	\$ 232,043	\$ 232,038	\$ 630
Total Liabilities	<u>\$ 625</u>	<u>\$ 232,043</u>	<u>\$ 232,038</u>	<u>\$ 630</u>
<u>DOCUMENTARY STAMPS</u>				
<u>ASSETS</u>				
Cash and investments	\$ 211,257	\$ 10,115,160	\$ 10,082,219	\$ 244,198
Total Assets	<u>\$ 211,257</u>	<u>\$ 10,115,160</u>	<u>\$ 10,082,219</u>	<u>\$ 244,198</u>
<u>LIABILITIES</u>				
Due to other governments	\$ 211,257	\$ 10,115,160	\$ 10,082,219	\$ 244,198
Total Liabilities	<u>\$ 211,257</u>	<u>\$ 10,115,160</u>	<u>\$ 10,082,219</u>	<u>\$ 244,198</u>
<u>COURT REGISTRTY FUND</u>				
<u>ASSETS</u>				
Cash and investments	\$ 1,244,733	\$ 6,893,202	\$ 6,376,493	\$ 1,761,442
Total Assets	<u>\$ 1,244,733</u>	<u>\$ 6,893,202</u>	<u>\$ 6,376,493</u>	<u>\$ 1,761,442</u>
<u>LIABILITIES</u>				
Due to individuals	\$ 1,244,733	\$ 13,360,406	\$ 12,843,697	\$ 1,761,442
Total Liabilities	<u>\$ 1,244,733</u>	<u>\$ 13,360,406</u>	<u>\$ 12,843,697</u>	<u>\$ 1,761,442</u>

CITRUS COUNTY, FLORIDA
 CLERK OF THE CIRCUIT COURT
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -
 FIDUCIARY FUNDS (CONTINUED)
 SEPTEMBER 30, 2018

	<u>BALANCE OCTOBER 1, 2017</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE SEPTEMBER 30, 2018</u>
<u>INTANGIBLE TAX FUND</u>				
<u>ASSETS</u>				
Cash and investments	\$ 35,123	\$ 1,489,226	\$ 1,481,733	\$ 42,616
Total Assets	<u>\$ 35,123</u>	<u>\$ 1,489,226</u>	<u>\$ 1,481,733</u>	<u>\$ 42,616</u>
<u>LIABILITIES</u>				
Due to other governments	\$ 35,123	\$ 1,489,226	\$ 1,481,733	\$ 42,616
Total Liabilities	<u>\$ 35,123</u>	<u>\$ 1,489,226</u>	<u>\$ 1,481,733</u>	<u>\$ 42,616</u>
<u>COURT COLLECTION FUND</u>				
<u>ASSETS</u>				
Cash and investments	\$ 200,845	\$ 3,737,403	\$ 3,691,055	\$ 247,193
Total Assets	<u>\$ 200,845</u>	<u>\$ 3,737,403</u>	<u>\$ 3,691,055</u>	<u>\$ 247,193</u>
<u>LIABILITIES</u>				
Due to other governments	\$ 200,845	\$ 3,181,230	\$ 3,134,882	\$ 247,193
Total Liabilities	<u>\$ 200,845</u>	<u>\$ 3,181,230</u>	<u>\$ 3,134,882</u>	<u>\$ 247,193</u>
<u>TOTAL ALL AGENCY FUNDS</u>				
<u>ASSETS</u>				
Cash and investments	\$ 3,181,803	\$ 25,470,839	\$ 24,907,622	\$ 3,745,020
Total Assets	<u>\$ 3,181,803</u>	<u>\$ 25,470,839</u>	<u>\$ 24,907,622</u>	<u>\$ 3,745,020</u>
<u>LIABILITIES</u>				
Due to other governments	\$ 453,959	\$ 15,170,974	\$ 15,089,536	\$ 535,397
Due to individuals	2,727,844	18,381,442	17,899,663	3,209,623
Total Liabilities	<u>\$ 3,181,803</u>	<u>\$ 33,552,416</u>	<u>\$ 32,989,199</u>	<u>\$ 3,745,020</u>





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***

To the Honorable Angela Vick,
Clerk of the Circuit Court and
Comptroller of 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 Clerk of the Circuit Court and Comptroller of Citrus County, Florida (the “Clerk”) as of and for the fiscal year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the Clerk’s basic financial statements and have issued our report thereon dated February 18, 2019.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Clerk’s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Clerk’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Clerk’s internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

To the Honorable Angela Vick,
Clerk of the Circuit Court and
Comptroller of Citrus County, Florida

Compliance and Other Matters

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

We noted certain other matters that we reported to management in a separate letter dated February 18, 2019.

Purpose of this Report

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



MOORE STEPHENS LOVELACE, P.A.
Certified Public Accountants

Orlando, Florida
February 18, 2019



INDEPENDENT AUDITOR'S MANAGEMENT LETTER

To the Honorable Angela Vick,
Clerk of the Circuit Court and
Comptroller of Citrus County, Florida

We have audited the financial statements of the Clerk of the Circuit Court and Comptroller of Citrus County, Florida (the "Clerk") as of and for the fiscal year ended September 30, 2018, and have issued our report thereon dated February 18, 2019.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and Chapter 10.550, *Rules of the Auditor General*.

Other Reporting Requirements

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* and our Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports, which are dated February 18, 2019, 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 recommendations made in the preceding 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 Management

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.

To the Honorable Angela Vick,
Clerk of the Circuit Court and
Comptroller of Citrus County, Florida

Additional Matters

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

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, federal and other granting agencies, and 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.

MOORE STEPHENS LOVELACE, P.A.
Certified Public Accountants

Orlando, Florida
February 18, 2019



Certified Public Accountants

INDEPENDENT ACCOUNTANT'S REPORT

To the Honorable Angela Vick,
Clerk of the Circuit Court and
Comptroller of Citrus County, Florida

We have examined the Clerk of the Circuit Court and Comptroller of Citrus County, Florida's (the "Clerk") compliance with the requirements of Sections 28.35, 28.36, 218.415, and 61.181, Florida Statutes, during the year ended September 30, 2018. Management is responsible for the Clerk's compliance with those requirements. Our responsibility is to express an opinion on the Clerk's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Clerk complied with those requirements. An examination involves performing procedures to obtain evidence about the Clerk's compliance with those requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not provide a legal determination on the Clerk's compliance with specified requirements.

In our opinion, the Clerk complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2018.

Moore Stephens Lovelace, P.A.

MOORE STEPHENS LOVELACE, P.A.
Certified Public Accountants

Orlando, Florida
February 18, 2019



**SHERIFF
CITRUS COUNTY, FLORIDA**



**SPECIAL PURPOSE FINANCIAL STATEMENTS,
SUPPLEMENTARY INFORMATION
AND
INDEPENDENT AUDITOR'S REPORTS**

FOR THE YEAR ENDED SEPTEMBER 30, 2018



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INDEPENDENT AUDITOR'S REPORT

To the Honorable Mike Prendergast,
Sheriff of Citrus County, Florida
Inverness, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the Citrus County, Florida Sheriff (the "Sheriff") as of and for the fiscal year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the Sheriff's financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We did not audit the financial statements of the Citrus County Sheriff's Internal Service Fund, a fund of the Florida Sheriff's Multiple Employers Trust. Those statements were audited by other auditors whose report has been furnished to us; and our opinion, insofar as it relates to the amounts included for the Sheriff, is based solely on the report of the 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 Sheriff'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 Sheriff's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

To the Honorable Mike Prendergast,
Sheriff of Citrus County, Florida

INDEPENDENT AUDITOR'S REPORT
(Concluded)

Opinion

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the respective financial position of the Sheriff as of September 30, 2018, and the respective changes in financial position, and the respective budgetary comparisons for the General Fund and 911 Fund for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America.

Emphasis-of-Matter

As described in Note 1 to the financial statements, the accompanying financial statements were prepared for the purpose of complying with Section 218.39, Florida Statutes, and Section 10.557(3), *Rules of the Auditor General for Local Governmental Entity Audits*. These financial statements are not intended to be a complete presentation of the financial position of Citrus County, Florida as of September 30, 2018, and the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

The financial statements include certain prior-year summarized comparative information. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Sheriff's financial statements for the year ended September 30, 2017, from which the summarized information was derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 2, 2019, on our consideration of the Sheriff's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Sheriff's internal control over financial reporting and compliance.

Moore Stephens Lovelace, P.A.

MOORE STEPHENS LOVELACE, P.A.
Certified Public Accountants

Orlando, Florida
May 2, 2019

CITRUS COUNTY, FLORIDA
SHERIFF
BALANCE SHEET - GOVERNMENTAL FUNDS
SEPTEMBER 30, 2018
(WITH COMPARATIVE TOTALS FOR 2017)

	SHERIFF GENERAL	911 FUND	OTHER NONMAJOR GOVERNMENTAL FUNDS	TOTALS	
				2018	2017
ASSETS					
Cash	\$ 902,469	\$ 125,870	\$ 268,235	1,296,574	\$ 1,971,094
Accounts receivable	179,450	—	—	179,450	258,936
Due from other governments	—	211,509	87,656	299,165	271,346
Due from other funds	72,446	—	—	72,446	101,268
Prepaid expenses	47,893	41	227	48,161	44,760
TOTAL ASSETS	\$ 1,202,258	\$ 337,420	\$ 356,118	\$ 1,895,796	\$ 2,647,404
LIABILITIES AND FUND BALANCES					
LIABILITIES:					
Accounts payable	\$ 361,281	\$ —	\$ —	\$ 361,281	\$ 435,910
Accrued liabilities	630,751	1,703	10,233	642,687	803,018
Deposits	—	—	—	—	—
Unearned revenue	—	—	10,379	10,379	60,910
Due to other funds	—	—	72,446	72,446	101,268
Due to the Board of County Commissioners	210,226	—	—	210,226	553,588
Total Liabilities	\$ 1,202,258	\$ 1,703	\$ 93,058	\$ 1,297,019	\$ 1,954,694
FUND BALANCES:					
Nonspendable	47,893	41	227	48,161	44,760
Restricted for law enforcement	—	335,717	262,833	598,550	692,709
Unassigned deficit	(47,893)	(41)	—	(47,934)	(44,759)
Total fund balances	—	335,717	263,060	598,777	692,710
TOTAL LIABILITIES AND FUND BALANCES	\$ 1,202,258	\$ 337,420	\$ 356,118	\$ 1,895,796	\$ 2,647,404

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

CITRUS COUNTY, FLORIDA
SHERIFF
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2018
(WITH COMPARATIVE TOTALS FOR 2017)

	SHERIFF GENERAL	911 FUND	OTHER NONMAJOR GOVERNMENTAL FUNDS	TOTALS	
				2018	2017
Revenues:					
Intergovernmental revenue	\$ 278,591	\$ 641,637	\$ 599,198	\$ 1,519,426	\$ 1,360,725
Charges for services	—	—	—	—	—
Fines and forfeitures	—	—	94,521	94,521	258,262
Miscellaneous revenue	561,696	—	16,063	577,759	202,884
Total revenues	840,287	641,637	709,782	2,191,706	1,821,871
Expenditures:					
Current:					
Public Safety	31,596,881	641,637	733,928	32,972,446	40,452,156
Capital Outlay	—	—	69,785	69,785	—
Debt Service:					
Principal retirement	81,577	—	—	81,577	9,848
Interest	18,317	—	—	18,317	2,413
Total expenditures	31,696,775	641,637	803,713	33,142,125	40,464,417
Excess of Revenues Over (Under) Expenditures	(30,856,488)	—	(93,931)	(30,950,419)	(38,642,546)
Other Financing Sources (Uses)					
Capital lease proceeds	416,449	—	—	416,449	244,978
Transfers in from the Board of County Commissioners	30,650,265	—	—	30,650,265	39,004,184
Distribution of excess appropriations to Board of County Commissioners	(210,226)	—	—	(210,226)	(553,588)
Total Other Financing Sources (Uses)	30,856,488	—	—	30,856,488	38,695,574
Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	—	—	(93,931)	(93,931)	53,028
Fund Balance - October 1	—	335,717	356,991	692,708	639,682
Fund Balance - September 30	\$ —	\$ 335,717	\$ 263,060	\$ 598,777	\$ 692,710

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

CITRUS COUNTY, FLORIDA
SHERIFF
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	GENERAL FUND			
	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		
Revenues:				
Intergovernmental revenue	\$ —	\$ —	\$ 278,591	\$ 278,591
Miscellaneous revenue	—	1,256,740	561,696	(695,044)
Total revenues	—	1,256,740	840,287	(416,453)
Expenditures:				
Current:				
Public Safety	30,466,499	31,907,005	31,596,881	310,124
Debt Service:				
Principal retirement	—	—	81,577	(81,577)
Interest	—	—	18,317	(18,317)
Total Expenditures	30,466,499	31,907,005	31,696,775	210,230
Excess of Revenues Over (Under) Expenditures	(30,466,499)	(30,650,265)	(30,856,488)	(206,223)
Other Financing Sources (Uses)				
Capital Lease proceeds	—	—	416,449	416,449
Operating transfers in from the Board of County Commissioners	30,466,499	30,650,265	30,650,265	—
Distribution of excess appropriations to Board of County Commissioners	—	—	(210,226)	(210,226)
Total Other Financing Sources (Uses)	30,466,499	30,650,265	30,856,488	206,223
Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	—	—	—	—
Fund Balance - October 1	—	—	—	—
Fund Balance - September 30	\$ —	\$ —	\$ —	\$ —

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

CITRUS COUNTY, FLORIDA
SHERIFF
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - 911 WIRELESS FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	911 FUND			VARIANCE WITH FINAL BUDGET
	BUDGET		ACTUAL	
	ORIGINAL	FINAL		
Revenues:				
Intergovernmental revenue	\$ 680,000	\$ 680,000	\$ 641,637	\$ (38,363)
Total revenues	680,000	680,000	641,637	(38,363)
Expenditures:				
Current:				
Public Safety	680,000	680,000	641,637	38,363
Total Expenditures	680,000	680,000	641,637	38,363
Excess of Revenues Over (Under) Expenditures	—	—	—	—
Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	—	—	—	—
Fund Balance - October 1	335,717	335,717	335,717	—
Fund Balance - September 30	<u>\$ 335,717</u>	<u>\$ 335,717</u>	<u>\$ 335,717</u>	<u>\$ —</u>

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

CITRUS COUNTY, FLORIDA
SHERIFF
STATEMENT OF NET POSITION -
INTERNAL SERVICE FUND
SEPTEMBER 30, 2018
(WITH COMPARATIVE AMOUNTS FOR 2017)

	2018	2017
<u>ASSETS</u>		
Cash and investments with fiscal agent	\$ 1,256,574	\$ 896,892
Accounts receivable	450,000	250,067
Prepays	85,477	163,441
Total assets	1,792,051	1,310,400
<u>LIABILITIES</u>		
Accounts payable	306,207	328,889
Claims liability	1,485,844	981,511
Total liabilities	1,792,051	1,310,400
<u>NET POSITION</u>	\$ —	\$ —

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

CITRUS COUNTY, FLORIDA
SHERIFF
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION -
INTERNAL SERVICE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2018
(WITH COMPARATIVE AMOUNTS FOR 2017)

	2018	2017
Operating Revenues		
Charges for services	\$ 4,543,937	\$ 4,570,154
Other operating income	851	97
Total Operating Revenues	4,544,788	4,570,251
Operating Expenses		
Claims and premiums	4,546,011	4,570,817
Total Operating Expenses	4,546,011	4,570,817
Operating Loss	(1,223)	(566)
Nonoperating Revenue		
Interest income	1,223	566
Total Nonoperating Revenue	1,223	566
Change in Net Position	—	—
Net Position:		
Beginning of Year	—	—
End of Year	\$ —	\$ —

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

CITRUS COUNTY, FLORIDA
SHERIFF
STATEMENT OF CASH FLOWS - INTERNAL SERVICE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2018
(WITH COMPARATIVE AMOUNTS FOR 2017)

	<u>2018</u>	<u>2017</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers	\$ 4,344,855	\$ 4,157,048
Cash payments to suppliers for goods and services	(3,986,396)	(4,138,614)
Net cash provided (used) by operating activities	<u>358,459</u>	<u>18,434</u>
Cash flows from other activities		
Interest on investments	1,223	566
Net cash provided (used) by investing activities	<u>1,223</u>	<u>566</u>
Net increase (decrease) in cash	359,682	19,000
Cash at beginning of year	896,892	877,892
Cash at end of year	<u><u>\$ 1,256,574</u></u>	<u><u>\$ 896,892</u></u>
Reconciliation of operating loss to net cash provided (used) by operating activities		
Operating loss	\$ (1,223)	\$ (566)
Adjustments to reconcile operating loss to net cash provided (used) by operating activities		
Changes in assets and liabilities		
(Increase) Decrease in Accounts Receivable	(199,933)	(413,203)
(Increase) Decrease in Prepaid Items	77,964	147,000
Increase (Decrease) in Accounts Payable	(22,682)	153,101
Increase (Decrease) in Unpaid Claims Liability	504,333	132,102
Total Adjustments	<u>359,682</u>	<u>19,000</u>
Net cash provided by (used for) operating activities	<u><u>\$ 358,459</u></u>	<u><u>\$ 18,434</u></u>

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

CITRUS COUNTY, FLORIDA
SHERIFF
STATEMENT OF FIDUCIARY NET POSITION - AGENCY FUNDS
SEPTEMBER 30, 2018
(WITH COMPARATIVE AMOUNTS FOR 2017)

	2018	2017
<u>ASSETS</u>		
Cash	\$ 178,756	\$ 133,279
Assets held not forfeited	33,825	—
	212,581	133,279
TOTAL ASSETS	212,581	133,279
<u>LIABILITIES</u>		
Due to Others	209,611	130,109
Due to Board of County Commissioners	2,970	3,170
	212,581	133,279
TOTAL LIABILITIES	212,581	133,279
<u>NET POSITION</u>	\$ —	\$ —

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

CITRUS COUNTY, FLORIDA
SHERIFF
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

THE REPORTING ENTITY

The Citrus County, Florida Sheriff (the "Sheriff") is an elected constitutional officer, as provided for by the Constitution of the State of Florida. Pursuant to Chapter 129, Florida Statutes, the Sheriff's budget is submitted to the Citrus County, Florida Board of County Commissioners (the "Board") for approval.

The Sheriff is the chief law enforcement officer of Citrus County (the "County"). The financial statements presented include the general fund, fire fund, special revenue funds, internal service fund and agency funds of the Sheriff's office. The accompanying financial statements were prepared for the purpose of complying with Section 218.39, Florida Statutes, and Section 10.557(3), Rules of the Auditor General for Local Governmental Entity Audits.

Section 10.556(4), Rules of the Auditor General for Local Governmental Entity Audits, requires the Sheriff to only present fund financial statements. Accordingly, due to the omission of certain financial statement disclosures, a management's discussion and analysis, these financial statements do not constitute a complete presentation of the financial position of the Sheriff and the changes in its financial position for the year then ended in conformity with GASB, but otherwise constitute financial statements prepared in conformity with accounting principles generally accepted in the United States of America.

The financial activities of the Sheriff, as a constitutional officer, are included in the Citrus County, Florida Comprehensive Annual Financial Report. For the General Fund and Fire Fund, transfers in are provided by appropriations from the Board of County Commissioners pursuant to law. Estimated receipts and budgeted fund balances must equal appropriations annually; therefore, no un-appropriated fund balance is carried forward.

Measurement Focus, Basis of Accounting, and Basis of Presentation

Fund financial statements report detailed information about the Sheriff. The focus of fund financial statements is on major funds, rather than reporting funds by type. Each major fund is reported in a separate column.

Governmental Funds

Governmental funds are accounted for using the flow of current financial resources measurement focus. Only current assets and current liabilities, generally, are included on the balance sheet. Operating statements for these funds present increases (i.e., revenues and other financial sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The Sheriff reports the following governmental funds:

General Fund - Used to account for all revenues and expenditures applicable to the general operations of the Sheriff that are not accounted for in another fund. All general operating revenues, which are not restricted or designated as to use by outside sources, are recorded in the General Fund.

911 Fund - Accounts for the monthly costs of maintaining the 911 wireless system through the collection of user charges.

CITRUS COUNTY, FLORIDA
SHERIFF
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The Sheriff also has other special revenue funds that account for education, radio communications and various other grant programs.

The modified accrual basis of accounting is used by governmental and agency funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become measurable and available to finance liabilities of the current fiscal year). For this purpose, the Sheriff considers revenues to be available if they are collected within 60 days of the end of the current period. Expenditures are recorded when the related fund liability is incurred, except for certain compensated absences, which are recognized as expenditures to the extent they have matured.

Interest income and other revenue are recognized as they are earned and become measurable and available to pay liabilities of the current period. The only exception is if there is interest earned on the General Fund; this is all returned to the Board of County Commissioners to be used at their discretion.

Substantially all the Sheriff's operating budget is appropriated by the Citrus County, Florida Board of County Commissioners. In applying the susceptible to accrual concept to intergovernmental revenue, there are essentially two types of revenue. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the Sheriff; therefore, revenue is recognized based upon the expenditures incurred. Grant revenue is recorded in this manner. In the other, monies are virtually unrestricted and are revocable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenue at the time of receipt, or earlier, if the "susceptible to accrual" criteria are met.

Florida Statutes provide that the amount by which revenue and transfers exceed annual expenditures be remitted to the Board of County Commissioners immediately following the fiscal year for which the funding was provided or following the fiscal year during which other revenue was recognized. The amount of this distribution is recorded as a liability and as another financing use in the accompanying financial statements.

Capital outlays expended in governmental fund operations are capitalized in the basic financial statements of the County rather than in the governmental funds of the Sheriff.

Additionally, the Sheriff has the following fund types:

Proprietary Funds

Internal Service Fund - Accounts for the financing of goods or services provided by one department or agency to other departments or agencies of the governmental units, or to other governmental units, on a cost-reimbursement basis.

The Sheriff maintains the following internal service fund:

Self-Insurance Fund - Accounts for employee medical insurance coverage for employees of the Sheriff. This fund is a separately maintained fund within The Florida Sheriff's Multiple Employers Trust. The Trust was established for the purpose of providing group health, life and disability insurance benefits for all classes of employees participating in the Sheriff's Office.

CITRUS COUNTY, FLORIDA
SHERIFF
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Proprietary funds use the accrual basis of accounting. Revenues are recognized when they are earned and expenses are recognized when they are incurred. Financial resources for these un-matured obligations. Accordingly, the liability for compensated absences is not reported in the governmental funds but is reported in the basic financial statements of the County.

Fiduciary Funds

Agency Funds - Agency funds are used to account for assets held by the Sheriff as an agent for individuals, private organizations, other governments, and/or other funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The Sheriff maintains the following Fiduciary Funds:

Individual Depositors - This fund accounts for assets held as agent for legal processes involving fees and charges that will eventually be remitted to individuals or to the Clerk of the Circuit Court for Citrus County.

L.E.S.T.F. Fund - Accounts for property seized under the Contraband Forfeiture Act, but which has not been awarded to the Sheriff's department.

Take Stock in Children - Sheriff's Office is the fiscal agent for the state's Take Stock in Children program for the counties of Levy and Citrus. The program awards children of certain criteria scholarships for Florida's higher-education institutions. The monies (mainly from private donations) in this fund are restricted in their use to issues related to the overall program.

Compensated Absences

All full-time employees of the Sheriff are entitled to annual vacation and sick leave with pay. Vacation pay and sick leave payments are included in operating costs when the payments are made to the employees. The Sheriff does not, nor is he legally required to, accumulate financial resources for these un-matured obligations. Accordingly, the liability for compensated absences is not reported in the governmental funds but is reported in the basic financial statements of the County.

USE OF ESTIMATES

Management of the Sheriff has made a number of estimates and assumptions related to the reporting of assets and liabilities to prepare these financial statements in conformity with accounting principles generally accepted in the United States of America. Actual results could differ from those estimates.

COMPARATIVE DATA

The financial information for the year ended September 30, 2017 is presented for comparative purposes and is not intended to be a complete presentation.

CITRUS COUNTY, FLORIDA
 SHERIFF
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED SEPTEMBER 30, 2018

NOTE 2: BUDGETARY PROCESS

Florida Statutes 129.021 and 129.03 govern the preparation, adoption, and administration of the Sheriff’s annual budget. The Sheriff prepares a budget for all of its governmental funds, special revenue funds, and internal service fund and submits them to the Board of County Commissioners for approval. Any subsequent amendments to the budgets must be approved by the Board. The budget for the General Fund, Fire Fund, and special revenue funds are prepared on a basis consistent with accounting principles generally accepted in the United States of America. The annual budget serves as the legal authorization for expenditures. Budgetary control is maintained at the departmental major object expenditure level. Expenditures may not legally exceed appropriations at the fund level. Appropriations lapse at year-end. Budgetary changes within major object expenditure categories are made at the discretion of the Sheriff.

The original budget is the first complete appropriated budget. The final budget is the original budget adjusted by all reserves, transfers, allocations, supplemental appropriations and other legally authorized changes applicable to the fiscal year, whenever legally authorized.

NOTE 3: CASH

The Sheriff maintains cash solely in money market and savings accounts. Such deposits 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 public deposits are made in accordance with Chapter 280, no public depositor shall be liable for any loss thereon.

Deposits at September 30, 2018, were:

Type	Carrying Amount and Fair Value
Amount collateralized by Chapter 280, Florida Statutes	\$ 2,637,101
Cash on hand	94,803
TOTAL CASH:	<u>\$ 2,731,904</u>

NOTE 4: CAPITAL ASSETS

Capital assets used in governmental fund type operations are capitalized in the basic financial statements of the County, rather than in the governmental funds of the Sheriff. Upon acquisition, such assets are recorded as expenditures in the governmental funds of the Sheriff and are capitalized in the basic financial statements of the County.

Capital assets are valued at historical cost, or estimated historical cost if actual historical cost is not available. Donated or confiscated fixed assets are valued at their estimated fair value on the date received. The Sheriff maintains custodial and recordkeeping responsibility for the capital assets of his office. No depreciation

CITRUS COUNTY, FLORIDA
 SHERIFF
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED SEPTEMBER 30, 2018

NOTE 4: CAPITAL ASSETS (CONTINUED)

expense has been provided on capital assets in these financial statements. However, depreciation expense will be recorded in the basic financial statements of the County.

Capital asset activity for the year ended September 30, 2018, which is reported in the basic financial statements of the County is summarized in the table below.

	Balance September 30, 2017	Additions	Deletions	Balance September 30, 2018
Buildings	\$ 859,732	\$ —	\$ 404,699	455,033
Machinery & Equipment	28,426,925	1,175,491	10,570,113	19,032,303
Intangibles - Software	1,326,159	—	—	1,326,159
Accumulated Depreciation	(20,898,730)	(1,317,629)	(6,697,550)	(15,518,809)
Book Value	<u>\$ 9,714,086</u>	<u>\$ (142,138)</u>	<u>\$ 4,277,262</u>	<u>\$ 5,294,686</u>

NOTE 5: LEASE COMMITMENTS

OPERATIONAL LEASES

The Sheriff leases copiers, computer software and other office equipment under operating leases. Lease expenditures under both monthly cancelable leases and non-cancelable operating leases totaled \$308,855 and \$345,591 for the years ended September 30, 2018 and 2017, respectively. All leases have remaining terms of less than one year.

NOTE 6: EMPLOYEE RETIREMENT PLAN

The Sheriff'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 Sheriff'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.

The Sheriff participates in the Elected State Officers' Class. Contribution rates are established statewide for all participating governmental units. Accordingly, the actuarial information and related disclosures attributable to the Sheriff's employees are not determinable.

In FY 2011, changes were made to the plan for anyone hired after June 30, 2011. Employees who were hired prior to that date are "grandfathered" into the original plan. The employees can retire at or after age 62 (55 for Special Risk employees) with 6 years of credited service, or with 30 years (25 years for Special Risk) of service regardless of age, are entitled to a retirement benefit payable monthly for life, equal to 1.6% (3% for Special Risk) for each year of credited service times their average final compensation.

CITRUS COUNTY, FLORIDA
SHERIFF
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

NOTE 6: EMPLOYEE RETIREMENT PLAN (CONTINUED)

For employees hired as of July 1, 2011, they can retire at or after age 65 (60 for Special Risk employees) with 8 years of credited service, or with 33 years (30 years for Special Risk) of service regardless of age, are entitled to a retirement benefit payable monthly for life, equal to 1.6% (3% for Special Risk) for each year of credited service times their average final compensation.

Final average compensation is the employee's average of the five highest years for those hired prior to July 1, 2011 and eight highest years for those hired after June 30, 2011, of salary earned during credited service. Vested employees (depending on when started) may retire before age 62 or 65 (55 or 60 for Special Risk) and receive benefits that are reduced 5% for each year prior to normal retirement age or date. FRS also provides death and disability benefits. Benefits are established by Chapter 121, Florida Statutes, and Chapter 22B, Florida Administrative Code.

The Deferred Retirement Option Program "DROP" is a program that provides an alternative method for payment of retirement benefits for a specified and limited period for members of FRS, 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 FRS employer. Participation in the program does not change conditions of employment. When the DROP period ends (maximum of 60 months), employment must be terminated. At the time of termination of employment, 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).

FRS 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 [https://www.rol.frs.state.fl.us/forms/2010-11 Annual Report.pdf](https://www.rol.frs.state.fl.us/forms/2010-11%20Annual%20Report.pdf).

Effective July 1, 2011, employees were required to contribute 3% towards the FRS. Employee withholdings for this purpose amounted to \$ 480,636 and \$597,211 for the fiscal years ended September 30, 2018 and 2017, respectively, which were equal to the required contribution for each fiscal year.

The Sheriff is required to contribute an actuarially determined rate, as are employees, (3%) as of July 1, 2011. The rate for the Sheriff's Office in this fiscal year is 23.27% to 24.5 and 7.92% to 8.26% for special risk and regular risk employees, respectively, of annual covered payroll. The contribution rate is 13.26% to 14.03% of annual covered payroll for DROP employees (DROP employees do not have to contribute 3% of their pay, as they are already considered retired for the purposes of the plan). The contribution requirements of the Sheriff are established and may be amended by the State of Florida. The Sheriff's contributions to the plan for the years ending September 30, 2018, 2017 and 2016 were \$3,297,559, \$3,974,626, and \$3,677,505, respectively, equal to the required contributions for each year.

For financial reporting purposes, the Sheriff is deemed to be part of the primary government of Citrus County, Florida. The liability, if any, related to the Sheriff's proportionate share of FRS retirement benefits, along with a detailed plan description, is reported in the financial statements of Citrus County, Florida for the fiscal year ended September 30, 2018.

CITRUS COUNTY, FLORIDA
 SHERIFF
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED SEPTEMBER 30, 2018

NOTE 7: POSTEMPLOYMENT HEALTH CARE BENEFITS

During fiscal year 2018, the County implemented GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The objective of Statement No. 75 is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). This Statement requires the recognition of the total OPEB liability on the face of the financial statements. In addition to the note disclosures that were previously required for OPEB under GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, the standard requires extensive disclosures and required supplementary information related to the OPEB liability. For financial statements purposes, the Sheriff is deemed to be part of the primary government of Citrus County, Florida. As such, for the fiscal year ended September 30, 2018, the Sheriff's OPEB liability and related OPEB disclosures are included in the County's CAFR.

NOTE 8: LONG-TERM LIABILITIES

Changes in long-term liabilities during 2018, which are reported in the basic financial statements of the Board of County Commissioners, are as follows:

	Balance September 30, 2017	Additions	Deletions	Balance September 30, 2018	Due Within One Year
Capital Lease	\$ 235,130	\$ 416,449	\$ 81,577	\$ 570,002	\$ 116,119
Compensated Absences	3,486,024	669,095	1,249,452	2,905,667	1,041,442
	<u>\$ 3,721,154</u>	<u>\$ 1,085,544</u>	<u>\$ 1,331,029</u>	<u>\$ 3,475,669</u>	<u>\$ 1,157,561</u>

NOTE 9: INDIVIDUAL FUND INTERFUND RECEIVABLES AND PAYABLES

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.

	Receivable	Payable
General	\$ 72,446	—
Special Revenue Funds:		
Citizens Corp Grants	—	3,523
Stop Grant	—	10,078
Emergency Management -Federal Funds	—	16,181
Emergency Management - State Funds	—	6,499
Victim Advocate Grant	—	21,296
Take Stock in Children 2016-2017	—	14,869
	<u>\$ 72,446</u>	<u>\$ 72,446</u>

CITRUS COUNTY, FLORIDA
 SHERIFF
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED SEPTEMBER 30, 2018

NOTE 10: SELF-INSURANCE FUND

The Sheriff maintains a self-insurance internal service fund to provide health insurance coverage for all of the Sheriff's employees. The Sheriff's Office is liable for the first \$95,000(spec)/\$238,500(aggregate) in claims and carries commercial coverage to provide for claims for any amount over that per employee/group.

Unpaid claims liability totaled \$1,485,844 and \$279,742 as of September 30, 2018 and 2017, respectively.

Claim expenses for the years ended September 30, 2018 and 2017, were as follows:

	2018	2017
Unpaid claims liability - beginning of year	\$ 716,774	\$ 264,737
Claims incurred	3,247,136	3,335,514
Claims paid	(2,478,066)	(2,883,477)
Unpaid claims - end of year	<u>\$ 1,485,844</u>	<u>\$ 716,774</u>

The Sheriff participates in a self-insurance fund (an internal service fund) for its liability and property coverage, which is administered by Hunt Insurance Group, LLC.

The Self-Insurance Fund of the Sheriff's Office covers claims on losses up to the following limits:

Type of Coverage	Limits	
	Per Claim	Per Occurrence
Property and Crime	\$250,000	\$250,000
Law & Fire Liability	\$5,000,000	\$5,000,000

The Sheriff has no obligation to fund any portion of the insurance premiums for the Self-Insurance Fund. Premiums are funded out of the Sheriff's Office budget. In addition, the Sheriff has no risk exposure for claims in excess of insurance coverage.

NOTE 11: FUND BALANCE

Fund balance in the General Fund and Special Revenue Funds are reported in the following categories as of September 30, 2018:

Restricted - includes fund balance in the Special Revenue Fund amounts that are constrained for specific purposes which are externally imposed by third parties (creditors, grantors, contributors) or amounts constrained due to constitutional provisions or enabling legislation.

Non-spendable - includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual requirements. This would include inventories and prepaid items.

It is the Sheriff's policy to use its resources in the following order as needed to fund expenses: restricted, unassigned.



CITRUS COUNTY, FLORIDA
SHERIFF
COMBINING BALANCE SHEET -
NON-MAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2018

	<u>EDUCATION TRUST FUND</u>	<u>ENFORCEMENT TRUST FUND</u>	<u>INTER- GOVERNMENTAL RADIO COMMUNICATION</u>	<u>CYBER- SAFETY FOR MINORS</u>
<u>ASSETS</u>				
1 Cash	\$ 41,990	\$ 91,665	\$ 40,395	\$ 336
2 Due from other	1,378	1,601	5,552	—
3 Prepaid expenses	—	—	—	—
TOTAL ASSETS	<u>\$ 43,368</u>	<u>\$ 93,266</u>	<u>\$ 45,947</u>	<u>\$ 336</u>
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
4 Accrued expenses	\$ —	\$ 3,327	\$ —	\$ —
5 Due to other funds	—	—	—	—
6 Unearned revenue	—	—	—	—
TOTAL LIABILITIES	—	3,327	—	—
Fund Balances:				
Restricted fund balance	43,368	89,939	45,947	336
TOTAL FUND BALANCES	<u>43,368</u>	<u>89,939</u>	<u>45,947</u>	<u>336</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 43,368</u>	<u>\$ 93,266</u>	<u>\$ 45,947</u>	<u>\$ 336</u>

	SHSGP GRANT 2016	HAZARDOUS MATERIAL GRANT 2016	EMS PROGRAM GRANT 2016	EMERGENCY MANAGEMENT STATE & LOCAL ASSISTANCE PROGRAM (STATE FUNDS)
1	\$ —	\$ —	\$ —	\$ —
2	—	—	—	6,499
3	—	—	—	—
	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 6,499</u>
4	\$ —	\$ —	\$ —	\$ —
5	—	—	—	6,499
6	—	—	—	—
	—	—	—	6,499
	—	—	—	—
	—	—	—	—
	—	—	—	—
	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 6,499</u>

CITRUS COUNTY, FLORIDA
SHERIFF
COMBINING BALANCE SHEET -
NON-MAJOR GOVERNMENTAL FUNDS (CONTINUED)
SEPTEMBER 30, 2018

	EMERGENCY MANAGEMENT STATE & LOCAL ASSISTANCE PROGRAM (FEDERAL FUNDS)	VICTIM RESOURCE ADVOCATE	PRIVATE CONTRIBUTIONS	SAFETY TOWN
<u>ASSETS</u>				
1 Cash	\$ —	\$ —	\$ 22,060	\$ —
2 Due from other	17,416	24,184	—	—
3 Prepaid expenses	42	85	—	—
TOTAL ASSETS	<u>\$ 17,458</u>	<u>\$ 24,269</u>	<u>\$ 22,060</u>	<u>\$ —</u>
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
4 Accrued expenses	\$ 1,277	\$ 2,973	\$ —	\$ —
5 Due to other funds	16,181	21,296	—	—
6 Unearned revenue	—	—	—	—
TOTAL LIABILITIES	<u>17,458</u>	<u>24,269</u>	<u>—</u>	<u>—</u>
Fund Balances:				
Restricted fund balance	<u>(42)</u>	<u>(85)</u>	<u>22,060</u>	<u>—</u>
TOTAL FUND BALANCES	<u>—</u>	<u>—</u>	<u>22,060</u>	<u>—</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 17,458</u>	<u>\$ 24,269</u>	<u>\$ 22,060</u>	<u>\$ —</u>

	<u>TAKE STOCK IN CHILDREN</u>	<u>ASPCA GRANT</u>	<u>SPECIALTY TEAM GRANT</u>	<u>FEDERAL EQUITABLE SHARING</u>	<u>PLAN, TRAIN EXERCISE GRANT</u>
1	\$ —	\$ 8,911	\$ —	\$ 61,410	\$ —
2	14,869	—	—	—	—
3	—	—	—	—	—
	<u>\$ 14,869</u>	<u>\$ 8,911</u>	<u>\$ —</u>	<u>\$ 61,410</u>	<u>\$ —</u>
4	\$ —	\$ —	\$ —	\$ —	\$ —
5	14,869	—	—	—	—
6	—	8,911	—	—	—
	<u>14,869</u>	<u>8,911</u>	<u>—</u>	<u>—</u>	<u>—</u>
	<u>—</u>	<u>—</u>	<u>—</u>	<u>61,410</u>	<u>—</u>
	<u>—</u>	<u>—</u>	<u>—</u>	<u>61,410</u>	<u>—</u>
	<u>\$ 14,869</u>	<u>\$ 8,911</u>	<u>\$ —</u>	<u>\$ 61,410</u>	<u>\$ —</u>

(continued)

CITRUS COUNTY, FLORIDA
SHERIFF
COMBINING BALANCE SHEET -
NON-MAJOR GOVERNMENTAL FUNDS (CONCLUDED)
SEPTEMBER 30, 2018

	<u>CITIZENS CORP GRANT</u>	<u>FIREHOUSE SUB PS GRANT</u>	<u>STOP GRANT</u>	<u>TOTAL</u>
<u>ASSETS</u>				
1 Cash	\$ —	\$ 1,468	\$ —	\$ 268,235
2 Due from other governments	3,523	—	12,634	87,656
3 Prepaid expenses	—	—	100	227
TOTAL ASSETS	<u>\$ 3,523</u>	<u>\$ 1,468</u>	<u>\$ 12,734</u>	<u>\$ 356,118</u>
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
4 Accrued expenses	\$ —	\$ —	\$ 2,656	\$ 10,233
5 Due to other funds	3,523	—	10,078	72,446
6 Unearned revenue	—	1,468	—	10,379
TOTAL LIABILITIES	<u>3,523</u>	<u>1,468</u>	<u>12,734</u>	<u>93,058</u>
Fund Balances:				
Restricted fund balance	—	—	(100)	262,833
TOTAL FUND BALANCES	<u>—</u>	<u>—</u>	<u>—</u>	<u>263,060</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 3,523</u>	<u>\$ 1,468</u>	<u>\$ 12,734</u>	<u>\$ 356,118</u>



CITRUS COUNTY, FLORIDA
SHERIFF
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	EDUCATION TRUST FUND	LAW ENFORCEMENT TRUST FUND	INTER- GOVERNMT'L RADIO COMMUN	CYBER- SAFETY FOR MINORS
Revenues:				
1 Intergovernmental revenue	\$ —	\$ 24,234	\$ —	\$ —
2 Fines and forfeitures	16,832	11,568	65,833	288
3 Miscellaneous revenue	—	—	—	—
Total Revenue	<u>16,832</u>	<u>35,802</u>	<u>65,833</u>	<u>288</u>
Expenditures:				
Public Safety:				
4 Salaries, benefits and payroll taxes	—	—	—	—
5 Other operating expenditures	18,102	135,197	52,171	—
6 Capital Outlay	—	22,680	—	—
Total Expenditures	<u>18,102</u>	<u>157,877</u>	<u>52,171</u>	<u>—</u>
7 Excess of Revenues Over (Under) Expenditures	(1,270)	(122,075)	13,662	288
8 Fund Balance - October 1	<u>44,638</u>	<u>212,014</u>	<u>32,285</u>	<u>48</u>
Fund Balance - September 30	<u>\$ 43,368</u>	<u>\$ 89,939</u>	<u>\$ 45,947</u>	<u>\$ 336</u>

	FY 2017-2018 EMERGENCY MANAGEMENT STATE & LOCAL ASSISTANCE PROGRAM (STATE FUNDS)	FY 2017-2018 EMERGENCY MANAGEMENT STATE & LOCAL ASSISTANCE PROGRAM (FEDERAL FUNDS)	FY 2018-2019 EMERGENCY MANAGEMENT STATE & LOCAL ASSISTANCE PROGRAM (STATE FUNDS)	FY 2018-2019 EMERGENCY MANAGEMENT STATE & LOCAL ASSISTANCE PROGRAM (FEDERAL FUNDS)
1	\$ 95,334	\$ 56,410	\$ 6,499	\$ 17,416
2	—	—	—	—
3	—	—	—	—
	<u>95,334</u>	<u>56,410</u>	<u>6,499</u>	<u>17,416</u>
4	95,334	56,410	6,499	17,416
5	—	—	—	—
6	—	—	—	—
	<u>95,334</u>	<u>56,410</u>	<u>6,499</u>	<u>17,416</u>
7	—	—	—	—
8	—	—	—	—
	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>

(continued)

CITRUS COUNTY, FLORIDA
SHERIFF
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - NON-MAJOR GOVERNMENTAL FUNDS (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	VICTIM RESOURCE ADVOCATE	PRIVATE CONTRIBUTIONS	BYRNE JAG BLOCK GRANT
Revenues:			
1 Intergovernmental revenue	\$ 112,309	\$ —	\$ 34,736
2 Fines and forfeitures	—	—	—
3 Miscellaneous revenue	—	16,063	—
Total Revenue	<u>112,309</u>	<u>16,063</u>	<u>34,736</u>
Expenditures:			
Public Safety:			
4 Salaries, benefits and payroll taxes	110,755	—	—
5 Other operating expenditures	1,554	599	34,736
6 Capital Outlay	—	—	—
Total Expenditures	<u>112,309</u>	<u>599</u>	<u>34,736</u>
7 Excess of Revenues Over (Under) Expenditures	—	15,464	—
8 Fund Balance - October 1	—	6,596	—
Fund Balance - September 30	<u>\$ —</u>	<u>\$ 22,060</u>	<u>\$ —</u>

	<u>SAFETY TOWN</u>	<u>ASPCA GRANT</u>	<u>EMS PROGRAM GRANT</u>	<u>TAKE STOCK IN CHILDREN 2017-2018</u>	<u>TAKE STOCK IN CHILDREN 2018-2019</u>
1	\$ 47,105	\$ 1,089	\$ —	\$ 38,006	\$ 14,869
2	—	—	—	—	—
3	—	—	—	—	—
	<u>47,105</u>	<u>1,089</u>	<u>—</u>	<u>38,006</u>	<u>14,869</u>
4	—	—	—	—	—
5	—	1,089	—	38,006	14,869
6	47,105	—	—	—	—
	<u>47,105</u>	<u>1,089</u>	<u>—</u>	<u>38,006</u>	<u>14,869</u>
7	—	—	—	—	—
8	—	—	—	—	—
	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>

(continued)

CITRUS COUNTY, FLORIDA
SHERIFF
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - NON-MAJOR GOVERNMENTAL FUNDS (CONCLUDED)
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	SPECIALTY TEAM GRANT	STOP GRANT	STOP GRANT	JAG DATA STORAGE GRANT
Revenues:				
1 Intergovernmental revenue	\$ 5,389	\$ 95,838	\$ 34,291	\$ —
2 Fines and forfeitures	—	—	—	—
3 Miscellaneous revenue	—	—	—	—
Total Revenue	<u>5,389</u>	<u>95,838</u>	<u>34,291</u>	<u>—</u>
Expenditures:				
Public Safety:				
4 Salaries, benefits and payroll taxes	—	93,500	34,291	—
5 Other operating expenditures	5,389	2,338	—	—
6 Capital Outlay	—	—	—	—
Total Expenditures	<u>5,389</u>	<u>95,838</u>	<u>34,291</u>	<u>—</u>
Excess of Revenues Over (Under) Expenditures	—	—	—	—
7 Fund Balance - October 1	—	—	—	—
8 Fund Balance - September 30	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>

	PLAN TRAINING EXERCISE	FEDERAL EQUITABLE SHARING	CITIZENS CORP GRANT	CITIZENS CORP GRANT	CERT GRANT	TOTAL
1	\$ 12,150	\$ —	\$ 3,523	\$ —	\$ —	\$ 599,198
2	—	—	—	—	—	94,521
3	—	—	—	—	—	16,063
	<u>12,150</u>	<u>—</u>	<u>3,523</u>	<u>—</u>	<u>—</u>	<u>709,782</u>
4	—	—	—	—	—	414,205
5	12,150	—	3,523	—	—	319,723
6	—	—	—	—	—	69,785
	<u>12,150</u>	<u>—</u>	<u>3,523</u>	<u>—</u>	<u>—</u>	<u>803,713</u>
7	—	—	—	—	—	(93,931)
8	—	61,410	—	—	—	356,991
	<u>\$ —</u>	<u>\$ 61,410</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 263,060</u>

CITRUS COUNTY, FLORIDA
SHERIFF
COMBINING STATEMENT OF FIDUCIARY NET POSITION
ALL AGENCY FUNDS
SEPTEMBER 30, 2018

	<u>INDIVIDUAL DEPOSITORS</u>	<u>L.E.S.T.F. AGENCY</u>	<u>SHERIFF'S OFFICE ACCOUNT</u>	<u>TAKE STOCK IN CHILDREN RESTRICTED</u>	<u>TOTALS</u>
Assets					
Cash	\$ 21,101	\$ 124,299	\$ 5,967	\$ 27,389	\$ 178,756
Assets held not forfeited	—	33,825	—	—	33,825
Total Assets	<u>\$ 21,101</u>	<u>\$ 124,299</u>	<u>\$ 5,967</u>	<u>\$ 27,389</u>	<u>\$ 212,581</u>
Liabilities					
Due to Others	\$ 18,131	\$ 158,124	\$ 5,967	\$ 27,389	\$ 209,611
Due to Board of County Commissioners	2,970	—	—	—	2,970
Total liabilities	<u>\$ 21,101</u>	<u>\$ 158,124</u>	<u>\$ 5,967</u>	<u>\$ 27,389</u>	<u>\$ 212,581</u>

CITRUS COUNTY, FLORIDA
SHERIFF
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
ALL AGENCY FUNDS
SEPTEMBER 30, 2018

	<u>BALANCE SEPTEMBER 30, 2017</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE SEPTEMBER 30, 2018</u>
Individual Depositors				
<u>ASSETS</u>				
Cash and investments	\$ 21,417	\$ 67,239	\$ 67,555	\$ 21,101
Total Assets	<u>\$ 21,417</u>	<u>\$ 67,239</u>	<u>\$ 67,555</u>	<u>\$ 21,101</u>
<u>LIABILITIES</u>				
Due to Others	\$ 18,247	\$ 9,500	\$ 9,616	\$ 18,131
Due to BOCC	3,170	57,740	57,940	2,970
Total Liabilities	<u>\$ 21,417</u>	<u>\$ 67,240</u>	<u>\$ 67,556</u>	<u>\$ 21,101</u>
L.E.S.T.F. Agency				
<u>ASSETS</u>				
Cash and investments	\$ 80,694	\$ 131,803	\$ 88,198	\$ 124,299
Assets held not forfeited	—	33,825	—	33,825
Total Assets	<u>\$ 80,694</u>	<u>\$ 165,628</u>	<u>\$ 88,198</u>	<u>\$ 158,124</u>
<u>LIABILITIES</u>				
Due to Others	\$ 80,694	99,487	22,057	\$ 158,124
Total Liabilities	<u>\$ 80,694</u>	<u>\$ 99,487</u>	<u>\$ 22,057</u>	<u>\$ 158,124</u>
Sheriff's Office Account				
<u>ASSETS</u>				
Cash and investments	\$ 9,602	\$ —	\$ 3,635	\$ 5,967
Total Assets	<u>\$ 9,602</u>	<u>\$ —</u>	<u>\$ 3,635</u>	<u>\$ 5,967</u>
<u>LIABILITIES</u>				
Due to Others	\$ 9,602	\$ —	\$ 3,635	\$ 5,967
Total Liabilities	<u>\$ 9,602</u>	<u>\$ —</u>	<u>\$ 3,635</u>	<u>\$ 5,967</u>
Take Stock in Children - Restricted				
<u>ASSETS</u>				
Cash and investments	\$ 21,566	\$ 53,746	\$ 47,923	\$ 27,389
Total Assets	<u>\$ 21,566</u>	<u>\$ 53,746</u>	<u>\$ 47,923</u>	<u>\$ 27,389</u>
<u>LIABILITIES</u>				
Due to Others	\$ 21,566	\$ 79,441	\$ 73,618	\$ 27,389
Total Liabilities	<u>\$ 21,566</u>	<u>\$ 79,441</u>	<u>\$ 73,618</u>	<u>\$ 27,389</u>

CITRUS COUNTY, FLORIDA
SHERIFF
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
ALL AGENCY FUNDS
SEPTEMBER 30, 2018

	BALANCE SEPTEMBER 30, 2017	ADDITIONS	DEDUCTIONS	BALANCE SEPTEMBER 30, 2018
TOTAL				
<u>ASSETS</u>				
Cash and investments	\$ 133,279	\$ 252,788	\$ 207,311	\$ 178,756
Assets held not forfeited	—	33,825	—	33,825
Total Assets	<u>\$ 133,279</u>	<u>\$ 286,613</u>	<u>\$ 207,311</u>	<u>\$ 212,581</u>
<u>LIABILITIES</u>				
Due to Others	\$ 130,109	\$ 188,428	\$ 108,926	\$ 209,611
Due to BOCC	3,170	57,740	57,940	2,970
Total Liabilities	<u>\$ 133,279</u>	<u>\$ 246,168</u>	<u>\$ 166,866</u>	<u>\$ 212,581</u>



**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***

To the Honorable Mike Prendergast,
Sheriff of Citrus County, Florida
Inverness, 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 Citrus County, Florida Sheriff (the “Sheriff”) as of and for the year ended September 30, 2018, and have issued our report thereon dated May 2, 2019. Our report includes a reference to other auditors who audited the Citrus County Sheriff’s Internal Service Fund, a fund of the Florida Sheriff’s Multiple Employers Trust, as described in our report on the Sheriff’s financial statements. This report does not include the results of the other auditor’s testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Sheriff’s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Sheriff’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Sheriff’s internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

To the Honorable Mike Prendergast,
Sheriff of Citrus County, Florida

Compliance and Other Matters

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

We noted certain other matters that we reported to management in a separate letter dated May 2, 2019.

Purpose of this Report

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

A handwritten signature in blue ink that reads "Moore Stephens Lovelace, P.A." The signature is written in a cursive style.

MOORE STEPHENS LOVELACE, P.A.
Certified Public Accountants

Orlando, Florida
May 2, 2019



INDEPENDENT AUDITOR'S MANAGEMENT LETTER

To the Honorable Mike Prendergast,
Sheriff of Citrus County, Florida
Inverness, Florida

We have audited the financial statements of the Citrus County, Florida Sheriff (the "Sheriff") as of and for the fiscal year ended September 30, 2018, and have issued our report thereon dated May 2, 2019.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and Chapter 10.550, *Rules of the Auditor General*.

Other Reporting Requirements

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* and our Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports, which are dated May 2, 2019, 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. Corrective actions were taken and the finding made in the preceding annual financial audit report has been addressed.

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 financial statements.

Financial Management

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

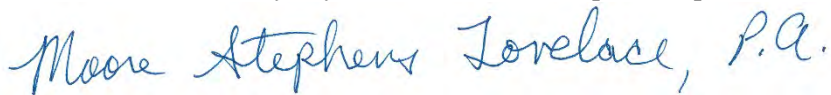
To the Honorable Mike Prendergast,
Sheriff of Citrus County, Florida

Additional Matters

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

Purpose of this letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, federal and other granting agencies, and applicable management and is not intended to be, and should not be, used by anyone other than these specified parties.

A handwritten signature in blue ink that reads "Moore Stephens Lovelace, P.A." The signature is written in a cursive, flowing style.

MOORE STEPHENS LOVELACE, P.A.
Certified Public Accountants

Orlando, Florida
May 2, 2019



INDEPENDENT ACCOUNTANT'S REPORT

To the Honorable Mike Prendergast,
Sheriff of Citrus County, Florida
Inverness, Florida

We have examined the Citrus County, Florida Sheriff's (the "Sheriff") compliance with the requirements of Section 218.415, Florida Statutes, during the year ended September 30, 2018. Management is responsible for the Sheriff's compliance with those requirements. Our responsibility is to express an opinion on the Sheriff's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Sheriff complied with those requirements. An examination involves performing procedures to obtain evidence about the Sheriff's compliance with those requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not provide a legal determination on the Sheriff's compliance with specified requirements.

In our opinion, the Sheriff complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2018.

Moore Stephens Lovelace, P.A.

MOORE STEPHENS LOVELACE, P.A.
Certified Public Accountants

Orlando, Florida
May 2, 2019



**TAX COLLECTOR
CITRUS COUNTY, FLORIDA**



**SPECIAL PURPOSE FINANCIAL STATEMENTS,
SUPPLEMENTARY INFORMATION
AND
INDEPENDENT AUDITOR'S REPORTS**

FOR THE YEAR ENDED SEPTEMBER 30, 2018

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INDEPENDENT AUDITOR'S REPORT

To the Honorable Janice A. Warren,
Tax Collector of Citrus County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the Citrus County, Florida Tax Collector (the "Tax Collector") as of and for the fiscal year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the Tax Collector'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 an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 Tax Collector'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 Tax Collector's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the respective financial position of the Tax Collector as of September 30, 2018, and the respective changes in financial position, and the budgetary comparison for the general fund for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America.

To the Honorable Janice A. Warren,
Tax Collector of Citrus County, Florida

Emphasis-of-Matter

As described in Note 1 to the financial statements, the accompanying financial statements were prepared for the purpose of complying with Section 218.39, Florida Statutes, and Section 10.557(3), *Rules of the Auditor General for Local Governmental Entity Audits*. These financial statements are not intended to be a complete presentation of the financial position of Citrus County, Florida as of September 30, 2018, and the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

The financial statements include certain prior-year summarized comparative information. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Tax Collector's financial statements for the year ended September 30, 2017, from which the summarized information was derived.

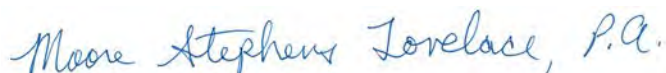
Other Matters

Supplemental Information

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The combining balance sheet - agency funds and the combining schedule of changes in assets and liabilities - agency funds, 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 accompanying supplemental information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain other 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 information is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 26, 2019, on our consideration of the Tax Collector's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Tax Collector's internal control over financial reporting and compliance.



MOORE STEPHENS LOVELACE, P.A.

Certified Public Accountants

Orlando, Florida
February 26, 2019

CITRUS COUNTY, FLORIDA
TAX COLLECTOR
BALANCE SHEET - GENERAL FUND
SEPTEMBER 30, 2018
(WITH COMPARATIVE AMOUNTS FOR 2017)

	2018	2017
<u>ASSETS</u>		
Cash	\$ 538,051	\$ 619,678
Due from other funds	—	—
Accounts receivable	106,963	97,726
TOTAL ASSETS	\$ 645,014	\$ 717,404
<u>LIABILITIES AND FUND BALANCE</u>		
LIABILITIES:		
Accounts payable	\$ 31,808	\$ 40,904
Due to Citrus County, Florida Board of County Commissioners	460,471	538,793
Accrued liabilities and payroll taxes	67,377	47,547
Due to other governments	15,320	17,885
Unearned funds	70,038	72,275
TOTAL LIABILITIES	645,014	717,404
Fund balance	—	—
TOTAL LIABILITIES AND FUND BALANCE	\$ 645,014	\$ 717,404

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

CITRUS COUNTY, FLORIDA
TAX COLLECTOR
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2018
(WITH COMPARATIVE AMOUNTS FOR 2017)

	2018	2017
Revenues:		
Commissions:		
Citrus County Board of County Commissioners	\$ 2,856,273	\$ 2,830,959
Other governmental units	151,965	149,067
Charges for services	1,717,117	1,659,771
Miscellaneous	7,108	6,932
Total Revenues	4,732,463	4,646,729
Expenditures:		
Current:		
General government	4,256,672	4,090,051
Total Expenditures	4,256,672	4,090,051
Excess of Revenues Over Expenditures	475,791	556,678
Other Financing Sources (Uses)		
Distribution of excess commissions to the Citrus County Board of County Commissioners	(460,471)	(538,793)
Distribution of excess commissions to other governmental units	(15,320)	(17,885)
Total Other Financing Sources (Uses)	(475,791)	(556,678)
Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	—	—
Fund Balance - October 1	—	—
Fund Balance - September 30	\$ —	\$ —

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

CITRUS COUNTY, FLORIDA
TAX COLLECTOR
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		
Revenues:				
Commissions:				
Citrus County Board of County Commissioners	\$ 2,829,302	\$ 2,829,302	\$ 2,856,273	\$ 26,971
Other governmental units	153,497	153,497	151,965	(1,532)
Charges for services	1,613,950	1,613,950	1,717,117	103,167
Miscellaneous	7,000	7,000	7,108	108
Total Revenues	<u>4,603,749</u>	<u>4,603,749</u>	<u>4,732,463</u>	<u>128,714</u>
Expenditures:				
Current:				
General government	4,595,079	4,595,079	4,256,672	338,407
Total Expenditures	<u>4,595,079</u>	<u>4,595,079</u>	<u>4,256,672</u>	<u>338,407</u>
Excess of Revenues Over Expenditures	8,670	8,670	475,791	467,121
Other Financing Sources (Uses)				
Distribution of excess commissions to the Citrus County Board of County Commissioners	(8,391)	(8,391)	(460,471)	(452,080)
Distribution of excess commissions to other governmental units	(279)	(279)	(15,320)	(15,041)
Total Other Financing Sources (Uses)	<u>(8,670)</u>	<u>(8,670)</u>	<u>(475,791)</u>	<u>(467,121)</u>
Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	—	—	—	—
Fund Balance - October 1	—	—	—	—
Fund Balance - September 30	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>

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

CITRUS COUNTY, FLORIDA
TAX COLLECTOR
BALANCE SHEET - AGENCY FUNDS
SEPTEMBER 30, 2018
(WITH COMPARATIVE AMOUNTS FOR 2017)

	2018	2017
<u>ASSETS</u>		
Cash	\$ 3,543,099	\$ 3,506,442
Accounts receivable	182,227	155,134
Due from other funds	—	—
TOTAL ASSETS	\$ 3,725,326	\$ 3,661,576
<u>LIABILITIES</u>		
Due to individuals	\$ 288,525	\$ 299,346
Due to other governments	3,436,801	3,362,230
TOTAL LIABILITIES	\$ 3,725,326	\$ 3,661,576

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

CITRUS COUNTY, FLORIDA
TAX COLLECTOR
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

THE REPORTING ENTITY

The Citrus County, Florida Tax Collector (the Tax Collector) is an elected constitutional officer, as provided for by the Constitution of the State of Florida. Pursuant to Chapter 195.087, Florida Statutes, the Tax Collector's budget is submitted to the Department of Revenue for approval, with a copy forwarded to the Citrus County, Florida Board of County Commissioners (the Board).

As an elected official of Citrus County, Florida, the Tax Collector is charged with responsibility for the collection of ad valorem taxes levied by the County, the School Board, special taxing districts, municipalities, and other taxes and fees levied by the County. The office is funded by fees charged based on the amount of collections. Additionally, the Tax Collector performs services for various state agencies. The following are the State of Florida agencies for which the Tax Collector collects fees:

Department of Highway Safety and Motor Vehicles-the Tax Collector serves as agent for the Division of Motor Vehicles, processes title applications and transfers, renews and issues license plates and decals, handles boat title transfers, and registers both pleasure and commercial boats on an annual basis.

The Tax Collector also serves as agent for the Division of Driver Licenses (a division of the Department of Highway Safety and Motor Vehicles), processing various Driver License services, including issuance and renewals, testing, reinstatements, replacements, name and address changes and other services.

Department of Highway Safety and Motor Vehicles-the Tax Collector serves as agent for the Division of Motor Vehicles, processes title applications and transfers, renews and issues license plates and decals, handles boat title transfers, and registers both pleasure and commercial boats on an annual basis.

Department of Health- issues copies of birth certificates

Department of Revenue-collects sales tax on vessels, motor vehicles, Sun Pass and Lemon Law fees.

Department of Environmental Protection-issues saltwater fishing licenses.

Florida Fish and Wildlife Conservation Commission-issues hunting and fishing permits and licenses; appoints subagents to issue licenses and permits.

These financial statements are fund financial statements that have been prepared in conformity with the reporting guidelines established by the Government Accounting Standards Board and are presented to comply with the requirements of Section 218.39, Florida Statutes, and Section 10.577(3) of the Rules of the Auditor General for Local Governmental Entity Audits. Accordingly, due to the omission of certain financial statement disclosures, including a management's discussion and analysis, these financial statements do not constitute a complete presentation of the financial position of the Tax Collector as of September 30, 2018, but otherwise constitute financial statements prepared in conformity with accounting principles generally accepted in the United States of America.

The financial activities of the Tax Collector, as a constitutional officer, are included in the Citrus County, Florida Comprehensive Annual Financial Report (CAFR).

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND BASIS OF PRESENTATION

Fund financial statements report detailed information about the Tax Collector. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is reported in a separate column.

Governmental Funds

Governmental funds are accounted for using the flow of current financial resources measurement focus. Only current assets and current liabilities, generally, are included on the balance sheet. Operating statements for this fund present increases (i.e., revenue and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets. The Tax Collector's major governmental fund is the general fund. The general fund is used to account for the general operations of the Tax Collector, and includes all transactions which are not accounted for in another fund.

The modified accrual basis of accounting is used by governmental funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become measurable and available to finance liabilities of the current fiscal year). For this purpose, the Tax Collector considers revenues to be available if they are collected within 60 days of the end of the current period. Expenditures are recorded when the related fund liability is incurred except for certain compensated absences, which are recognized as expenditures to the extent they have matured.

Interest income is recognized when earned and becomes measurable and available to pay liabilities of the current period.

Substantially all of the Tax Collector's revenue is received from taxing authorities. These monies are virtually unrestricted and are revocable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenue at the time of receipt; earlier if the "susceptible to accrual" criteria are met.

Florida Statutes provide that the amount by which revenues and transfers exceed annual expenditures be remitted to the Board of County Commissioners immediately following the fiscal year for which the funding was provided or following the fiscal year during which other revenue was recognized.

Florida Statutes further provide that the excess of revenue over expenditures held by the Tax Collector be distributed to each governmental agency in the same proportion as the commissions and fees paid by each governmental agency bear to total commission and fee revenues. The amounts of these distributions are recorded as liabilities and as other financing uses in the accompanying financial statements.

Capital outlays expended in the general fund operations are capitalized in the basic financial statements of the Board of County Commissioners rather than in the governmental funds of the Tax Collector.

Fiduciary Funds - Agency Funds

Agency funds are used to account for assets held by the Tax Collector in a trustee capacity or as an agent for individuals, private organizations, other governments and other funds. Agency funds are custodial in nature (assets equal liabilities), and do not involve measurement of results of operations or have a measurement focus. Agency funds are accounted for using the modified accrual basis of accounting.

CITRUS COUNTY, FLORIDA
TAX COLLECTOR
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

COMPENSATED ABSENCES

All full-time employees of the Tax Collector are entitled to annual vacation and sick leave with pay. Payments are included in operating costs when the payments are made to the employees. The Tax Collector does not, nor is she required to, accumulate financial resources for these unmatured obligations. Accordingly, the liability for compensated absences is not reported in the general fund but rather is reported in the basic financial statements of the Board of County Commissioners.

USE OF ESTIMATES

Management of the Tax Collector has made a number of estimates and assumptions relative to the reporting of assets and liabilities to prepare these financial statements in conformity with accounting principles generally accepted in the United States of America. Actual results could differ from those estimates.

COMPARATIVE DATA

The financial information for the year ended September 30, 2017, is presented for comparative purposes and is not intended to be a complete presentation.

NOTE 2: PROPERTY TAXES

Taxes in Citrus County are levied by the Board and other taxing authorities. The millage levies are determined on the basis of estimates of revenue needs and the total taxable valuations within the jurisdiction of the Board and other taxing authorities. No aggregate ad valorem tax millage in excess of 10 mills on the dollar can be levied by the Board of County Commissioners against property in the County, as specified in Florida Statutes, Section 200.071.

Each year the total taxable property valuation is established by the Citrus County, Florida Property Appraiser, and the list of property assessments is submitted to the State Department of Revenue for approval. Taxes, assessed as of January 1 of each year, are due and payable on November 1 of each year or as soon thereafter as the assessment roll is opened for collection. Pursuant to Florida law, all owners of property have the responsibility of ascertaining the amount due and paying it before April 1 of the year following the year in which the tax was assessed. 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. The list of property assessments is submitted to the Department of Revenue for approval.

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% 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.

CITRUS COUNTY, FLORIDA
 TAX COLLECTOR
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED SEPTEMBER 30, 2018

NOTE 2: PROPERTY TAXES (CONTINUED)

Any persons owning real property upon which a tax certificate has been sold may redeem the property by paying the Tax Collector 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 to do the same 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.

NOTE 3: BUDGETARY PROCESS

Florida Statute 195.087 governs the preparation, adoption and administration of the Tax Collector’s annual budget. On or before August 1, the Tax Collector submits to the Florida Department of Revenue for approval a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes the proposed expenditures for the upcoming year. Any subsequent amendments to the budget must be approved by the Florida Department of Revenue. The budget is prepared on a basis consistent with accounting principles generally accepted in the United States of America. The annual budget serves as the legal authorization for expenditures. Budgetary control is maintained at the departmental major object level. Expenditures may not legally exceed appropriations at the fund level. Appropriations lapse at year end. Budgetary changes within major object expenditure categories are made at the discretion of the Tax Collector.

The original budget is the first completed appropriated budget. The final budget is the original budget adjusted for all reserves, transfers, allocations, supplemental appropriations and other legally authorized changes applicable to the fiscal year, whenever legally authorized.

NOTE 4: CASH AND INVESTMENTS

The Tax Collector maintains deposits with financial institutions. Such deposits 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 which 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 public deposits are made in accordance with Chapter 280, no public depositor shall be liable for any loss thereon. As of September 30, 2018, the following deposits and cash on hand were held:

Type	Carrying Amount and Fair Value
Cash on Hand	\$ 13,246
Amount Insured by FDIC	501,592
Amount Collateralized Under Chapter 280 of the Florida Statutes	3,566,312
Total	<u>\$ 4,081,150</u>

CITRUS COUNTY, FLORIDA
TAX COLLECTOR
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

NOTE 4: CASH AND INVESTMENTS (CONTINUED)

Such amounts are reported as cash in the general fund of \$538,051 and cash in the agency funds of \$3,543,099.

Florida Statute 218.415(17) states that units of local government electing not to adopt a written investment policy may invest or reinvest any surplus public funds in their control or possession in:

- a. The Local Government Surplus Funds Trust Fund or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act, as provided in Florida Statute 163.01.
- b. Security and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency.
- c. Interest-bearing time deposits or savings accounts in qualified public depositories, as defined in Florida Statute 280.02.
- d. Direct obligations of the U.S. Treasury.

NOTE 5: EMPLOYEE RETIREMENT PLAN

The Tax Collector'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 Tax Collector'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. The Tax Collector participates in the Elected State Officers' Class. Contribution rates are established statewide for all participating governmental units. Accordingly, the actuarial information and related disclosures attributable to the Tax Collector's employees are not determinable. Employees who were hired prior to June 30, 2011 are "grandfathered" into the original plan. The employees can retire at or after age 62 with 6 years of credited service, or with 30 years of service regardless of age and are entitled to a retirement benefit payable monthly for life, equal to 1.6% for each year of credited service times their average final compensation. For employees hired as of July 1, 2012, they can retire at or after age 65 with 8 years of credited service, or with 33 years of service regardless of age, and are entitled to a retirement benefit payable monthly for life, equal to 1.6% for each year of credited service times their average final compensation.

Average final compensation is the employee's average of the 5 highest years for those hired prior to July 1, 2011 and 8 highest years for those hired after June 30, 2011, of salary earned during credited service. Vested employees (depending on when started) may retire before age 62 or 65 and receive benefits that are reduced 5% for each year prior to normal retirement age or date. The FRS also provides death and disability benefits. Benefits are established by Chapter 121, Florida Statutes, and Chapter 22B, Florida Administrative Code.

The Deferred Retirement Option Program (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

CITRUS COUNTY, FLORIDA
TAX COLLECTOR
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

NOTE 5: EMPLOYEE RETIREMENT PLAN (CONTINUED)

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 the time of termination of employment, 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 Tax Collector is required to contribute an actuarially determined rate, as are employees (3%) as of July 1, 2011. The current rate is 45.5% for County elected officers, 22.71% for Senior Management Service (SMS), 7.92% for regular employees and 13.26% for DROP employees (DROP employees do not have to contribute 3% of their pay, as they are already considered retired). The contribution requirements of the Tax Collector are established and may be amended by the State of Florida. The Tax Collector's contributions to the plan for the years ended September 30, 2016, 2017 and 2018, were \$213,710, \$265,273, and \$202,507 respectively, equal to the required contributions for each year. Effective, July 1, 2011, employees were required to contribute 3% towards the FRS. Employee withholdings for this purpose amounted to \$61,806, \$54,275, and \$47,245 for the fiscal years ended September 30, 2016, 2017 and 2018, respectively, which were equal to the required contribution for each fiscal year.

For financial reporting purposes, the Tax Collector is deemed to be part of the primary government of Citrus County, Florida. The liability, if any, related to the Tax Collector's proportionate share of FRS retirement benefits, along with a detailed plan description, is reported in the financial statements of Citrus County, Florida for the fiscal year ended September 30, 2018.

NOTE 6: CAPITAL ASSETS

The tangible personal property used by the Tax Collector is reported in the basic financial statements of the Board of County Commissioners. Upon acquisition, such assets are recorded as expenditures in the general fund of the Tax Collector and are capitalized at cost in the basic financial statements of the Board. The Tax Collector maintains custodial responsibility for the capital assets used by its office. No depreciation expense has been provided on capital assets in these financial statements. However, depreciation expense will be recorded in the basic financial statements of the Board.

CITRUS COUNTY, FLORIDA
 TAX COLLECTOR
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED SEPTEMBER 30, 2018

NOTE 7: LONG-TERM LIABILITIES

The following is a summary of changes in general long-term liabilities that are reported in the basic financial statements of the Board:

	October 1, 2017	Increases	Decreases	September 30, 2018
Compensated Absences	\$39,612	\$35,517	\$39,612	\$35,517

These long-term liabilities are not reported in the financial statements of the Tax Collector, since they have not matured.

NOTE 8: SELF-INSURANCE FUND

The Tax Collector participates in a self-insurance fund (an internal service fund) for its liability, property, and group dental coverage, which is administered by the Board of County Commissioners on a countywide basis.

Type of Coverage	Limits	
	Per Claim	Per Occurrence
Property and Crime		
Crime	\$ 5,000	\$ 5,000
Computer Fraud	100,000	100,000
Theft, Disappearance & Destruction	150,000	150,000
Forgery or Alteration	200,000	200,000
Employee Dishonesty	500,000	500,000
General Liability	100,000	100,000
Automobile Liability	100,000	100,000

The Tax Collector has no obligation to fund any portion of the insurance premiums for the self-insurance fund. Premiums are funded out of the Board of County Commissioners’ budget. In addition, the Tax Collector has no risk exposure for claims in excess of insurance coverage. There have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year or prior three years.

NOTE 9: POST-EMPLOYMENT HEALTHCARE BENEFITS

During fiscal year 2018, the County implemented GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The objective of Statement No. 75 is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). This Statement requires the recognition of the total OPEB liability on the face of the financial statements. In addition to the note disclosures that were previously

CITRUS COUNTY, FLORIDA
TAX COLLECTOR
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

NOTE 9: POST-EMPLOYMENT HEALTHCARE BENEFITS (CONTINUED)

required for OPEB under GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, the standard requires extensive disclosures and required supplementary information related to the OPEB liability. For financial statements purposes, the Supervisor of Elections is deemed to be part of the primary government of Citrus County, Florida. As such, for the fiscal year ended September 30, 2018, the Tax Collector's OPEB liability and related OPEB disclosures are included in the County's CAFR.

CITRUS COUNTY, FLORIDA
TAX COLLECTOR
COMBINING BALANCE SHEET - AGENCY FUNDS
SEPTEMBER 30, 2018
(WITH COMPARATIVE AMOUNTS FOR 2017)

	<u>PROPERTY TAXES</u>	<u>ESCROW ACCT</u>	<u>TOTALS</u>
<u>ASSETS</u>			
Cash	\$ 3,541,507	\$ 1,592	\$ 3,543,099
Accounts receivable	182,227	—	182,227
Due from other funds	—	—	—
TOTAL ASSETS	<u>\$ 3,723,734</u>	<u>\$ 1,592</u>	<u>\$ 3,725,326</u>
<u>LIABILITIES</u>			
Due to individuals	\$ 286,933	\$ 1,592	\$ 288,525
Due to other governments	3,436,801	—	3,436,801
TOTAL LIABILITIES	<u>\$ 3,723,734</u>	<u>\$ 1,592</u>	<u>\$ 3,725,326</u>

CITRUS COUNTY, FLORIDA
TAX COLLECTOR
COMBINING SCHEDULE OF CHANGES IN NET ASSETS AND
LIABILITIES - ALL AGENCY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	BALANCE OCTOBER 1, 2017	ADDITIONS	DEDUCTIONS	BALANCE SEPTEMBER 30, 2018
PROPERTY TAXES				
ASSETS				
Cash	\$ 3,501,929	\$ 174,233,495	\$ 174,193,917	\$ 3,541,507
Accounts receivable	155,134	15,915,626	15,888,533	182,227
Due from other funds	—	—	—	—
TOTAL ASSETS	<u>\$ 3,657,063</u>	<u>\$ 190,149,121</u>	<u>\$ 190,082,450</u>	<u>\$ 3,723,734</u>
LIABILITIES				
Due to other individuals	\$ 294,833	\$ 8,444,347	\$ 8,452,247	\$ 286,933
Due to other funds	—	—	—	—
Due to other governments	3,362,230	169,022,493	168,947,922	3,436,801
TOTAL LIABILITIES	<u>\$ 3,657,063</u>	<u>\$ 177,466,840</u>	<u>\$ 177,400,169</u>	<u>\$ 3,723,734</u>
ESCROW ACCOUNT				
ASSETS				
Cash	\$ 4,513	\$ 7,822	\$ 10,743	\$ 1,592
TOTAL ASSETS	<u>\$ 4,513</u>	<u>\$ 7,822</u>	<u>\$ 10,743</u>	<u>\$ 1,592</u>
LIABILITIES				
Due to individuals	\$ 4,513	\$ 7,822	\$ 10,743	\$ 1,592
TOTAL LIABILITIES	<u>\$ 4,513</u>	<u>\$ 7,822</u>	<u>\$ 10,743</u>	<u>\$ 1,592</u>
TOTAL ALL AGENCY FUNDS				
ASSETS				
Cash	\$ 3,506,442	\$ 174,241,317	\$ 174,204,660	\$ 3,543,099
Accounts receivable	155,134	15,915,626	15,888,533	182,227
Due from other funds	—	—	—	—
TOTAL ASSETS	<u>\$ 3,661,576</u>	<u>\$ 190,156,943</u>	<u>\$ 190,093,193</u>	<u>\$ 3,725,326</u>
LIABILITIES				
Due to other individuals	\$ 299,346	\$ 8,452,169	\$ 8,462,990	\$ 288,525
Due to other funds	—	—	—	—
Due to other governments	3,362,230	169,022,493	168,947,922	3,436,801
TOTAL LIABILITIES	<u>\$ 3,661,576</u>	<u>\$ 177,474,662</u>	<u>\$ 177,410,912</u>	<u>\$ 3,725,326</u>



**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***

To the Honorable Janice A. Warren,
Tax Collector of 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 Citrus County, Florida Tax Collector (the "Tax Collector") as of and for the fiscal year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the Tax Collector's basic financial statements and have issued our report thereon dated February 26, 2019.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Tax Collector's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Tax Collector's internal control. Accordingly, we do not express an opinion on the effectiveness of the Tax Collector's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

To the Honorable Janice A. Warren,
Tax Collector of Citrus County, Florida

Compliance and Other Matters

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

We noted certain other matters that we reported to management in a separate letter dated February 26, 2019.

Purpose of this Report

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

Moore Stephens Lovelace, P.A.

MOORE STEPHENS LOVELACE, P.A.

Certified Public Accountants

Orlando, Florida
February 26, 2019



INDEPENDENT AUDITOR'S MANAGEMENT LETTER

To the Honorable Janice A. Warren,
Tax Collector of Citrus County, Florida

We have audited the financial statements of the Citrus County, Florida Tax Collector (the "Tax Collector") as of and for the fiscal year ended September 30, 2018, and have issued our report thereon dated February 26, 2019.

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; and Chapter 10.550, *Rules of the Auditor General*.

Other Reporting Requirements

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* and our Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports, which are dated February 26, 2019, 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. In connection with the preceding audit, there were no findings or recommendations.

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 Management

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.

To the Honorable Janice A. Warren,
Tax Collector of Citrus County, Florida

Other Matters

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

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, federal and other granting agencies, and 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
February 26, 2019



INDEPENDENT ACCOUNTANT'S REPORT

To the Honorable Janice A. Warren,
Tax Collector of Citrus County, Florida

We have examined the Citrus County, Florida Tax Collector's (the "Tax Collector") compliance with the requirements of Section 218.415, Florida Statutes, during the year ended September 30, 2018. Management is responsible for the Tax Collector's compliance with those requirements. Our responsibility is to express an opinion on the Tax Collector's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Tax Collector complied with those requirements. An examination involves performing procedures to obtain evidence about the Tax Collector's compliance with those requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not provide a legal determination on the Tax Collector's compliance with specified requirements.

In our opinion, the Tax Collector complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2018.

Moore Stephens Lovelace, P.A.

MOORE STEPHENS LOVELACE, P.A.
Certified Public Accountants

Orlando, Florida
February 26, 2019



**PROPERTY APPRAISER
CITRUS COUNTY, FLORIDA**



**SPECIAL PURPOSE FINANCIAL STATEMENTS, SUPPLEMENTARY
INFORMATION
AND
INDEPENDENT AUDITOR'S REPORTS
FOR THE YEAR ENDED SEPTEMBER 30, 2018**



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INDEPENDENT AUDITOR'S REPORT

To the Honorable Les Cook,
Property Appraiser of Citrus County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the Citrus County, Florida Property Appraiser (the Property Appraiser) as of and for the fiscal year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the Property Appraiser'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 an opinion on these financial statements based on our audit. We did not audit the financial statements of the Citrus Information Cooperative proprietary fund. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Property Appraiser, is based solely on the report of the 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 Property Appraiser'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 Property Appraiser's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

To the Honorable Les Cook,
Property Appraiser of Citrus County, Florida

Opinion

In our opinion, based on our audit and the reports of the other auditor, the financial statements referred to in the first paragraph present fairly, in all material respects, the respective financial position of the Property Appraiser as of September 30, 2018, and the respective changes in financial position, and the budgetary comparison for the general fund for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America.

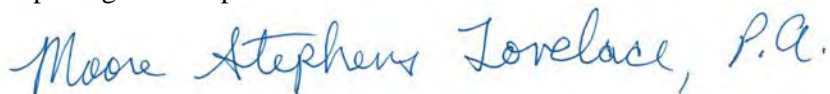
Emphasis-of-Matter

As described in Note 1 to the financial statements, the accompanying financial statements were prepared for the purpose of complying with Section 218.39, Florida Statutes, and Section 10.557(3), *Rules of the Auditor General for Local Governmental Entity Audits*. These financial statements are not intended to be a complete presentation of the financial position of Citrus County, Florida as of September 30, 2018, and the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

The financial statements include certain prior-year summarized comparative information. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Property Appraiser's financial statements for the year ended September 30, 2017, from which the summarized information was derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 5, 2019, on our consideration of the Property Appraiser's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. 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 Property Appraiser's internal control over financial reporting and compliance.



MOORE STEPHENS LOVELACE, P.A.

Certified Public Accountants

Orlando, Florida

April 5, 2019

CITRUS COUNTY, FLORIDA
PROPERTY APPRAISER
BALANCE SHEET - GENERAL FUND
SEPTEMBER 30, 2018
(WITH COMPARATIVE AMOUNTS FOR 2017)

	2018	2017
<u>ASSETS</u>		
Cash	\$ 280,092	\$ 187,865
Accounts receivable	3,816	160
Due from other governments	6	26
Due from CIC	10,140	8,893
TOTAL ASSETS	\$ 294,054	\$ 196,944
<u>LIABILITIES AND FUND BALANCE</u>		
LIABILITIES:		
Accounts payable	\$ 22,647	\$ 24,872
Accrued liabilities	52,063	70,864
Due to CIC	120,000	—
Due to Citrus County, Florida Board of County Commissioners	91,556	93,412
Excess fees due other governments	7,788	7,796
TOTAL LIABILITIES	\$ 294,054	\$ 196,944
Fund balance	—	—
TOTAL LIABILITIES AND FUND BALANCE	\$ 294,054	\$ 196,944

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

CITRUS COUNTY, FLORIDA
PROPERTY APPRAISER
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2018
(WITH COMPARATIVE AMOUNTS FOR 2017)

	2018	2017
Revenues:		
Intergovernmental revenue:		
Citrus County, Florida Board of County Commissioners	\$ 3,360,112	\$ 3,362,906
Other taxing districts	285,840	280,631
Total Revenues	3,645,952	3,643,537
Expenditures:		
General government	3,426,608	3,417,329
Total Expenditures	3,426,608	3,417,329
Excess of Revenues Over Expenditures	219,344	226,208
Other Financing (Uses)		
Operating transfers out	(120,000)	(125,000)
Distribution of excess appropriations to the Citrus County, Florida Board of County Commissioners	(91,640)	(93,412)
Distribution of excess commissions to other governmental units	(7,704)	(7,796)
Total Other Financing (Uses)	(219,344)	(226,208)
Excess of Revenues Over Expenditures and Other Financing Uses	—	—
Fund Balance - October 1	—	—
Fund Balance - September 30	\$ —	\$ —

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

CITRUS COUNTY, FLORIDA
PROPERTY APPRAISER
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		
Revenues:				
Intergovernmental revenue:				
Citrus County, Florida Board of County Commissioners	\$ 3,377,824	\$ 3,383,151	\$ 3,360,112	\$ (23,039)
Other taxing districts	287,348	287,801	285,840	(1,961)
Total Revenues	<u>3,665,172</u>	<u>3,670,952</u>	<u>3,645,952</u>	<u>(25,000)</u>
Expenditures:				
Current:				
General government	3,665,172	3,670,952	3,426,608	244,344
Total Expenditures	<u>3,665,172</u>	<u>3,670,952</u>	<u>3,426,608</u>	<u>244,344</u>
Excess of Revenues Over Expenditures	—	—	219,344	219,344
Other Financing Sources (Uses)				
Transfers out:				
Operating transfers out	—	—	(120,000)	(120,000)
Distribution of excess appropriations to the Citrus County, Florida Board of County Commissioners	—	—	(91,640)	(91,640)
Distribution of excess commissions to other governmental units	—	—	(7,704)	(7,704)
Total Other Financing Uses	<u>—</u>	<u>—</u>	<u>(219,344)</u>	<u>(219,344)</u>
Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Fund Balance - October 1	—	—	—	—
Fund Balance - September 30	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>

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

CITRUS COUNTY, FLORIDA
PROPERTY APPRAISER
COMPARATIVE STATEMENT OF NET POSITION -
PROPRIETARY FUND -
CITRUS INFORMATION COOPERATIVE
FOR THE YEAR ENDED SEPTEMBER 30, 2018
(WITH COMPARATIVE AMOUNTS FOR 2017)

	2018	2017
Assets		
Current Assets:		
Cash	\$ 986,441	\$ 1,029,482
Accounts receivable	—	18
Due from other governments	120,060	—
Prepaid items	3,642	3,642
Total Current Assets	1,110,143	1,033,142
Noncurrent Assets:		
Capital Assets:		
Equipment	235,826	224,528
Less: Accumulated depreciation	(186,922)	(207,030)
Total capital assets	48,904	17,498
Total Noncurrent Assets	48,904	17,498
Total Assets	1,159,047	1,050,640
Liabilities		
Current Liabilities:		
Accounts payable	763	615
Due to Property Appraiser	10,140	8,893
Unearned revenue	184,078	170,777
Total Liabilities	194,981	180,285
Net Position		
Investment in capital assets	48,904	17,498
Restricted	520,000	500,000
Unrestricted	395,162	352,857
Total Net Position	\$ 964,066	\$ 870,355

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

CITRUS COUNTY, FLORIDA
PROPERTY APPRAISER
COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION - PROPRIETARY FUND
CITRUS INFORMATION COOPERATIVE
FOR THE YEAR ENDED SEPTEMBER 30, 2018
(WITH COMPARATIVE AMOUNTS FOR 2017)

	<u>2018</u>	<u>2017</u>
Operating Revenues:		
Charges for Services	\$ 935,436	\$ 898,475
Total Operating Revenues	<u>935,436</u>	<u>898,475</u>
Operating Expenses:		
Contractual services	576,212	508,059
Other operating expenses	374,586	432,393
Depreciation	10,927	8,203
Total Operating Expenses	<u>961,725</u>	<u>948,655</u>
Operating Income/(Loss) before transfers	(26,289)	(50,180)
Transfers in	<u>120,000</u>	<u>125,000</u>
Change in Net Position	93,711	74,820
Net Position, Beginning of Year	870,355	795,535
Net Position, End of Year	<u>\$ 964,066</u>	<u>\$ 870,355</u>

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

CITRUS COUNTY, FLORIDA
 COMPARATIVE STATEMENT OF CASH FLOWS
 PROPRIETARY FUND -
 CITRUS INFORMATION COOPERATIVE
 FOR THE YEAR ENDED SEPTEMBER 30, 2018

Cash flows from operating activities:		
Cash received from members	\$ 828,695	\$ 1,071,756
Cash payments to suppliers for goods and services	<u>(949,403)</u>	<u>(938,102)</u>
Net cash provided by (used for) operating activities	<u>(120,708)</u>	<u>133,654</u>
Cash flows from non-capital financing activities		
Operating transfers in	<u>120,000</u>	<u>125,000</u>
Net cash provided by non-capital financing activities	120,000	125,000
Cash flows from capital and related financing activities		
Acquisition of capital assets	<u>(42,333)</u>	<u>(10,525)</u>
Net cash used by capital and related financing activities	<u>(42,333)</u>	<u>(10,525)</u>
Cash flows from investing activities		
Interest received	<u>—</u>	<u>—</u>
Net decrease in cash	(43,041)	248,129
Cash at beginning of year	1,029,482	781,353
Cash at end of year	<u>\$ 986,441</u>	<u>\$ 1,029,482</u>
Reconciliation of operating income to net cash used by operating activities		
Operating Loss	\$ (26,289)	\$ (50,180)
Adjustments to reconcile operating loss to net cash used by operating activities:		
Depreciation	10,927	8,203
Changes in assets and liabilities:		
(Increase)/Decrease in Accounts Receivable	18	(18)
(Increase)/Decrease in Due from Other Governments	(120,060)	160,000
(increase)/Decrease in Prepaid Items	—	3,542
Increase/(Decrease) in Accounts Payable	148	(1,606)
Increase/(Decrease) in Unearned Revenue	13,301	13,300
Increase/(Decrease) in Due to Other Governments	1,247	413
Total Adjustments	<u>(94,419)</u>	<u>183,834</u>
Net cash provided by (used for) operating activities	<u>\$ (120,708)</u>	<u>\$ 133,654</u>

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

CITRUS COUNTY, FLORIDA
PROPERTY APPRAISER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Reporting Entity

The Citrus County, Florida Property Appraiser (the Property Appraiser) is an elected constitutional officer, as provided for by the Constitution of the State of Florida. Pursuant to Chapters 129 and 195, Florida Statutes, the Property Appraiser's budget is submitted to the Florida Department of Revenue for approval, and a copy is forwarded to the Citrus County, Florida Board of County Commissioners (the Board).

The financial statements presented include the general fund and blended component unit of the Property Appraiser's office. The financial statements were prepared for the purpose of complying with Section 218.39, Florida Statutes, and Section 10.557(3), Rules of the Auditor General for Local Governmental Entity Audits.

The financial activities of the Property Appraiser, as a constitutional officer, are included in the Citrus County, Florida Comprehensive Annual Financial Report.

The blended component unit is a legally separate entity that is in substance part of the Property Appraiser's operation, as it either has a governing body that is substantively the same as the Property Appraiser or it provides services exclusively or almost exclusively to the Property Appraiser. The financial transactions of the component unit are presented as a proprietary fund in the financial statements.

The Property Appraiser, in determining what potential component entities should be included for financial reporting purposes, considered accountability for fiscal matters, scope of public service, and special financing relationships. Fiscal accountability, the most significant of all the criteria, refers to conditions of financial interdependency between two entities, including budgetary adoption, taxing authority, responsibility for debt and control over or responsibility for financial management. The scope of public service evaluates the benefits derived in terms of the citizenry served or the geographic boundaries included. Based upon the application of these criteria, the following is a brief review of the component unit addressed in defining the Property Appraiser's reporting entity.

The governing body of the Citrus Information Cooperative (the CIC) is made up of one member from each participant and governs the activities and administration of the CIC.

The participants consist of the Property Appraiser and the cities of Inverness and Crystal River. The CIC was financially dependent on funds provided by the Property Appraiser, and the Property Appraiser was able to impose his will on the CIC. Accordingly, the CIC is reported as a blended component unit of the Property Appraiser. The CIC is audited separately from the general fund of the Property Appraiser. Specific individual information on the CIC is available at the office of the Property Appraiser's Finance Dept.

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. The Property Appraiser paid \$752,111 to CIC for these services during the year ended September 30, 2018.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting and Basis of Presentation

Fund financial statements report detailed information about the Property Appraiser. The focus of fund financial statements is on major funds, rather than reporting funds by type. Each major fund is reported in a separate column.

Governmental funds

Governmental funds are accounted for using the flow of current financial resources measurement focus. Only current assets and current liabilities, generally, are included in the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets. The Property Appraiser's major governmental fund is the general fund. The general fund is used to account for the general operations of the Property Appraiser and includes all transactions which are not accounted for in other funds.

Enterprise Funds

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

The modified accrual basis of accounting is used by governmental funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become measurable and available to finance liabilities of the current fiscal year). For this purpose, the Property Appraiser considers revenues to be available if they are collected within 60 days of the end of the current period. Expenditures are recorded when the related fund liability is incurred, except for compensated absences, which are recognized as expenditures to the extent they have matured.

Interest income and other revenue are recognized as they are earned and become measurable and available to pay liabilities of the current period.

Substantially all of the Property Appraiser's revenue is received from taxing authorities. These monies are virtually unrestricted and are revocable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenue at the time of receipt; earlier if the "susceptible to accrual" criteria are met.

Florida Statutes provide that the amount by which revenues and transfers exceed annual expenditures be remitted to the Citrus County, Florida Board of County Commissioners immediately following the fiscal year during which the other revenue was recognized. Florida Statutes further provide that the excess of revenues over expenditures held by the Property Appraiser be distributed to each governmental agency in the same proportion as the fees paid by each governmental agency bear to total fee revenue. The amount of this distribution is recorded as a liability and as another financing use in the accompanying financial statements. Capital outlays expended in the governmental funds' operations are capitalized in the basic financial statements of the Board of County Commissioners, rather than in the governmental funds of the Property Appraiser.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Proprietary Fund Capital Assets

Capital assets used in the proprietary funds are recorded at cost. Donated capital assets are valued at their acquisition value on the date received. Expenses incurred to maintain these assets are charged to expense when incurred. Costs incurred that significantly increase the useful life of the asset are capitalized.

Depreciation of all exhaustible capital assets used by proprietary funds is charged as an expense against operations. Accumulated depreciation is reported on the proprietary fund balance sheets. Depreciation has been provided over the estimated useful lives using the straight-line method.

Compensated Absences

All full-time employees of the Property Appraiser are entitled to paid time off. Upon termination, the employee is paid for accumulated and unused paid time off. Paid time off payments are included in operating costs when the payments are made to the employees. The Property Appraiser does not, nor is he legally required to, accumulate financial resources for these un-matured obligations. Accordingly, the liability for compensated absences is not reported in the governmental funds, but rather is reported in the basic financial statements of the Board of County Commissioners.

Use of Estimates

Management of the Property Appraiser has made estimates and assumptions relative to the reporting of assets and liabilities to prepare these financial statements in conformity with accounting principles generally accepted in the United States of America. Actual results could differ from those estimates.

Comparative Data

The financial information for the year ended September 30, 2017 is presented for comparative purposes and is not intended to be a complete presentation.

Restricted Net Position

In the accompanying statement of net position, restricted net position is subject to restrictions beyond CIC's control. 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 obligation. It is the practice of the CIC to utilize restricted assets before unrestricted assets.

NOTE 2: BUDGETARY PROCESS

Florida Statute 195.087 governs the preparation, adoption, and administration of the Property Appraiser's annual budget. The Property Appraiser prepares a budget for the general fund and submits it to the Florida Department of Revenue for approval. Any subsequent amendments to the Property Appraiser's total budget must be approved by the Florida Department of Revenue. The budget is prepared on a basis consistent with accounting principles generally accepted in the United States of America. The annual budget serves as the legal authorization for expenditures. Budgetary control is maintained at the major object expenditure level. Expenditures may not legally exceed appropriations at the fund level. Appropriations lapse at year end. Budgetary changes within major object expenditure categories are made at the discretion of the Property Appraiser. Generally the final and actual budget does not have such a significant variance.

CITRUS COUNTY, FLORIDA
 PROPERTY APPRAISER
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED SEPTEMBER 30, 2018

NOTE 3: CAPITAL ASSETS

The tangible personal property used by the Property Appraiser is capitalized in the basic financial statements of the Board of County Commissioners, rather than in the governmental funds of the Property Appraiser. Upon acquisition, such assets are recorded as expenditures in the governmental funds of the Property Appraiser, and are capitalized at cost in the basic financial statements of the Board. The Property Appraiser maintains custodial responsibility for the fixed assets used by the office. The office space used in the Property Appraiser’s operations is provided at no cost by the Board of County Commissioners. No depreciation expense has been provided on capital assets in these financial statements. However, depreciation expense on these capital assets will be recorded in the basic financial statements of the Board.

Capital assets purchased by 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.

NOTE 4: LONG-TERM LIABILITIES

The following is a summary of changes in general long-term liabilities, which are reported in the basic financial statements of the Board of County Commissioners:

	October 1, 2017	Increases	Decreases	September 30, 2018	Due within One Year
Accrued Compensated Absences	\$137,500	\$186,927	\$190,730	\$133,697	\$133,697

These long-term liabilities are not reported in the financial statements of the Property Appraiser since they have not matured.

NOTE 5: CASH

The Property Appraiser maintains cash solely in money market accounts. Such deposits 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 public deposits are made in accordance with Chapter 280, no public depositor shall be liable for any loss thereon. As of September 30, 2018, the following deposits were held:

	Property Appraiser	CIC
Amount Collateralized Under Chapter 280, Florida Statutes	\$ 280,092	\$ 986,441

CITRUS COUNTY, FLORIDA
PROPERTY APPRAISER
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

NOTE 6: RETIREMENT SYSTEM

The Property Appraiser'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 Property Appraiser'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 Property Appraiser's employees are not determinable.

Employees who retire at or after age 62 with 6 or 8 years of credited service (depending on your hire date), or with 30 years of service regardless of age, are entitled to a retirement benefit, payable monthly for life, equal to 1.6% for each year of credited service times their average final compensation. Final average compensation is the employee's average of the five highest years of salary earned during credited service. Vested employees may retire before age 62 and receive benefits that are reduced 5% for each year prior to normal retirement age or date. The System also provides death and disability benefits. Benefits are established by Chapter 121, Florida Statutes, and Chapter 90S, Florida Administrative Code.

The Deferred Retirement Option Program (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 the time of termination of employment, 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 Property Appraiser is required to contribute an actuarially determined rate. The current rate is 42.47% of annual covered payroll for county elected officers, 7.52% for regular employees, 21.77% for senior management and 12.99% for the DROP employees. The contribution requirements of the Property Appraiser are established and may be amended by the State of Florida. The Property Appraiser's contributions to the plan for the years ended September 30, 2018, 2017, and 2016, were \$217,400, \$206,523, and \$207,142, respectively, equal to the required contributions for each year.

Effective July 1, 2011, employees were required to contribute 3% towards the FRS. Employee withholdings for this purpose amounted to \$55,625 for the fiscal year ended September 30, 2018.

CITRUS COUNTY, FLORIDA
 PROPERTY APPRAISER
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED SEPTEMBER 30, 2018

NOTE 6: RETIREMENT SYSTEM (CONTINUED)

For financial reporting purposes, the Property Appraiser is deemed to be part of the primary government of Citrus County, Florida. The liability, if any, related to the Property Appraiser’s proportionate share of FRS retirement benefits, along with a detailed plan description, is reported in the financial statements of Citrus County, Florida for the fiscal year ended September 30, 2018.

NOTE 7: ENTERPRISE FUND CAPITAL ASSETS

A summary of enterprise fund property and equipment is as follows:

	Cost	Accumulated Depreciation	Book Value	Estimated Useful Lives - Years
Equipment	\$ 235,826	\$ 186,922	\$ 48,904	3 - 5

Depreciation expense for the year ended September 30, 2018 was \$10,927.

NOTE 8: SELF-INSURANCE FUND

The Property Appraiser participates in a self-insurance fund (an internal service fund) for its liability, property and group dental coverage, which is administered by the Citrus County Board of County Commissioners on a County-wide basis. The Self-Insurance Fund of Citrus County, Florida covers claims on losses up to the following limits:

Type of Coverage	Limits	
	Per Claim	Per Occurrence
Property and Crime		
Computer Fraud	\$ 100,000	\$ 100,000
Theft, Disappearance & Destruction	150,000	150,000
Forgery or Alteration	200,000	200,000
Employee Dishonesty	500,000	500,000
General Liability	200,000	200,000
Automobile Liability	200,000	200,000
Dental - only	\$1,000 per year per person	

Except for dental insurance, the Property Appraiser has no obligation to fund any portion of the insurance premiums for the self-insurance fund. Premiums are funded out of the Board of County Commissioners’ budget. In addition, the Property Appraiser has no risk exposure for claims in excess of insurance coverage. There has been no significant reduction in insurance coverage for the past three years.

CITRUS COUNTY, FLORIDA
 PROPERTY APPRAISER
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED SEPTEMBER 30, 2018

NOTE 9: COMMITMENT

The CIC entered into a multi-year agreement for imaging services and software and data licenses. The agreement requires future payments according to the following schedule.

Year	Amount
2018	\$ 297,497
2019	297,497
2020	82,551
2021	82,551
	\$ 760,096

NOTE 10: POST-EMPLOYMENT HEALTHCARE BENEFITS

During fiscal year 2018, the County implemented GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The objective of Statement No. 75 is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). This Statement requires the recognition of the total OPEB liability on the face of the financial statements. In addition to the note disclosures that were previously required for OPEB under GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, the standard requires extensive disclosures and required supplementary information related to the OPEB liability. For financial statements purposes, the Supervisor of Elections is deemed to be part of the primary government of Citrus County, Florida. As such, for the fiscal year ended September 30, 2018, the Property Appraiser's OPEB liability and related OPEB disclosures are included in the County's CAFR.





**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***

To the Honorable Les Cook,
Property Appraiser of Citrus County, Florida

We have audited the financial statements of the general fund of the Citrus County, Florida Property Appraiser (the Property Appraiser) as of and for the year ended September 30, 2018, and have issued our report thereon dated April 5, 2019. 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. Other auditors audited the financial statements of the Citrus Information Cooperative, as described in our report on the Property Appraiser's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Property Appraiser's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Property Appraiser's internal control. Accordingly, we do not express an opinion on the effectiveness of the Property Appraiser's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

To the Honorable Les Cook,
Property Appraiser of Citrus County, Florida

Compliance and Other Matters

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

We noted certain other matters that we reported to management in a separate letter dated April 5, 2019.

Purpose of this Report

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

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

MOORE STEPHENS LOVELACE, P.A.
Certified Public Accountants

Orlando, Florida
April 5, 2019



INDEPENDENT AUDITOR'S MANAGEMENT LETTER

To the Honorable Les Cook,
Property Appraiser of Citrus County, Florida

We have audited the financial statements of the Citrus County, Florida Property Appraiser (the Property Appraiser) as of and for the fiscal year ended September 30, 2018, and have issued our report thereon dated April 5, 2019.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and Chapter 10.550, *Rules of the Auditor General*.

Other Reporting Requirements

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* and our Independent Accountant's Report on an examination conducted in accordance with AICPA *Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports, which are dated April 5, 2019, 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 recommendations made in the preceding 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 financial statements.

To the Honorable Les Cook,
Property Appraiser of Citrus County, Florida

Financial Management

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.

Additional Matters

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

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, federal and other granting agencies, and applicable management and is not intended to be, and should not be, used by anyone other than these specified parties.

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

MOORE STEPHENS LOVELACE, P.A.

Certified Public Accountants

Orlando, Florida
April 5, 2019



INDEPENDENT ACCOUNTANT'S REPORT

To the Honorable Les Cook,
Property Appraiser of Citrus County, Florida

We have examined the Citrus County, Florida Property Appraiser's (the Property Appraiser) compliance with the requirements of Section 218.415, Florida Statutes, during the year ended September 30, 2018. Management is responsible for the Property Appraiser's compliance with those requirements. Our responsibility is to express an opinion on the Property Appraiser's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Property Appraiser complied with those requirements. An examination involves performing procedures to obtain evidence about the Property Appraiser's compliance with those requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not provide a legal determination on the Property Appraiser's compliance with specified requirements.

In our opinion, the Property Appraiser complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2018.

Moore Stephens Lovelace, P.A.

MOORE STEPHENS LOVELACE, P.A.
Certified Public Accountants

Orlando, Florida
April 5, 2019



**SUPERVISOR OF ELECTIONS
CITRUS COUNTY, FLORIDA**



**SPECIAL PURPOSE FINANCIAL STATEMENTS,
AND
INDEPENDENT AUDITOR'S REPORTS
FOR THE YEAR ENDED SEPTEMBER 30, 2018**

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INDEPENDENT AUDITOR'S REPORT

To the Honorable Susan Gill,
Supervisor of Elections of Citrus County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the Citrus County, Florida Supervisor of Elections (the "Supervisor"), each major fund, as of and for the fiscal year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the Supervisor'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 an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 Supervisor'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 Supervisor's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

To the Honorable Susan Gill,
Supervisor of Elections of Citrus County, Florida

Opinion

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the respective financial position of the Supervisor as of September 30, 2018, and the respective changes in financial position, and the budgetary comparison for the general fund, and each major fund, for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America.

Emphasis-of-Matter

As described in Note 1 to the financial statements, the accompanying financial statements were prepared for the purpose of complying with Section 218.39, Florida Statutes, and Section 10.557(3), *Rules of the Auditor General for Local Governmental Entity Audits*. These financial statements are not intended to be a complete presentation of the financial position of Citrus County, Florida as of September 30, 2018, and the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

The financial statements include certain prior-year summarized comparative information. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Supervisor's financial statements for the year ended September 30, 2017, from which the summarized information was derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 4, 2019, on our consideration of the Supervisor's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. 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 Supervisor's internal control over financial reporting and compliance.



MOORE STEPHENS LOVELACE, P.A.
Certified Public Accountants

Orlando, Florida
February 4, 2019

CITRUS COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
BALANCE SHEET - GOVERNMENTAL FUNDS
SEPTEMBER 30, 2018
(WITH COMPARATIVE AMOUNTS FOR 2017)

	GENERAL FUND	FEDERAL ELECTIONS ACTIVITIES GRANT (MAJOR FUND)	TOTALS	
			2018	2017
ASSETS				
Cash & cash equivalents	\$ 179,593	\$ 136,698	\$ 316,291	\$ 192,557
Prepaid Items	42,479	—	42,479	14,089
Total Assets	<u>\$ 222,072</u>	<u>\$ 136,698</u>	<u>\$ 358,770</u>	<u>\$ 206,646</u>
LIABILITIES				
Accounts payable	\$ 41,932	\$ —	\$ 41,932	\$ 97,852
Accrued liabilities	7,961	—	7,961	5,382
Unearned revenue	—	133,522	133,522	24,951
Due to Citrus County, Florida Board of County Commissioners	172,179	—	172,179	74,569
Total liabilities	<u>222,072</u>	<u>133,522</u>	<u>355,594</u>	<u>202,754</u>
FUND BALANCE				
Non-spendable fund balance	42,479	—	42,479	14,089
Restricted	—	3,176	3,176	3,892
Unassigned Deficit	(42,479)	—	(42,479)	(14,089)
Total fund balances	<u>—</u>	<u>3,176</u>	<u>3,176</u>	<u>3,892</u>
Total liabilities and fund balance	<u>\$ 222,072</u>	<u>\$ 136,698</u>	<u>\$ 358,770</u>	<u>\$ 206,646</u>

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

CITRUS COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2018
(WITH COMPARATIVE AMOUNTS FOR 2017)

	GENERAL FUND	FEDERAL ELECTION ACTIVITIES GRANT (MAJOR) FUND	TOTALS	
			2018	2017
REVENUES				
Intergovernmental revenue	\$ —	\$ 63,439	\$ 63,439	\$ 14,857
Miscellaneous revenue	15,614	755	16,369	6,480
Total revenue	15,614	64,194	79,808	21,337
EXPENDITURES				
General government	1,273,037	67,374	1,340,411	1,377,062
Total Expenditures	1,273,037	67,374	1,340,411	1,377,062
Excess/(Deficiency) of revenues over expenditures	(1,257,423)	(3,180)	(1,260,603)	(1,355,725)
OTHER FINANCING SOURCES AND USES				
Citrus County Board of County Commissioners appropriations	1,432,066	—	1,432,066	1,432,066
Distribution of excess appropriations to Board of County Commissioners	(172,179)	—	(172,179)	(74,569)
Transfers in	—	2,464	2,464	3,743
Transfers out	(2,464)	—	(2,464)	(3,743)
Total other financing sources and uses	1,257,423	2,464	1,259,887	1,357,497
Net change in fund balance	—	(716)	(716)	1,772
Fund Balance - October 1	—	3,892	3,892	2,120
Fund Balance - September 30	\$ —	\$ 3,176	\$ 3,176	\$ 3,892

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

CITRUS COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
REVENUES				
Miscellaneous revenue	\$ —	\$ —	\$ 15,614	\$ 15,614
Total revenue	<u>—</u>	<u>—</u>	<u>15,614</u>	<u>15,614</u>
EXPENDITURES				
General government	<u>1,435,110</u>	<u>1,432,646</u>	<u>1,273,037</u>	<u>159,609</u>
Total Expenditures	<u>1,435,110</u>	<u>1,432,646</u>	<u>1,273,037</u>	<u>159,609</u>
Excess/(Deficiency) of revenues over expenditures	(1,435,110)	(1,432,646)	(1,257,423)	175,223
OTHER FINANCING SOURCES AND USES				
Citrus County Board of County Commissioners appropriations	1,432,066	1,432,066	1,432,066	—
Distribution of excess appropriations to Board of County Commissioners	—	—	(172,179)	(172,179)
Transfers out	—	(2,464)	(2,464)	—
Total other financing sources and uses	<u>1,432,066</u>	<u>1,429,602</u>	<u>1,257,423</u>	<u>(172,179)</u>
Net change in fund balance	(3,044)	(3,044)	—	3,044
Fund Balance - October 1	—	—	—	—
Fund Balance - September 30	<u>\$ (3,044)</u>	<u>\$ (3,044)</u>	<u>\$ —</u>	<u>\$ 3,044</u>

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

CITRUS COUNTY, FLORIDA
 SUPERVISOR OF ELECTIONS
 STATEMENT OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - SPECIAL REVENUE
 FOR THE YEAR ENDED SEPTEMBER 30, 2018

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
REVENUES				
Intergovernmental revenue	\$ —	\$ 172,010	\$ 63,439	\$ (108,571)
Miscellaneous revenue	—	—	755	755
Total revenue	<u>—</u>	<u>172,010</u>	<u>64,194</u>	<u>(107,816)</u>
EXPENDITURES				
General government	—	203,319	67,374	135,945
Total Expenditures	<u>—</u>	<u>203,319</u>	<u>67,374</u>	<u>135,945</u>
Excess/(Deficiency) of revenues over expenditures	—	(31,309)	(3,180)	28,129
OTHER FINANCING SOURCES AND USES				
Transfers in	—	2,464	2,464	—
Total other financing sources and uses	<u>—</u>	<u>2,464</u>	<u>2,464</u>	<u>—</u>
Net change in fund balance	—	(28,845)	(716)	28,129
Fund Balance - October 1	3,892	3,892	3,892	—
Fund Balance - September 30	<u>\$ 3,892</u>	<u>\$ (24,953)</u>	<u>\$ 3,176</u>	<u>\$ 28,129</u>

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

CITRUS COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Reporting Entity

The Citrus County, Florida Supervisor of Elections (Supervisor of Elections) is an elected constitutional officer, as provided for by the Constitution of the State of Florida. Pursuant to Chapter 129, Florida Statutes, the Supervisor of Elections' budget is submitted to the Citrus County, Florida Board of County Commissioners (Board) for approval.

The financial statements presented include the general fund of the Supervisor of Elections' office. The accompanying financial statements were prepared for purposes of complying with Section 218.39, Florida Statutes, and Section 10.557(3), Rules of the Auditor General for Local Governmental Entity Audits.

Rules of the Auditor General for Local Governmental Entity Audits, requires the Citrus County, Florida Supervisor of Elections to only present fund financial statements. Accordingly, due to the omission of certain financial statement disclosures, including a management's discussion and analysis, these financial statements do not constitute a complete presentation of the financial position of the Citrus County, Florida Supervisor of Elections as of September 30, 2018, and the changes in its financial position for the year then ended in accordance with GASB Statement No. 34, but otherwise constitute financial statements prepared in conformity with accounting principles generally accepted in the United States of America.

The financial activities of the Supervisor of Elections, as a constitutional officer, are included in the Citrus County, Florida Comprehensive Annual Financial Report.

Transfers are provided by appropriations from the Board of County Commissioners, pursuant to law. Estimated receipts and budgeted fund balances must equal appropriations. The Supervisor of Elections is required to refund to the Board of County Commissioners all excess appropriations annually; therefore, no unappropriated fund balance is carried forward.

Measurement Focus, Basis of Accounting and Basis of Presentation

Fund financial statements report detailed information about the Supervisor of Elections. The focus of governmental fund financial statements is on major funds, rather than reporting funds by type. Each major fund is reported in a separate column.

Governmental funds are accounted for using the flow of current financial resources measurement focus. Only current assets and current liabilities, generally, are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

General Fund - The Supervisor of Elections' major governmental fund is the general fund. The general fund is used to account for the general operations of the Supervisor of Elections.

Special Revenue Fund - To account for specific revenue sources that are legally restricted to expenditures for a specified purpose. The Supervisor's special revenue fund is the Federal Election Activities Grant fund, a major fund.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The modified accrual basis of accounting is used by governmental funds. Under the modified accrual basis of accounting, revenue is recognized when susceptible to accrual (i.e., when it becomes measurable and available to finance current liabilities of the fiscal year). For this purpose, the Supervisor of Elections considers revenues to be available if they are collected within 45 days of the end of the current period.

Expenditures are recorded when the related fund liability is incurred, except for compensated absences, which are recognized as expenditures to the extent they have matured.

The appropriations from the Board are the primary source of funds considered to be susceptible to accrual.

Interest income and other revenues are recognized as they are earned and become measurable and available to pay liabilities of the current period.

Florida Statutes provide that the amount by which revenues and transfers exceed annual expenditures be remitted to the Board immediately following the fiscal year for which the funding was provided or following the fiscal year during which other revenue was recognized. The amount of this distribution is recorded as a liability and as an other financing use in the accompanying financial statements.

Capital outlays expended in the general fund operations are recorded in the basic financial statements of the Board, rather than in the governmental funds of the Supervisor of Elections.

Capital Assets

The tangible personal property used by the Supervisor of Elections is reported in the basic financial statements of the Board of County Commissioners. Upon acquisition, such assets are recorded as expenditures in the general fund of the Supervisor of Elections and are capitalized at cost in the basic financial statements of the Board. The Supervisor of Elections maintains custodial responsibility for the capital assets used by the office. No depreciation expense has been provided on capital assets in these financial statements. However, depreciation expense will be recorded in the basic financial statements of the Board.

Compensated Absences

It is the policy of the Supervisor of Elections to permit employees to accumulate rights to receive compensation for future absences when certain conditions are met. The Supervisor of Elections does not, nor is legally required to, accumulate financial resources for these unmatured obligations. Accordingly, the liability for compensated absences is not reported in the general fund but rather is reported in the basic financial statements of the Board.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the fund financial statements. The cost of prepaid items is recorded as expenditures when consumed rather than when purchased.

CITRUS COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Comparative Data

The financial information for the year ended September 30, 2017, is presented for comparative purposes and is not intended to be a complete presentation. In this instance, prior year comparative information will not match the prior year statements, due to a change in fund classification. The major fund, Federal Elections Activities, was previously reported only in the county combined statements.

Use of Estimates

Management of the Supervisor of Elections has made a number of estimates and assumptions in preparing these financial statements in conformity with accounting principles generally accepted in the United States of America. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

NOTE 2: BUDGETARY PROCESS

Florida Statute 129.03 governs the preparation, adoption and administration of the Supervisor of Elections' annual budget. The Supervisor of Elections submits a budget for the general fund to the Board of County Commissioners for approval. Any subsequent amendments to the Supervisor of Elections' total budget must be approved by the Board. The budget is prepared on a basis consistent with accounting principles generally accepted in the United States of America. The annual budget serves as the legal authorization for expenditures. Expenditures may not legally exceed appropriations at the fund level. Appropriations lapse at year end. Budgetary control is maintained at the departmental major object expenditure level. Budgetary changes within major object expenditure categories are made at the discretion of the Supervisor of Elections.

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.

NOTE 3: CASH

The Supervisor of Elections maintains deposits with financial institutions. Such deposits are collateralized as public funds through State procedures 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 any applicable deposit insurance. The public deposit security trust fund has a procedure to allocate and recover losses in the event of a default or insolvency. When public deposits are made in accordance with Chapter 280, no public depositor shall be liable for any loss thereof.

Amount Collateralized Under Chapter 280, Florida Statutes \$ 316,291

CITRUS COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

NOTE 4: EMPLOYEE RETIREMENT PLAN

The Supervisor of Elections full-time employees participate in the Florida Retirement System (“FRS”), a multiple-employer, cost-sharing, retirement system, administered by the Florida Department of Management Services. The Supervisor’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 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. The Supervisor of Elections participates in the Elected State Officers’ Class. Contribution rates are established statewide for all participating governmental units. Accordingly, the actuarial information and related disclosures attributable to the Supervisor of Elections’ employees are not determinable.

Employees hired prior to June 30, 2011 are “grandfathered” into the original plan whereby employees can retire at or after age 62 with 6 years of credited service, or with 30 years of service regardless of age, are entitled to a retirement benefit payable monthly for life, equal to 1.6% for each year of credited service times their average final compensation. Employees hired as of July 1, 2011, can retire at or after age 65 with 8 years of credited service, or with 33 years of service regardless of age, and are entitled to a retirement benefit payable monthly for life, equal to 1.6% for each year of credited service times their average final compensation.

Final average compensation is the employee’s average of the five highest years for those hired prior to July 1, 2011 and 8 highest years for those hired after June 30, 2011, of salary earned during credited service. Vested employees may retire before age 62 or 65 and receive benefits that are reduced 5% for each year prior to normal retirement age or date. The System also provides death and disability benefits. Benefits are established by Chapter 121, Florida Statutes, and Chapter 22B, Florida Administrative Code.

The Deferred Retirement Option Program (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 the time of termination of employment, 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 Supervisor of Elections is required to contribute an actuarially determined rate, which is in line with the State’s fiscal year, July 1 - June 30.

CITRUS COUNTY, FLORIDA
 SUPERVISOR OF ELECTIONS
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED SEPTEMBER 30, 2018

NOTE 4: EMPLOYEE RETIREMENT PLAN (CONTINUED)

The Supervisor of Elections employees fall into one of the following FRS retirement classes.

FRS Class	10/1/2017 thru 6/30/2018	7/1/2018 thru 9/30/2018
Regular Employees	7.92%	8.26%
Senior Management	22.71%	24.5%
Elected Officials	45.5%	48.7%

The contribution requirements of the Supervisor of Elections are established by and may be amended by the State of Florida. Contributions to Florida Retirement System during the past three fiscal years are as follows:

Fiscal Year	Employer Required Contribution	Employee Required 3% Contribution
2016	\$49,233	\$11,485
2017	47,937	10,459
2018	49,513	10,068

For financial reporting purposes, the Supervisor of Elections is deemed to be part of the primary government of Citrus County, Florida. The liability, if any, related to the Supervisor of Elections' proportionate share of FRS retirement benefits, along with a detailed plan description, is reported in the financial statements of Citrus County, Florida for the fiscal year ended September 30, 2018.

NOTE 5: LONG-TERM LIABILITIES

The following is a summary of changes in general long-term liabilities that are reported in the basic financial statements of the Board of County Commissioners:

	October 1, 2017	Additions	Reductions	September 30, 2018	Due Within One Year
Compensated Absences	\$28,325	\$46,166	\$38,747	\$35,744	\$35,744

These long-term liabilities are not reported in the financial statements of the Supervisor of Elections since they have not matured.

NOTE 6: RISK MANAGEMENT

The Supervisor of Elections participates in the insurance program of the Board of County Commissioners, including general liability, property and group dental coverage, which is administered by the Board of County Commissioners on a county-wide basis.

CITRUS COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

NOTE 7: CAPITAL ASSETS

The tangible personal property used by the Supervisor of Elections is reported in the basic financial statements of the Board of County Commissioners. Upon acquisition, such assets are recorded as expenditures in the general fund of the Supervisor of Elections and are capitalized at cost in the basic financial statements of the Board. The Supervisor of Elections maintains custodial responsibility for the capital assets used by its office.

NOTE 8: POST-EMPLOYMENT HEALTHCARE BENEFITS

All eligible employees of the Supervisor of Elections participate in the Citrus County, Florida, Other Post-Employment Benefits plan. A detailed plan description and the amount of any liability for the employees of the Supervisor of Elections, has been reported in the September 30, 2018, Citrus County, Florida CAFR.

During fiscal year 2018, the County implemented GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The objective of Statement No. 75 is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). This Statement requires the recognition of the total OPEB liability on the face of the financial statements. In addition to the note disclosures that were previously required for OPEB under GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, the standard requires extensive disclosures and required supplementary information related to the OPEB liability. For financial statements purposes, the Supervisor of Elections is deemed to be part of the primary government of Citrus County, Florida. As such, for the fiscal year ended September 30, 2018, the Supervisor of Elections' OPEB liability and related OPEB disclosures are included in the County's CAFR.



**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***

To the Honorable Susan Gill,
Supervisor of Elections of 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 Citrus County, Florida Supervisor of Elections (the “Supervisor”) as of and for the fiscal year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the Supervisor’s basic financial statements and have issued our report thereon dated February 4, 2019.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Supervisor’s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Supervisor’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Supervisor’s internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

To the Honorable Susan Gill,
Supervisor of Elections of Citrus County, Florida

Compliance and Other Matters

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

We noted certain other matters that we reported to management in a separate letter dated February 4, 2019.

Purpose of this Report

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

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

MOORE STEPHENS LOVELACE, P.A.
Certified Public Accountants

Orlando, Florida
February 4, 2019



INDEPENDENT AUDITOR'S MANAGEMENT LETTER

To the Honorable Susan Gill,
Supervisor of Elections of Citrus County, Florida

We have audited the financial statements of the Citrus County, Florida Supervisor of Elections (the "Supervisor") as of and for the fiscal year ended September 30, 2018, and have issued our report thereon dated February 4, 2019.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and Chapter 10.550, *Rules of the Auditor General*.

Other Reporting Requirements

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* and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports, which are dated February 4, 2019, 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. In connection with the preceding audit, there were no findings or recommendations.

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 financial statements.

To the Honorable Susan Gill,
Supervisor of Elections of Citrus County, Florida

Financial Management


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

Additional Matters

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

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, federal and other granting agencies, and applicable management and is not intended to be, and should not be, used by anyone other than these specified parties.

A handwritten signature in blue ink that reads "Moore Stephens Lovelace, P.A." The signature is written in a cursive, flowing style.

MOORE STEPHENS LOVELACE, P.A.
Certified Public Accountants

Orlando, Florida
February 4, 2019



INDEPENDENT ACCOUNTANT'S REPORT

To the Honorable Susan Gill,
Supervisor of Elections of Citrus County, Florida

We have examined the Citrus County, Florida Supervisor of Elections' (the "Supervisor") compliance with the requirements of Section 218.415, Florida Statutes, during the year ended September 30, 2018. Management is responsible for the Supervisor's compliance with those requirements. Our responsibility is to express an opinion on the Supervisor's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Supervisor complied with those requirements. An examination involves performing procedures to obtain evidence about the Supervisor's compliance with those requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not provide a legal determination on the Supervisor's compliance with specified requirements.

In our opinion, the Supervisor complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2018.

Moore Stephens Lovelace, P.A.

MOORE STEPHENS LOVELACE, P.A.
Certified Public Accountants

Orlando, Florida
February 4, 2019

