This Preliminary Official Statement and the information contained herein are subject to completion or amendment. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of the Series 2019 Bonds in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration, qualification or exemption under the securities laws of such jurisdiction. The District has deemed this Preliminary Official Statement "final," except for certain permitted omissions, within the contemplation of Rule 15c2-12 promulgated by the Securities and Exchange Commission.

PRELIMINARY OFFICIAL STATEMENT DATED MARCH 19, 2019

NEW ISSUE –FULL BOOK ENTRY **See "RATINGS" herein**

In the opinion of Nabors, Giblin & Nickerson, P.A., Tampa, Florida ("Bond Counsel"), under existing statutes, regulations, rulings and court decisions and subject to the conditions described herein under "TAX EXEMPTION," interest on the Series 2019 Bonds is (a) excludable from gross income of the owners thereof for federal income tax purposes except as otherwise described herein under the caption "TAX EXEMPTION," and (b) not an item of tax preference for purposes of the federal alternative minimum tax. Such interest may be subject to other federal income tax consequences referred to herein under "TAX EXEMPTION." See "TAX EXEMPTION" herein for a general discussion of Bond Counsel's opinion and other tax considerations.

COLLIER COUNTY WATER-SEWER DISTRICT
(FLORIDA)
$78,540,000*
Water and Sewer Revenue Bonds, Series 2019

Dated: Date of Delivery **Due:** July 1, as shown on the inside cover hereof

The Water and Sewer Revenue Bonds, Series 2019 (the "Series 2019 Bonds") are being issued by the Collier County Water-Sewer District (the "District") as fully registered bonds and initially will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). Individual purchases will be made in book-entry form only in denominations of $5,000 and integral multiples thereof. Purchasers of the Series 2019 Bonds will not receive physical delivery of certificates. Transfers of ownership interest in the Series 2019 Bonds will be effected by the DTC book-entry system as described herein. Interest on the Series 2019 Bonds is payable on July 1, 2019 and semiannually on each July 1 and January 1 thereafter. Principal of, premium, if any, and interest on the Series 2019 Bonds will be payable by TD Bank, N.A., Cherry Hill, New Jersey, as Paying Agent and Bond Registrar.

The Series 2019 Bonds are subject to redemption prior to their stated maturities as described herein.

This cover page contains information for quick reference only and is not a summary of this issue. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision.

The Series 2019 Bonds are being issued to (i) finance the acquisition, construction and equipping of various utility capital improvements within the northeast area of the County (as more particularly described in "THE 2019 PROJECT" herein); (ii) fund a portion of the debt service reserve account; and (iii) pay certain costs of issuance of the Series 2019 Bonds. The Series 2019 Bonds are being issued as "Additional Bonds" on a parity with the District's outstanding Water and Sewer Refunding Revenue Bond, Series 2013, Water and Sewer Refunding Revenue Bond, Series 2015, Water and Sewer Refunding Revenue Bonds, Series 2016 and Water and Sewer Revenue Bond, Series 2018 (collectively, the "Outstanding Parity Bonds"), all issued by the District pursuant to the provisions of Resolution No. CWS-85-5 adopted on July 30, 1985, as amended and restated by Resolution No. CWS-85-13 adopted on December 26, 1985, as amended and supplemented, and particularly as amended by Resolution No. CWS-87-5 adopted on March 3, 1987, Resolution No. CWS-91-6 adopted on October 22, 1991 and Resolution No. CWS-2006-298 adopted on November 14, 2006, particularly as supplemented by Resolution No. 2019-49/CWS Resolution No. 2019-02 adopted on March 12, 2019 (collectively, the "Resolution").

THE SERIES 2019 BONDS ARE SECURED BY A PLEDGE OF AND LIEN ON, THE PLEDGED FUNDS (AS DEFINED IN THE RESOLUTION), ON PARITY AND EQUAL STATUS WITH THE OUTSTANDING PARITY BONDS, IN THE MANNER AND TO THE EXTENT PROVIDED IN THE RESOLUTION. SEE "SECURITY FOR THE BONDS" HEREIN. THE SERIES 2019 BONDS SHALL NOT BE DEEMED TO CONSTITUTE A GENERAL OBLIGATION OR PLEDGE OF THE FAITH AND CREDIT OF THE DISTRICT, COLLIER COUNTY, THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION OF THE STATE OF FLORIDA FOR THE PAYMENT OF THE SERIES 2019 BONDS. THE SERIES 2019 BONDS AND THE OBLIGATIONS EVIDENCED THEREBY DO NOT CONSTITUTE A LIEN UPON ANY PROPERTY OF THE DISTRICT, COLLIER COUNTY OR THE STATE OF FLORIDA, BUT SHALL CONSTITUTE A LIEN ONLY ON, AND BE PAYABLE SOLELY FROM, THE PLEDGED FUNDS IN THE MANNER AND TO THE EXTENT DESCRIBED IN THE RESOLUTION.

The Series 2019 Bonds are offered when, as, and if issued by the District and received by the Underwriter, subject to the opinion on certain legal matters relating to their issuance by Nabors, Giblin & Nickerson, P.A., Tampa, Florida, Bond Counsel. Certain legal matters will be passed upon for the District by Jeffrey A. Klatzkow, Esq., District Attorney and by Bryant Miller Olive P.A., Tampa, Florida, Disclosure Counsel. PFM Financial Advisors LLC, Coral Gables, Florida is serving as Financial Advisor to the District. It is expected that the Series 2019 Bonds in definitive form will be available for delivery to the Underwriter in New York, New York at the facilities of DTC on or about April 17, 2019.

Electronic bids for the Series 2019 Bonds will be received through Parity Electronic Bid Submission System as described in the Official Notice of Sale.

This Official Statement is dated _____, 2019.

* Preliminary, subject to change.

COLLIER COUNTY WATER-SEWER DISTRICT

$78,540,000*
Water and Sewer Revenue Bonds,
Series 2019

Maturities, Amounts, Interest Rates, Prices, Yields and Initial Cusip Numbers

$_____ Serial Bonds

Maturity (July 1)*	Amount*	Interest Rate	Prices	Yields	Initial CUSIP Number**
2030***	$4,605,000				
2031***	4,785,000				
2032***	4,985,000				
2033***	5,185,000				
2034***	5,390,000				
2035***	5,605,000				
2036***	5,830,000				
2037***	13,505,000				
2038***	14,045,000				
2039***	14,605,000				

* Preliminary, subject to change.
** The District is not responsible for the use of the CUSIP numbers referenced herein nor is any representation made by the District as to their correctness. The CUSIP numbers provided herein are included solely for the convenience of the readers of this Official Statement.
***May be combined into term bonds. See "STRUCTURE" in the Official Notice of Sale.

COLLIER COUNTY WATER-SEWER DISTRICT
3339 Tamiami Trail East, Suite 302
Naples, Florida 34112

BOARD OF COUNTY COMMISSIONERS
William L. McDaniel, Jr., Chairman
Burt L. Saunders, Vice Chairman
Andy Solis, Commissioner
Donna Fiala, Commissioner
Penny Taylor, Commissioner

COUNTY MANAGER
Leo E. Ochs, Jr.

CLERK OF THE CIRCUIT COURT AND COMPTROLLER
Crystal K. Kinzel

DIRECTOR OF FINANCE AND ACCOUNTING
Derek M. Johnssen

COUNTY ATTORNEY/ATTORNEY TO THE DISTRICT
Jeffrey A. Klatzkow, Esq.

PUBLIC UTILITIES DEPARTMENT HEAD
G. George Yilmaz, Ph.D.

DIRECTOR OF FINANCIAL OPERATIONS SUPPORT FOR PUBLIC UTILITIES
Joseph G. Bellone

BOND COUNSEL
Nabors, Giblin & Nickerson, P.A.
Tampa, Florida

DISCLOSURE COUNSEL
Bryant Miller Olive P.A.
Tampa, Florida

FINANCIAL ADVISOR
PFM Financial Advisors LLC
Coral Gables, Florida

FINANCIAL FEASIBILITY CONSULTANT
Public Resources Management Group, Inc.
Maitland, Florida

CONSULTING ENGINEER
AECOM
Fort Myers, Florida

No dealer, broker, salesman or other person has been authorized by the District, the County or the Underwriter to give any information or to make any representations in connection with the Series 2019 Bonds, other than as contained in this Official Statement, and, if given or made, such information or representations must not be relied upon as having been authorized by the District or the County. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Series 2019 Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale.

The information set forth herein has been obtained from the District, DTC and other sources that are believed to be reliable, but is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation by, the Underwriter. The Underwriter listed on the cover page hereof has reviewed the information in this Official Statement in accordance with and as part of its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information. The information and expressions of opinion stated herein are subject to change, and neither the delivery of this Official Statement nor any sale made hereunder shall create, under any circumstances, any implication that there has been no change in the matters described herein since the date hereof.

IN CONNECTION WITH THIS OFFERING OF THE SERIES 2019 BONDS, THE UNDERWRITER MAY OVERALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICE OF SUCH SERIES 2019 BONDS AT LEVELS ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

All summaries herein of documents and agreements are qualified in their entirety by reference to such documents and agreements, and all summaries herein of the Series 2019 Bonds are qualified in their entirety by reference to the form thereof included in the aforesaid documents and agreements.

NO REGISTRATION STATEMENT RELATING TO THE SERIES 2019 BONDS HAS BEEN FILED WITH THE SECURITIES AND EXCHANGE COMMISSION (THE "SEC") OR WITH ANY STATE SECURITIES COMMISSION. IN MAKING ANY INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATIONS OF THE DISTRICT AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THE SERIES 2019 BONDS HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SEC OR ANY STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. THE FOREGOING AUTHORITIES HAVE NOT PASSED UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

CERTAIN STATEMENTS INCLUDED OR INCORPORATED BY REFERENCE IN THIS OFFICIAL STATEMENT CONSTITUTE "FORWARD-LOOKING STATEMENTS." SUCH STATEMENTS GENERALLY ARE IDENTIFIABLE BY THE TERMINOLOGY USED, SUCH AS "PLAN," "EXPECT," "ESTIMATE," "PROJECT," "ANTICIPATE," "BUDGET" OR OTHER SIMILAR WORDS. THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS THAT MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. THE DISTRICT DOES NOT PLAN TO ISSUE ANY UPDATES OR REVISIONS TO THOSE FORWARD-LOOKING STATEMENTS IF OR WHEN ITS EXPECTATIONS OR EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH SUCH STATEMENTS ARE BASED OCCUR, OTHER THAN AS DESCRIBED UNDER "CONTINUING DISCLOSURE" HEREIN.

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OFFICIAL STATEMENT

Relating To

COLLIER COUNTY WATER-SEWER DISTRICT
$78,540,000*
Water and Sewer Revenue Bonds,
Series 2019

INTRODUCTION

This introduction is subject in all respects to the more complete information and definitions contained or incorporated in this Official Statement and should not be considered to be a complete statement of the facts material to making an informed investment decision. The offering by the Collier County Water-Sewer District, a body corporate and politic in the State of Florida (the "District"), of its $78,540,000* Water and Sewer Revenue Bonds, Series 2019 (the "Series 2019 Bonds") to potential investors is made only by means of the entire Official Statement, including all appendices attached hereto. All capitalized undefined terms used in this introduction shall have the meanings ascribed to them in "APPENDIX B — Composite Resolution" attached hereto.

The County and the District

Collier County, Florida (the "County") was established in 1923 by the Legislature of the State of Florida (the "State") from portions of Lee and Monroe Counties. Its territorial limits, as they presently exist, contain approximately 2,026 square miles. In terms of land area, it is the largest county in the State. The County is located on the southwest coast of the Florida peninsula directly west of the Miami-Fort Lauderdale area. In 2018, the County had an estimated population of 368,534. Part of the Everglades National Park, the United States' only subtropical national park, comprises a portion of the County. Principal industries within the County include wholesale and retail trade, tourism, medical services, agriculture, forestry, fishing, cattle ranching and construction. Additional general information with respect to the County is set forth in "APPENDIX A – General Information Regarding Collier County, Florida" attached hereto.

The District is created pursuant to Chapter 2003-353, Laws of Florida (the "District Charter") which amended, re-enacted and codified all prior acts pertaining to the District, for the purpose of providing water and sewer services and facilities to certain unincorporated areas of the County. The service area of the District's water and sewer system (as further defined in the Resolution, the "System") encompasses approximately 558 square miles of unincorporated Collier County. The Board of County Commissioners of the County (the "Board") is the ex-officio governing board of the District.

The District previously issued its Water and Sewer Refunding Revenue Bond, Series 2013, Water and Sewer Refunding Revenue Bond, Series 2015, Water and Sewer Refunding Revenue Bonds, Series 2016 and Water and Sewer Revenue Bond, Series 2018 (collectively, the "Outstanding Parity Bonds"). The Outstanding Parity Bonds were, and the Series 2019 Bonds and any Additional Bonds of the District will be, issued pursuant to and under the authority of Resolution No. CWS-85-5 adopted on July 30, 1985, as amended and restated by Resolution No. CWS-85-13 adopted on December 26, 1985, as amended and

*Preliminary, subject to change.

supplemented, and particularly as amended by Resolution No. CWS-87-5 adopted on March 3, 1987, Resolution No. CWS-91-6 adopted on October 22, 1991 and Resolution No. CWS-2006-298 adopted on November 14, 2006, particularly as supplemented by Resolution No. 2019-49/CWS Resolution No. 2019-02 adopted on March 12, 2019 (collectively, the "Resolution"), the Constitution of the State of Florida, the District Charter, Chapter 153, Part II, Florida Statutes, and other applicable provisions of law.

The Series 2019 Bonds

The Series 2019 Bonds, when issued, will be dated the date of their delivery, with interest payable on each July 1 and January 1, commencing on July 1, 2019, and will mature on July 1 in the years and in the amounts and bear interest at the rates shown on the inside cover page of this Official Statement. The Series 2019 Bonds are being issued in fully registered form in principal denominations of $5,000 or integral multiples thereof, and, when issued, will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"). See "DESCRIPTION OF THE Series 2019 BONDS" herein.

Purpose of the Series 2019 Bonds

The Series 2019 Bonds are being issued to (i) finance the acquisition, construction and equipping of various utility capital improvements within the northeast area of the County (as more particularly described in "THE 2019 PROJECT" below), (ii) funding a portion of the Reserve Account, and (iii) pay certain costs of issuance of the Series 2019 Bonds. See "PLAN OF FINANCING" herein.

Security for the Bonds

The Series 2019 Bonds will be issued as Additional Bonds on a parity with the Outstanding Parity Bonds in the manner and to the extent provided in the Resolution. The Series 2019 Bonds, the Outstanding Parity Bonds, and any Additional Bonds hereafter issued pursuant to the Resolution are referred to herein as the "Bonds." The principal of, premium, if any, and interest on the Bonds shall be secured by a pledge of and lien upon (i) the Net Revenues to be derived from the operation of the System, (ii) System Development Fees, (iii) the proceeds from any and all assessments against property benefited by the System or any part thereof ("Special Assessments"), provided that Special Assessments shall be subject to the provisions and lien and pledge of the Resolution only if and to the extent provision for inclusion as a part of the Pledged Funds has been made by a supplemental resolution to be adopted by the District ("Special Assessment Proceeds"), and (iv) until applied in accordance with the provisions of the Resolution, all moneys, including investments thereof, in the funds and accounts established under the Resolution, except for the Revenue Fund and the Operation and Maintenance Fund (collectively, "Pledged Funds"). **At the present time, the District has not designated any Special Assessments to be a part of Pledged Funds relating to the Bonds.** See "SECURITY FOR THE BONDS" herein.

Reserve Account

A sufficient amount of the proceeds of the Series 2019 Bonds will be deposited to the Reserve Account so that following the issuance of the Series 2019 Bonds the Reserve Account will be fully funded in an amount equal to the Reserve Account Requirement for the Series 2019 Bonds and the Outstanding Parity Bonds. See "SECURITY FOR THE BONDS – Reserve Account" herein.

Redemption Provisions

The Series 2019 Bonds are subject to redemption prior to their stated maturities as described herein. See "DESCRIPTION OF THE Series 2019 BONDS – Redemption Provisions" herein.

Additional Bonds

In the future, the District may issue Additional Bonds on a parity with the Series 2019 Bonds and the Outstanding Parity Bonds. Such Additional Bonds may be issued only if the District first complies with certain conditions set forth in the Resolution. See "SECURITY FOR THE BONDS – Additional Bonds" herein.

Tax Exemption

In the opinion of Bond Counsel, under existing statutes, regulations, rulings and court decisions, and assuming compliance with certain tax covenants described herein, interest on the Series 2019 Bonds is excludable from gross income for federal income tax purposes, and is not an item of tax preference for purposes of the federal alternative minimum tax. Such interest, however, may be subject to other federal income tax consequences. See "TAX EXEMPTION" herein for a general discussion of Bond Counsel's opinion and other tax considerations.

Continuing Disclosure

The District has covenanted for the benefit of Series 2019 Bondholders to provide certain financial information and operating data relating to the District and the Series 2019 Bonds in each year, and to provide notices of the occurrence of certain enumerated material events, in accordance with Rule 15c2-12 of the Securities and Exchange Commission (the "SEC"). See "CONTINUING DISCLOSURE" herein.

Additional Information

This Official Statement speaks only as of its date and the information contained herein is subject to change. This Official Statement contains certain information concerning DTC and its book-entry system. Such information has not been provided by the District and the District does not certify as to the accuracy or sufficiency of the disclosure practices or content of information provided by such party and is not responsible for the information provided by such party.

A copy of the Resolution and all documents of the District referred to herein may be obtained from Crystal K. Kinzel, Clerk of the Circuit Court and Comptroller of Collier County and Clerk to the District, 3299 Tamiami Trail East, Suite 401, Board Minutes and Records Department, Naples, Florida 34112, phone (239) 252-7240.

THE 2019 PROJECT

The 2019 Project consists of the acquisition, construction and equipping of various capital improvements within the northeast area of the County including, but not limited to, the construction of potable water transmission mains, wastewater collection force mains and irrigation water transmission mains and expansion of the utility vertical facilities necessary to provide potable water, wastewater and irrigation water production and treatment at the District owned northeast utility site (the "2019 Project").

DESCRIPTION OF THE SERIES 2019 BONDS

General

The Series 2019 Bonds are being issued in fully registered form and will be registered initially in the name of Cede & Co., as the nominee of DTC. Individual purchases of interests in the Series 2019 Bonds will be made in book-entry form only. Purchasers of the Series 2019 Bonds offered hereby ("Beneficial Owners") will not receive physical delivery of certificates. Transfers of ownership interests in the Series 2019 Bonds will be effected through a book-entry system as described below. See "DESCRIPTION OF THE SERIES 2019 BONDS – Book-Entry Only System" herein.

The Series 2019 Bonds will be dated the date of their delivery, and will mature on July 1 in the years and in the amounts and bear interest at the rates shown on the inside cover page of this Official Statement. The Series 2019 Bonds are issuable in principal denominations of $5,000 or integral multiples thereof. Interest on the Series 2019 Bonds is payable on each July 1 and January 1, commencing on July 1, 2019.

Payment of the Series 2019 Bonds

The principal of the Series 2019 Bonds is payable when due by check, draft or bank wire transfer of TD Bank, N.A., Cherry Hill, New Jersey, as paying agent (the "Paying Agent") for the Series 2019 Bonds. Interest on the Series 2019 Bonds will be paid by the Paying Agent on each interest payment date to the registered owner thereof shown on the registration books of the District maintained by TD Bank, N.A., Cherry Hill, New Jersey, as bond registrar (the "Bond Registrar") on the 15th day (whether or not a business day) of the calendar month next preceding the interest payment date, by check or draft mailed to such registered owner at his address as it appears on such registration books; provided, however, that at the request of a Series 2019 Bondholder, interest shall be paid by bank wire transfer for the account of such Series 2019 Bondholder.

For so long as the Series 2019 Bonds shall be held in the DTC book-entry system (without certificates), all such payments of principal, premium, if any, and interest on the Series 2019 Bonds will be made to Cede & Co., as registered owner thereof, by the Paying Agent and payments to Beneficial Owners will be the responsibility of DTC and the DTC Participants.

Exchange, Registration and Transfer

See "DESCRIPTION OF THE SERIES 2019 BONDS – Book-Entry Only System" herein. In the event that the book-entry only system is discontinued, the following provisions would thereafter apply. The Series 2019 Bonds may be exchanged for a like aggregate principal amount of the Series 2019 Bonds or other authorized denominations of the same series, interest rate, and maturity. The Series 2019 Bonds may be transferred only upon an assignment duly executed by the registered owner or the owner's attorney or legal representative in such form as may be satisfactory to the Bond Registrar, such transfer to be made on the registration books of the District kept by the Bond Registrar. Any registered owner requesting such registration, transfer, or exchange of a Series 2019 Bond may be required to pay for any taxes, fees, expenses, or other governmental charges required to be paid with respect thereto. The District and the Bond Registrar are not required to issue and transfer any Series 2019 Bond during the period beginning on the 15th day of the month next preceding any interest payment date or, in the case of a proposed redemption of any Series 2019 Bond, during the 15 days next preceding the mailing of notice of such redemption and continuing until such redemption date.

Ownership of Series 2019 Bonds

The District, the Paying Agent, and the Bond Registrar shall deem and treat the person in whose name any Series 2019 Bond is registered on the books maintained by the Bond Registrar as the absolute owner of such Series 2019 Bond, whether or not such Series 2019 Bond is overdue, for the purpose of receiving payment thereof and for all other purposes whatsoever, and neither the District, the Paying Agent, nor the Bond Registrar will be affected by any notice to the contrary. All such payments will be valid and effectual to satisfy and discharge the liability upon such Series 2019 Bond to the extent of the sum or sums so paid.

Redemption Provisions

Optional Redemption

The Series 2019 Bonds maturing on or after July 1, 2030 are subject to redemption in whole or in part, at any time, on or after July 1, 2029, in such order of maturities as may be determined by the District (less than all of a single maturity to be selected by lot), at a Redemption Price equal to 100% of the principal amount of the Series 2019 Bonds to be redeemed plus accrued interest to the date fixed for redemption, without premium.

Mandatory Redemption

The Series 2019 Bonds maturing on July 1 in the year _____, are subject to mandatory sinking fund redemption by operation of the Term Bonds Redemption Account in the Sinking Fund, prior to maturity in part, by lot, at a redemption price equal to the principal amount thereof to be redeemed, plus interest accrued thereon to the date of redemption, on July 1 in the following years and in the following Sinking Fund Installments:

Date	Amortization Requirement $
*	

*Maturity

Notice of Redemption

Notice of redemption of the Series 2019 Bonds shall be mailed first class, postage prepaid, by the Bond Registrar not less than thirty (30) days before the date fixed for redemption to the registered owners of any Series 2019 Bonds or portions of Series 2019 Bonds that are to be redeemed, at their addresses as they appear on the registration books kept by the Bond Registrar. Failure to mail notice, or any defect therein, to the registered owner of any Series 2019 Bonds which are to be redeemed shall not affect the validity of the proceedings for the redemption of Series 2019 Bonds. At the redemption date, interest shall cease to accrue on any of the Series 2019 Bonds duly called for redemption if payment of the redemption price has been duly made or provided for with legally available funds. Owners of such Series 2019 Bonds shall thereafter look solely to such funds for payment.

As described under "DESCRIPTION OF THE SERIES 2019 BONDS – Book-Entry Only System" herein, for so long as the Series 2019 Bonds are registered in the name of DTC, Cede & Co., or any other

nominee of DTC, notice of redemption of any Series 2019 Bond will be given by the Bond Registrar only to Cede & Co. or such other nominee as registered owner thereof, who will then be solely responsible for selecting and notifying those DTC Participants who will in turn notify Beneficial Owners to be affected by such redemption.

Book-Entry Only System

THE FOLLOWING INFORMATION CONCERNING DTC AND DTC'S BOOK-ENTRY ONLY SYSTEM HAS BEEN OBTAINED FROM SOURCES THAT THE DISTRICT BELIEVES TO BE RELIABLE, AND THE DISTRICT TAKES NO RESPONSIBILITY FOR THE ACCURACY THEREOF.

SO LONG AS CEDE & CO. IS THE REGISTERED OWNER OF THE SERIES 2019 BONDS, AS NOMINEE OF DTC, CERTAIN REFERENCES IN THIS OFFICIAL STATEMENT TO THE SERIES 2019 BONDHOLDERS OR REGISTERED OWNERS OF THE SERIES 2019 BONDS SHALL MEAN CEDE & CO. AND WILL NOT MEAN THE BENEFICIAL OWNERS OF THE SERIES 2019 BONDS. THE DESCRIPTION WHICH FOLLOWS OF THE PROCEDURES AND RECORD KEEPING WITH RESPECT TO BENEFICIAL OWNERSHIP INTERESTS IN THE SERIES 2019 BONDS, PAYMENT OF INTEREST AND PRINCIPAL ON THE SERIES 2019 BONDS TO DIRECT PARTICIPANTS (AS HEREINAFTER DEFINED) OR BENEFICIAL OWNERS OF THE SERIES 2019 BONDS, CONFIRMATION AND TRANSFER OF BENEFICIAL OWNERSHIP INTERESTS IN THE SERIES 2019 BONDS, AND OTHER RELATED TRANSACTIONS BY AND BETWEEN DTC, THE DIRECT PARTICIPANTS AND BENEFICIAL OWNERS OF THE SERIES 2019 BONDS IS BASED SOLELY ON INFORMATION FURNISHED BY DTC. ACCORDINGLY, THE DISTRICT NEITHER MAKES NOR CAN MAKE ANY REPRESENTATIONS CONCERNING THESE MATTERS.

DTC will act as securities depository for the Series 2019 Bonds. The Series 2019 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Series 2019 Bond certificate will be issued for each maturity of the Series 2019 Bonds as set forth in the inside cover of this Official Statement, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers,

banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). The Direct Participants and the Indirect Participants are collectively referred to herein as the "DTC Participants." DTC has an S&P Global Ratings ("S&P") rating of AA+. The DTC Rules applicable to its DTC Participants are on file with the SEC. More information about DTC can be found at www.dtcc.com.

Purchases of Series 2019 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2019 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2019 Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2019 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Series 2019 Bonds, except in the event that use of the book-entry system for the Series 2019 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2019 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of the Series 2019 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2019 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2019 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2019 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2019 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the security documents. For example, Beneficial Owners of Series 2019 Bonds may wish to ascertain that the nominee holding the Series 2019 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Series 2019 Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2019 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Series 2019 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Series 2019 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the District or the Paying Agent, on the payment date in accordance with their respective holdings shown on DTC's records. Payments by DTC Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such DTC Participant and not of DTC, the Paying Agent, or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District and/or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Series 2019 Bonds at any time by giving reasonable notice to the District or Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, the Series 2019 Bond certificates are required to be printed and delivered.

The District may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Series 2019 Bond certificates will be printed and delivered to DTC.

SECURITY FOR THE BONDS

General

The principal of, premium, if any, and interest on the Bonds shall be secured equally and ratably by a pledge of the lien upon (i) the Net Revenues (Gross Revenues less Operating Expenses) to be derived from the operation of the System ("Net Revenues"), (ii) the System Development Fees, (iii) the proceeds from any and all assessments against property benefited by the System or any part thereof ("Special Assessments"), provided that Special Assessments shall be subject to the provisions and lien and pledge of the Resolution only if and to the extent provision for inclusion as part of the Pledged Funds has been made by a supplemental resolution to be adopted by the District ("Special Assessment Proceeds"), and (iv) until applied in accordance with the provisions of the Resolution, all moneys, including investments thereof, in the funds and accounts established under the Resolution, except for the Revenue Fund and the Operation and Maintenance Fund (collectively, "Pledged Funds"). **At the present time, the District has not designated any Special Assessments to be a part of the Pledged Funds relating to the Bonds.**

The "Gross Revenues" of the System means all income and moneys received by the District from the rates, fees, rentals, charges and other income to be made and collected by the District for the use of the products, services and facilities to be provided by the System, or otherwise received by the District or accruing to the District in the management and operation of the System, calculated in accordance with generally accepted accounting methods employed in the operation of public utility systems similar to the System, including, without limiting the generality of the foregoing, Connection Fees, AFPI and all earnings and income derived from the investment of moneys under the provisions of the Resolution which are transferred to the Revenue Fund or Interest Account. Gross Revenues shall not include (1) any Government Grants, (2) System Development Fees, and (3) Special Assessments. "AFPI" means Allowance for Funds Prudently Invested fees, to the extent lawfully levied by the District. AFPI fees are

designed to recover the costs associated with financing the capital expenditures associated with providing capacity to new growth. AFPI are not System Development Fees and are intended to reimburse the System for the costs that are incurred for the financing of unused System capacity prior to new growth connecting to the System. As such, they are considered a component of Gross Revenues of the System since the fees are a reimbursement of previously incurred expenses (not capitalized). All AFPI fees collected will be treated as other Gross Revenues of the System and can be used to fund any System expenditure. **AFPI were derived from respective rate resolutions which expired on December 31, 2012 and, therefore, AFPI are no longer collected. However, the District reserves the right to collect AFPI in the future.**

"Operating Expenses" means the District's expenses for operation, maintenance, repairs and replacements with respect to the System and shall include, without limiting the generality of the foregoing, administration expenses, insurance and surety bond premiums, legal and engineering expenses, ordinary and current rentals of equipment or other property, refunds of moneys lawfully due to others, payments to others for disposal of sewage or other wastes, payments to pension, retirement, health and hospitalization funds, and any other expenses required to be paid for or with respect to proper operation or maintenance of the System, all to the extent properly attributable to the System in accordance with generally accepted accounting principles employed in the operation of public utility systems similar to the System, and disbursements for the expenses, liabilities and compensation of any Paying Agent or Registrar under the Resolution, but does not include any costs or expenses in respect of original construction or improvement other than expenditures necessary to prevent an interruption or continuance of an interruption of Gross Revenues or minor capital expenditures necessary for the proper and economical operation or maintenance of the System, or any provision for interest, depreciation, amortization or similar charges.

"System Development Fees" shall mean certain charges imposed by the District on Persons (as defined in the Resolution), including developers and large users, connecting to the System or reserving capacity in the System, which represent a pro rata share of the costs of the System which are attributable to the increased demand such additional connections create upon the System; provided, however, that (A) such charges shall be net of any refunds to said Persons in accordance with applicable developer or use agreements, and (B) shall not include Connection Fees.

Generally, under Florida law, impact fees such as the System Development Fees may be validly imposed against new construction or development in order to fund capital improvements or capacity which are necessitated by such new construction or development or to satisfy debt service for the bonds or other obligations issued for such purposes. Proceeds of such System Development Fees may generally be used only for the capital improvements or capacity attributable to the new construction or development or to pay debt service on indebtedness incurred to finance or refinance such capital improvements or capacity.

IMPACT FEE REVENUES SUCH AS THE SYSTEM DEVELOPMENT FEES FLUCTUATE WITH THE AMOUNT OF NEW CONSTRUCTION OR DEVELOPMENT WHICH OCCURS WITHIN THE DISTRICT. THEREFORE, THERE CAN BE NO ASSURANCES THAT SUCH REVENUE WILL NOT DECREASE OR BE ELIMINATED ALTOGETHER IN THE EVENT THAT NEW CONSTRUCTION, FOR WHATEVER REASON, MIGHT DECREASE OR CEASE ALTOGETHER WITHIN THE DISTRICT.

THE BONDS SHALL NOT BE DEEMED TO CONSTITUTE A GENERAL OBLIGATION OR PLEDGE OF THE FAITH AND CREDIT OF THE DISTRICT, COLLIER COUNTY, THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION OF THE STATE OF FLORIDA FOR THE PAYMENT OF THE BONDS. THE BONDS AND THE OBLIGATIONS EVIDENCED THEREBY DO NOT CONSTITUTE A LIEN UPON ANY PROPERTY OF THE DISTRICT, COLLIER COUNTY OR THE STATE OF FLORIDA, BUT SHALL CONSTITUTE A LIEN ONLY ON, AND PAYABLE SOLELY FROM, THE PLEDGED FUNDS.

Rate Covenant

The District covenants that in each Fiscal Year, it will fix, establish, and maintain such rates and collect such fees, rates, or other charges for the products, services and facilities of the System, and revise the same from time to time, whenever necessary, as will always provide in each Fiscal Year, (A) Net Revenues, System Development Fees and Special Assessment Proceeds adequate at all times to pay in each Fiscal Year at least one hundred twenty five percent (125%) of the Annual Debt Service on all Outstanding Bonds becoming due in such Fiscal Year, and (B) Net Revenues in each Fiscal Year adequate to pay at least one hundred percent (100%) of the Annual Debt Service on all Outstanding Bonds and any required deposits to the Reserve Account becoming due in such Fiscal Year. Such rates, fees, or other charges shall not be so reduced so as to be insufficient to provide adequate Net Revenues, System Development Fees and Special Assessment Proceeds for the purposes provided therefor by the Resolution.

Funds and Accounts

The District covenanted and agreed in the Resolution to establish with a bank, trust company or such other entity in the State, which is eligible under the laws of the State to be a depository for county funds the following funds and accounts: the "Revenue Fund," the "Operation and Maintenance Fund," the "Sinking Fund" (in which the District shall maintain four separate accounts being the "Interest Account," the "Principal Account," the "Term Bonds Redemption Account" and the "Reserve Account"), the "System Development Fees Funds," the "Special Assessments Fund," the "Renewal and Replacement Fund," and the "System Surplus Fund".

Moneys in the aforementioned funds and accounts, until applied in accordance with the provisions of the Resolution, shall be subject to a lien and charge in favor of the Holders of the Bonds and for the further security of such Holders.

Construction Fund

The County has covenanted and agreed in the Resolution to establish the "2019 Project Account" in the Construction Fund which shall be used only for payment of the Cost of the 2019 Project. Moneys in the 2019 Project Account, until applied in payment of any item of the Cost of the 2019 Project in the manner provided in the Resolution, shall be held in trust by the County and shall be subject to a lien and charge in favor of the Holders of the Series 2019 Bonds and for the further security of such Holders.

Separate Accounts

The moneys required to be accounted for in each of the funds, accounts and subaccounts established in the Resolution may be deposited in a single, non-exclusive bank account, and funds

allocated to the various funds, accounts and subaccounts established in the Resolution may be invested in a common investment pool, provided that adequate accounting records are maintained to reflect and control the restricted allocation of the moneys on deposit therein and such investments for the various purposes of such funds, accounts and subaccounts as provided in the Resolution.

The designation and establishment of the various funds, accounts and subaccounts in and by the Resolution shall not be construed to require the establishment of any completely independent, self-balancing funds as such term is commonly defined and used in governmental accounting, but rather is intended solely to constitute an earmarking of certain revenues for certain purposes and to establish certain priorities for application of such revenues as provided in the Resolution.

Disposition of Revenues

A. The District has covenanted to deposit all Gross Revenues into the Revenue Fund and all Special Assessment Proceeds into the Special Assessments Fund. Moneys in the Revenue Fund shall first be used each month to deposit in the Operation and Maintenance Fund such sums as are necessary to pay Operating Expenses for the ensuing month.

B. AFPI, if any, shall be deposited, as received, in a separate account of the Revenue Fund maintained by the District. Any AFPI shall be utilized by the District for lawful purposes related to the System including, but not limited to, acquisition and construction of improvements and additions to the System which provide capacity to new users and payment of debt service on obligations related thereto.

C. All moneys at any time on deposit in the Special Assessments Fund and any deposits remaining in the Revenue Fund after the aforementioned transferals to the Operation and Maintenance Fund shall be disposed of by the District, on or before the 25th day of each month, first from the Special Assessments Fund and then from the Revenue Fund as follows: first to the Interest Account, a sum which, together with the balance therein, shall be equal to the interest accruing on all Bonds for said month; second, to the Principal Account, a sum which, together with the balance therein, shall be sum equal to the principal accruing on all Bonds in said month; third, commencing in the month which is one year prior to the first Sinking Fund Installment, to the Term Bonds Redemption Account a sum which, together with the balance therein, shall be equal to the Sinking Fund Installment accruing on all Bonds in said month; fourth, to the Reserve Account such sum, if any, as will be necessary to, within 24 months, restore the funds on deposit therein to an amount equal to the Reserve Account Requirement; fifth, to the Renewal and Replacement Fund such sums as shall be sufficient to pay one-twelfth (1/12) of five percent (5%) of the Gross Revenues derived from the System during the preceding Fiscal Year (or such other required amount as certified to by the Consulting Engineers) until the amount accumulated in such Fund is equal to the Renewal and Replacement Fund Requirement; sixth, such sums as may be necessary for the payment of any accrued debt service on Subordinated Indebtedness in accordance with the proceedings authorizing such Subordinated Indebtedness; seventh, to the Interest Account, the Principal Account and the Term Bonds Redemption Account, in that order, sufficient moneys such that the amounts on deposit therein shall equal, respectively, the interest, principal and Sinking Fund Installment next coming due on the Bonds Outstanding, except that no deposit need be made to the Principal Account or Term Bonds Redemption Account until a date one year preceding the due date of such principal amount or Sinking Fund Installment; and eighth, the balance of any Gross Revenues remaining in said Revenue Fund shall be deposited in the Surplus Fund and applied to the payment, on or prior to each principal and interest payment date for the Bonds, into the Interest Account, the Principal Account and the Term Bonds Redemption Account when the moneys therein shall be insufficient to pay the

principal of and interest on the Bonds coming due. Moneys not required to meet such a deficiency may be applied for any lawful purpose in connection with the System.

D. Income received from the investment and reinvestment of moneys on deposit in the Surplus Fund, the Renewal and Replacement Fund (to the extent such income and other amounts on deposit therein exceed the Renewal and Replacement Fund Requirement), and the Reserve Account (to the extent such income and other amounts on deposit therein exceed the Reserve Account Requirement) shall be transferred to the Revenue Fund. Any and all income received from the investment of moneys in the Special Assessments Fund shall be deposited upon receipt thereof into the Interest Account; provided, however, the District may accumulate investment earnings in the special account established pursuant to the Resolution. Any and all income received from the investment of moneys in the Revenue Fund, the Principal Account, the Interest Account, the Term Bonds Redemption Account, the Reserve Account (to the extent such income and the other amounts in such Account do not exceed the Reserve Account Requirement), the Renewal and Replacement Fund (to the extent such income and the other amounts in such Fund do not exceed the Renewal and Replacement Fund Requirement), the System Development Fees Fund and in such separate account of the Construction Fund shall be retained in such respective Fund or Account.

See "APPENDIX B — Composite Resolution" attached hereto for a more complete description of the provisions of the Resolution providing for the disposition of Gross Revenues.

System Development Fees Fund

The District shall deposit into the System Development Fees Fund all System Development Fees as received and such System Development Fees shall be accumulated in the System Development Fees Fund and applied by the District in the following manner and order of priority:

A. For the payment on or prior to each principal and interest payment date (in no event earlier than the twenty-fifth (25th) day of the month next preceding such payment date) into the Interest Account, the Principal Account and the Term Bonds Redemption Account, when the moneys therein are insufficient to pay the principal of and interest on the Bonds coming due, as further provided in the Resolution.

B. To pay the cost of acquiring and/or constructing extensions, improvements or additions to the System in accordance with the plans and specifications provided by the Consulting Engineers and the requisitions for disbursement of moneys provided by the District.

C. To be used for any other lawful purpose relating to the System.

Reserve Account

The Resolution provides for the establishment and maintenance of a Reserve Account in the Sinking Fund to secure all Outstanding Bonds. There shall be on deposit in the Reserve Account, an amount sufficient to cause the amount on deposit in the Reserve Account to equal a sum equal to the lesser of (1) the Maximum Annual Debt Service on all Outstanding Bonds, or (2) 125% of the average annual debt service for all Outstanding Bonds (the "Reserve Account Requirement"). Upon the issuance of the Series 2019 Bonds, an amount of the proceeds thereof shall be deposited therein to cause the amount on deposit in the Reserve Account to equal the Reserve Account Requirement for all Outstanding Bonds, including the Series 2019 Bonds ($_____). In the event of a deficiency in the Reserve Account,

such deficiency shall be made up from the first available Pledged Revenues after the payments required to be made to the Interest, Principal and Term Bonds Redemption Accounts; provided such deficiency must be made up within twenty four (24) months.

Notwithstanding the foregoing, in lieu of the required deposits into the Reserve Account, the District may cause to be deposited into the Reserve Account a surety bond or an insurance policy meeting the requirements of the Resolution in an amount equal to the difference between the Reserve Account Requirement and the sums then on deposit in the Reserve Account, if any. See "APPENDIX B – Composite Resolution" attached hereto.

Additional Bonds

The District may, from time to time, issue Additional Bonds under the Resolution on a parity with the Series 2019 Bonds and the Outstanding Parity Bonds, subject to certain conditions set forth in the Resolution. Additional Bonds shall only be issued by the District for financing the Cost of completion of a Project, financing the cost of an Additional Project, or the completion thereof, or refunding any and all Outstanding Bonds or any Subordinated Indebtedness of the District.

No Additional Bonds shall be issued unless:

(1) Except in the case of Additional Bonds issued for the purpose of refunding Outstanding Bonds, the District shall certify that it is current in all deposits into the various funds and accounts established by the Resolution and all payments theretofore required to have been deposited or made by it under the provisions of the Resolution and that the District has complied with the covenants and agreements of the Resolution.

(2) An independent certified public accountant shall certify to the District that the amount of the Net Revenues received during the immediate preceding Fiscal Year or any twelve (12) consecutive months selected by the District of the twenty-four (24) months immediately preceding the issuance of said Additional Bonds, adjusted as provided in the Resolution, will (a) be equal to at least one hundred percent (100%) of the Maximum Annual Debt Service of the Outstanding Bonds and the Additional Bonds then proposed to be issued, and (b) when added to the Special Assessment Proceeds and the System Development Fees, adjusted as hereinafter provided, received by the District during such 12-month period, be equal to at least one hundred twenty-five percent (125%) of the Maximum Annual Debt Service of the Outstanding Bonds and the Additional Bonds then proposed to be issued.

The Net Revenues, the System Development Fees and the Special Assessment Proceeds calculated pursuant to the foregoing paragraphs may be adjusted by the independent certified public accountants upon the written advice of the Consulting Engineers, at the option of the District, as more fully set forth in the Resolution. See "APPENDIX B – Composite Resolution" attached hereto.

In the event any Additional Bonds are issued for the purpose of refunding any Bonds then Outstanding, the conditions of paragraph (2) above shall not apply, provided that the issuance of such Additional Bonds shall not result in an increase in the aggregate amount of principal of and interest on the Outstanding Bonds becoming due in the then current Bond Year and all subsequent Bond Years. The conditions of said paragraph (2) shall apply to Additional Bonds issued to refund Subordinated Indebtedness.

Subordinated Indebtedness

The District may, at any time or from time to time, issue evidences of indebtedness payable in whole or in part out of Pledged Funds and which may be secured by a pledge of Pledged Funds subordinated in all respects to the pledge of the Pledged Funds created by the Resolution.

The District has also pledged and created a lien upon certain revenues of the System for the benefit of Synovus Bank (d.b.a. Florida Community Bank) in connection with the Collier County, Florida Water and Sewer District Water and Sewer Refunding Revenue Note, Series 2016 (the "Loan). Such pledge and lien are junior and subordinate in all respects to the pledge and lien on Pledged Funds in favor of the holders of the Bonds. The Loan has a fixed rate of interest of 1.80%. As of September 30, 2018, $77,879,000 was the outstanding principal on the Loan. The projected amount for annual debt service payments on the Loan in the fiscal year ending September 30, 2019 is $10,704,822.

In the event of a default under the Loan, Synovus Bank has the ability to enforce certain remedies under the Loan, including increasing the interest rate on the Loan to the lesser of five percentage points in excess of the Bank's prime rate of interest charge at the time of the payment default or the maximum legal interest rate. The default rate of interest shall only apply for interest during the period of time between when the payment default occurs and when it is cured by the District.

The supplemental resolution of the District authorizing the Loan contains a separate rate covenant to help ensure the availability of revenues for the payment of such Loan. The Loan requires that the District shall impose rates for the services of the District which will produce revenues pledged to the Loan, after payment of annual debt service on the senior lien bonds, adequate at all times to pay in each fiscal year at least 115% of the annual debt service on the Series 2016 Loan and all other outstanding subordinated indebtedness becoming due in such fiscal year.

No Mortgage or Sale of the System

The District irrevocably covenanted, bound and obligated itself in the Resolution not to sell, lease, encumber or in any manner dispose of the System as a whole or any substantial part thereof (except as provided in the Resolution) until all of the Bonds and all interest thereon shall have been paid in full or provision for payment has been made in accordance with the Resolution.

The foregoing provision notwithstanding, the District has reserved the right to sell, lease or otherwise dispose of any of the property comprising a part of the System in the manner provided in the Resolution, if any one of the following conditions exist: (A) such property is not necessary for the operation of the System, (B) such property is not useful in the operation of the System, (C) such property is not profitable in the operation of the System, or (D) in the case of a lease of such property, will be advantageous to the System and will not adversely affect the security for the Bondholders.

No Free Service

The District covenants that it will not render, or cause to be rendered, any free services of any nature by its System or any part thereof, nor will any preferential rates be established for users of the same class, and in the event the District or the County, or any department, agency, instrumentality, office or employee thereof, shall avail itself of the System or services provided by said System or any part thereof, the same rates, fees or charges applicable to other customers receiving like services under similar circumstances shall be charged the District, the County and any such department, agency,

instrumentality, officer or employee. The revenues so received shall be deemed to be Gross Revenues derived from the operation of the System, and shall be deposited and accounted for in the same manner as other Gross Revenues.

No Impairment of Rights

The District covenants not to enter into any contract or contracts, nor take any action, the results of which might impair the rights of the Holders of the Bonds and that it will not permit the operation of any competing water or sewer service facilities in the District; provided, however, the District reserves the right to permit the ownership and operation of water or sewer service facilities or both by itself or by others in any territory which is not in any service area now or hereafter served by the System.

Compulsory Water and Sewer Connections

In order better to secure the prompt payment of principal and interest on the Bonds, as well as for the purpose of protecting the health and welfare of the inhabitants of the District, and acting under authority of the general laws of Florida, the District will require (A) every owner of each lot in the District which abuts upon any street or public way containing a sewer line forming a part of the sewer facilities of the System and upon which lot a building shall subsequently be constructed for residential, commercial or industrial use, to connect such building to such sewer facilities and to cease to use any other method for the disposal of sewage waste or other polluting matter, and (B) every owner of each lot in the District which abuts upon any street or public way containing a water line forming a part of the water facilities of the System and upon which lot a building shall subsequently be constructed for residential, commercial or industrial use, to connect such building to such water facilities.

Enforcement of Charges

The District will compel the prompt payment of rates, fees and charges imposed for service rendered on every lot or parcel connected with the System, and to that end will vigorously enforce all of the provisions of any ordinance or resolution of the District having to do with sewer and water connections and charges, and all of the rights and remedies permitted the District under law, including the requirement for the making of a reasonable deposit by each user, the requirement for disconnection of all premises delinquent in the payment, and the securing of injunction against the disposition of sewage or industrial waste into the sewer facilities of the System by any premises delinquent in the payment of such charges.

Unit Water and Sewer Bills

In every instance in which a building or structure on a lot is connected to the sewer facilities of the System, which building or structure is also connected to the water facilities of the System and receives water therefrom, the District will submit to the owner or occupant of such lot a single bill for both water and sewer service and will refuse to accept payment for either the water charge along or sewer charge along without payment of the other.

Collection of System Development Fees

The District will proceed diligently to perform legally and effectively all steps required in the imposition and collection of the System Development Fees. Upon the due date of any such System

Development Fees, the District will diligently proceed to collect the same and will exercise all legally available remedies to enforce such collections now or hereafter available under State law.

Remedies

Any holder of Bonds issued under the provisions of the Resolution or any trustee or receiver acting for such Bondholders may either at law or in equity, by suit, action, mandamus, or other proceedings in any court of competent jurisdiction, protect and enforce any and all rights under the Laws of the State of Florida, or granted and contained in the Resolution, and may enforce and compel the performance of all duties required by the Resolution or by any applicable statutes to be performed by the District or by any officer thereof.

The Holder or Holders of Bonds in an aggregate principal amount of not less than twenty-five per centum of the Bonds then Outstanding may by a duly executed certificate in writing appoint a trustee for Holders of Bonds issued pursuant to the Resolution with authority to represent such Bondholders in any legal proceedings for the enforcement and protection of the rights of such Bondholders and such certificate shall be executed by such Bondholders or their duly authorized attorneys or representatives, and shall be filed in the office of the Clerk.

Upon the occurrence of a ratings downgrade on any of the Outstanding Bonds below Baa3/BBB-/BBB- (or the equivalent), Bank of America, N.A. as the holder of the Series 2015 Bond, is entitled to enforce certain remedies, including but not limited to, increasing the interest rate on the Series 2015 Bond to the maximum allowed under applicable law until such ratings meet the thresholds required.

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ESTIMATED SOURCES AND USES OF FUNDS

The proceeds to be received from the sale of the Series 2019 Bonds are expected to be applied as follows:

SOURCES:	
Principal Amount of Series 2019 Bonds	$
Plus/Less Original Issue Premium/Discount	
Total Sources	$
USES:	
Deposit to 2019 Project Account	$
Deposit to Reserve Account	
Costs of Issuance[(1)]	
Total Uses	$

(1) Includes Underwriter's discount, legal, financial advisory and other fees and expenses associated with the issuance of the Series 2019 Bonds.

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DEBT SERVICE SCHEDULE

The following table sets forth the debt service for the Series 2019 Bonds and the Outstanding Parity Bonds.

	Series 2019 Bonds				
Year Ended				Outstanding	Total
July 1	Principal	Interest	Debt Service	Parity Bonds	Debt Service
2019				$9,778,897	
2020				9,781,536	
2021				9,774,226	
2022				10,110,143	
2023				6,516,486	
2024				6,512,015	
2025				6,510,616	
2026				6,512,169	
2027				6,516,554	
2028				6,513,648	
2029				10,343,574	
2030				7,443,500	
2031				7,449,000	
2032				7,441,000	
2033				7,439,500	
2034				7,443,500	
2035				7,442,000	
2036				7,444,500	
2037					
2038					
2039					
TOTAL				$140,972,864	

MUNICIPAL BOND INSURANCE OPTION

In the event that the successful bidder elects to purchase a municipal bond insurance policy (the "Policy") with respect to all or a portion of the Series 2019 Bonds (referred to herein as the "Insured Bonds") from a municipal bond insurer (the "Insurer"), in the final Official Statement, disclosure regarding the Insurer and the Policy will be included in the final Official Statement at this location, the "RATINGS" section will be updated to disclose the rating or ratings on any Insured Bonds, and a specimen bond insurance policy will be attached hereto as an appendix.

THE COUNTY

General

The County was established in 1923 by the Legislature of the State from portions of Lee and Monroe Counties. Its territorial limits, as they presently exist, contain approximately 2,026 square miles. In terms of land area, it is the largest county in the State. The County is located on the southwest coast of the Florida peninsula directly west of the Miami-Fort Lauderdale area. In 2018 the County had an estimated population of 368,534. Part of the Everglades National Park, the United States' only subtropical national park, comprises a portion of the County. Principal industries within the County include wholesale and retail trade, tourism, medical services, agriculture, forestry, fishing, cattle ranching and construction. Additional general information with respect to the County is set forth in "APPENDIX A – General Information Regarding Collier County, Florida" attached hereto.

Board of County Commissioners

The Board is the principal legislative and governing body of the County. The Board consists of five County Commissioners; one from each of the five districts elected for terms of four years. All of the County Commissioners are residents of the County. The Board serves as the ex-officio governing board of the District. The current members of the Board and their expiration of terms of office are:

Commissioner	Office	Term Expires
William L. McDaniel, Jr.	Chairman	November, 2020
Burt L. Saunders	Vice Chairman	November, 2020
Donna Fiala	Commissioner	November, 2020
Andy Solis	Commissioner	November, 2022
Penny Taylor	Commissioner	November, 2022

County Manager

The chief administrative official of the County is the County Manager. This official is directly responsible to the Board for administration and operation of four administrative divisions under the Board and for execution of all Board policies. The County Manager directs the administrative divisions for Growth Management, Public Services, Public Utilities, and Administrative Services. The County Manager is also responsible to the Board for the preparation of budgets and for the control of expenditures of departments under his supervision throughout the budget year.

Budget Process

The County Manager's Director of Corporate, Financial and Management Services (the "Director") initiates the budget planning process in January with budget policy discussions among key members of the fiscal and administrative leadership team. These discussions culminate in the presentation and adoption of budget policy and guidance by the Board in February or March. County division heads and elected officers submit their proposed expenditures beginning in April for compilation by the Director no later than July 1 of each year and each submission is matched against available revenues. A balanced, proposed budget is presented to the Board for review within 15 days of receipt of an assessed value certification from the County's Property Appraiser which is due by July 1. A tentative budget is thereupon adopted within 15 days.

Subsequent to public hearings, a final budget is adopted. The final budget for the fiscal year ended September 30, 2019 was adopted by the Board on September 20, 2018. Final millage rates are adopted, by late September, and the County's Tax Collector prepares tax bills for mailing on or after November 1. Upon valid adoption, all expenditures in the budget constitute appropriations, and amendments to the budget can be made only in accordance with the provisions of Chapter 129, Florida Statutes, and such chapter provides that expenditures in excess of total fund budgets are unlawful.

Annual Audit

Florida law requires that an annual post audit be completed by independent certified public accountants retained by the County. The County retained the firm of Clifton Larson Allen LLP, Naples, Florida, to undertake the audit for the fiscal year ended September 30, 2018. The Comprehensive Annual Financial Report for the fiscal year ended September 30, 2018 appears in APPENDIX C attached to this Official Statement.

THE DISTRICT

Background

In 1969, the citizens of the County adopted a referendum authorizing the Board to create the District under Chapter 153, Part II, Florida Statutes, as a body corporate and politic in the State of Florida, to plan, develop and operate public water and sewer facilities for existing and future development within the County. The District exists pursuant to the District Charter which amends, re-enacts and codifies previous special acts and amendments thereto pursuant to which the District was originally created. The District was created and exists under the authority of the District Charter for providing water and sewer services and facilities to certain unincorporated areas of the County. The jurisdictional boundaries of the water service area of the District presently covers approximately 578 square miles of unincorporated Collier County and the jurisdictional boundaries of the sewer service area of the District presently covers approximately 558 square miles of unincorporated Collier County. However, the District continues with its policy not to serve in the estates areas, leaving the current water served area at 157 square miles and the current sewer served area at 169 square miles (the difference in the two currently serviced areas is due to a portion of the County receiving water only service from the City of Naples). With planned developments in the northeast, the District plans to provide water service in an area covered by 211 square miles, and sewer service over 222 square miles. The System is owned and operated by the District, the ex-officio governing board of which is the Board. See "THE SYSTEM" herein.

Powers

The District has the power to construct, install, acquire and to operate, improve, extend, enlarge and reconstruct a water and sewer system within the District and to have the exclusive control and jurisdiction thereof; to issue its revenue bonds or assessment bonds to pay all or part of the cost of such improvements; to fix and collect rates, fees and other charges (including impact fees which are referred to herein and in the Resolution as System Development Fees) to persons or property or both for the use of the facilities and services provided; and to acquire such lands and rights thereon as it may deem necessary, including by eminent domain.

Management

The Collier County Public Utilities Department operates the public water and sewer facilities for the District. The Public Utilities Department Head reports to the Deputy County Manager. The District currently has 434 budgeted full time equivalent ("FTE") employees managing and operating the water and sewer utilities including administration, financial operations including meter services and centralized inventory management, engineering, technical/logistics support, water operations and sewer operations. The sewer operations section consists of 157 FTE employees. The water operations section consists of 118 FTE employees. The following individuals comprise the senior management of the Public Utilities Department:

G. George Yilmaz, Ph.D., P.E., P.H., Public Utilities Department Head. Dr. Yilmaz assumed duties as the Collier County Public Utilities Department Head in 2012. Dr. Yilmaz holds Master of Science degrees in Civil Engineering and in Ocean Engineering as well as a Doctor of Philosophy in Engineering-Water Resource Management. He is a Licensed Professional Engineer (P.E.), Licensed Professional Hydrologist (P.H.), Registered Environmental Professional (R.E.P.), and a member of the National Council of Examiners for Engineering and Surveying (N.C.E.E.S.). He has both private and public-sector leadership experience including Transportation/Traffic Optimization, Combined Stormwater/Sewer Systems, and Water Resources and Utility Management.

Joseph G. (Joe) Bellone, Director of Financial Operations Support for Public Utilities. Prior to joining the District in October 2003, Mr. Bellone was employed by Staples Inc. for 8 years in a succession of financial positions both domestically and in Europe. These positions included Manager Financial Planning and Analysis at the Staples headquarters in Massachusetts and Finance Manager for Staples International in Brussels. He started his career in finance with General Electric at GE's International Financial Operations offices in New York City, Brussels, and Research Triangle Park in North Carolina. Mr. Bellone then held increasingly responsible financial positions in the publishing industry in Massachusetts. Mr. Bellone is a graduate of New York University, New York, New York, with a Bachelor of Arts degree in Economics. He also graduated with a Master's Degree in Business Administration with a concentration in Finance from Suffolk University, Boston, Massachusetts.

Billings and Collections

Utility Billing and Customer Service is responsible for the District's customer service, which includes billing and collection of customer fees and charges levied for the services provided by the District. Bills for services are rendered monthly and are due and payable twenty days after the bills are mailed. Service is discontinued if bills are not paid within thirty-five days after bills are rendered. The

District's Utility Billing and Customer Service section is part of the Financial Operations Support Division, managed by two senior level managers who oversee the day to day activities.

Meters are read monthly at approximately thirty-day intervals. Billings are made based on forty-two staggered billing cycles per month. The read-to-bill time is approximately four days. Bills are printed by a third-party contractor and delivered to a U.S. postal facility on the same day they are printed. Use of a lockbox, bank drafts and credit cards increase the efficiency and level of service in the receipt and processing of payments. Customer accounts are updated daily, and over-the-counter payments are deposited on the day of receipt. Financial records of billings and receipts are accounted for on a monthly basis.

A state-of-the-art Customer Relationship Management ("CRM") and billing system was installed in February 2003. This CRM solution enhances both customer service and operational efficiency. As part of the implementation of an Enterprise Asset Management system in the fiscal year ending September 30, 2016, an updated CRM has been selected and contract negotiations are currently underway. A telephone call center system was installed in 2004. Customers can access account information and pay their account (24 hours a day, seven days a week) over the Internet. An Interactive Voice Response ("IVR") system is used to provide courtesy calls to customers pending turn-off for non-payment. The IVR capabilities were expanded in 2014 to allow customers to query account information (24 hours a day, seven days a week) and to make payments on their accounts (credit card, debit card and e-checks) over the phone without talking to a service representative. Electronic Bill Presentation and Payment (e-bill) capabilities were implemented in the fiscal year ended September 30, 2011.

The District has all its utility meters, except for certain compound meters, in a radio read environment. Radios read meters increase accuracy of meter reads and provide staff efficiencies. The radio read software generates trouble reports, which are addressed between the meter read process and the bill production stage. With the acquisition of the Golden Gate System effective March 1, 2018, Advanced Metering Infrastructure ("AMI") has been integrated into the District's CRM system.

THE SYSTEM

General

The System is comprised of both water production, transmission, treatment and distribution facilities, and sewage collection, transmission, treatment and disposal facilities which are owned and operated by the District. On September 11, 2018, the Board approved Resolution 2018-152 amending the service boundary area to include all unincorporated areas of the County not lying within service areas granted to third parties by the water and sewer regulatory authority or as otherwise excepted by the Special Act creating the District. Excepted areas include those served by the Immokalee Water-Sewer District, the City of Naples, the City of Marco Island, Everglades City and the service area of the Ave Maria Utility Company, LLLP. Recently, the District acquired the Orange Tree Utility System (at no cost) and the assets of the Golden Gate Utility System (from the Florida Governmental Utility Authority at a cost of $35,965,000). Resolution 2017-14 was approved in January 2017 transferring the assets to the District pursuant to an interlocal agreement. Resolution 2017-222 was approved in November 2017 authorizing the acquisition of the Golden Gate Utility System, and Resolution 2018-28 approved the closing of the acquisition effective March 1, 2018.

The following table illustrates the historical growth of the System based on Equivalent Residential Connections ("ERCs") and customer accounts as of each fiscal year end.

Historical Sewer System and Water System
Equivalent Residential Connections
and Water and Sewer Accounts

Fiscal Year	Sewer System ERCs[1]	Water System ERCs[1]	Number of Water and Sewer Accounts[2]	Account Growth
2014	83,367	82,248	63,682	--
2015	86,108	84,452	65,454	2.8%
2016	88,744	87,079	67,907	3.7
2017	93,364	90,845	72,150	6.2
2018	98,539	96,622	77,792	7.8

(1) An ERC is a standard level of service based on the typical demand requirements for an individually metered single-family home and is equal to 350 gpd for water service and 250 gpd for sewer service. Estimated ERC's for all years were predicated on ERC meter equivalency factors (meter flow capabilities) based on instantaneous meter capacity (demand) factors applied to the various meters in service as published by the American Water Works Association which are now recognized in the development of the monthly rates for service by the District and which are also consistent with the flow capacities used in the application of the water and wastewater System Development Fees. This represented a change in the determination of the estimated ERCs served by the System when compared to prior presentations. Specifically, the meter equivalency factors applied to the smaller meters (customers served by a 2-inch or smaller meter which represents over 90% of the commercial and master-metered residential customers served) were reduced and the meter equivalency factors applied to the larger meters (customers served by a 3-inch or greater meter which represents under 10% of the commercial and master-metered residential customers served) were increased. Overall, this change in the meter equivalency factors resulted in a total reduction in the estimated ERCs served since the majority of the customers experienced a reduction in the meter equivalency factor.

(2) Reflects actual metered accounts. Acquisition of Orange Tree and Golden Gate in the fiscal year ended September 30, 2017 and 2018, respectively, contributed to account growth in the respective years. Fiscal year ended September 30, 2018 does not fully recognize all customers of Golden Gate Utility since the acquisition was in effect for only part of the year.

Source: ERC's - Public Resources Management Group, Inc., the District's Rate Consultant; Accounts – Collier County Water-Sewer District

Water System

General

The Water System includes three wellfields, two regional water treatment plants, six distribution system pumping stations, 38.25 million gallons of tank storage, and over 1,090 miles of combined potable water transmission mains.

Water Production and Demands

When considering demand projections as they relate to planning for water facilities, the following demand conditions are typically analyzed:

- Annual Average Daily Demand ("AADD"): Total water supplied in one year divided by the number of days in that year.

- Maximum Month Daily Demand ("MMDD"): Maximum quantity of water supplied during a single month during a one-year period, divided by the number of days in the month. The District utilizes the MMDD for sizing water supply and treatment facilities. For estimating projected demands, the MMDD is 1.2 times the AADD.

- Maximum Day Demand ("MDD"): Maximum quantity of water supplied in a single day during a one year period. For estimating projected demands, the MDD is 1.35 times the AADD.

- Maximum 3 Day Demand ("M3DD"): Average of the maximum quantity of water supplied in three consecutive days. For estimating projected demands, the M3DD is 1.3 times the AADD.

Historical water production data is summarized in the following table:

Historic Finished Water Production

Year	Per Capita Demand Loss[1] (gpcd)	Annual Demand AD[2] (MG)	Annual Average Daily Demand AADD (MGD)	Maximum Month Daily Demand MMDD (MGD)	Maximum Day Demand MDD (MGD)	Maximum 3 Day Demand M3DD (MGD)
2013	170	8,549	23.4	28.1	31.5	30.0
2014	150	9,216	25.3	28.8	31.4	30.7
2015	150	9,370	25.7	29.6	32.7	31.6
2016	150	9,522	26.1	30.6	35.9	33.3
2017	150	9,569	26.2	31.7	34.2	33.0
2018	145	9,587	26.3	30.8	33.9	33.9
Percent Change 2013-2018	(15)%	12%	12%	10%	7%	13%

MG = Million Gallons
MGD = Million Gallons Per Day
gpcd = gallons per capita per day

(1) Per capital level of service demand is based upon annual average demand, permanent population and overall level of service standard adopted by the District.

(2) Annual Demand includes Golden Gate Utility System and Orange Tree Utility System service areas. Orange Tree service area demand data only available for the fiscal year ended September 30, 2016 through and including 2018.

Includes residential and commercial (general service) water demands; per capita based on estimated permanent population served as prepared by the Growth Management Department's Comprehensive Planning Division.

Source: AECOM Revised Master Plan Update (12/7/18) for the Expanded District

Water demands are expected to continue increasing due to additions to the served area in the form of new developments in the northeast and growth within the existing served area. It is forecasted that for the six year period of 2019 – 2024, potable water demand on an annual average daily demand basis will increase by 141% based on AECOM Revised Master Plan Update dated December 7, 2018 for the District taking into account the recently expanded service area.

Water Supply

Hydrogeology

The hydrogeology of the District is characterized by three major aquifer systems: the Surficial Aquifer System ("SAS"), the Intermediate Aquifer System ("IAS"), and the Floridan Aquifer System ("FAS"). These three aquifer systems underlie the entire County and contain numerous individual aquifers that are separated by intervening low permeability confining units. Higher permeabilities indicate higher yield potential as a raw water source.

The SAS is located within approximately 120 feet of the land surface and includes the water table (the upper limit of the portion of the ground wholly saturated with water) and Lower Tamiami Aquifer. The water table and the Lower Tamiami Aquifer are the most cost effective sources of raw water, since the water in these sources is generally fresh, resulting in low treatment costs, and the aquifers are shallow, so drilling expenses are relatively low. Generally, the water table and Lower Tamiami Aquifers have moderately high permeabilities and are widely used in the District to supply water to private homeowners for potable and irrigation needs.

Withdrawals from these aquifers are severely restricted during the dry season due to the potential for adverse environmental impacts, making the permitting of an additional large centralized use from either of these sources unrealistic. The future development of a large public supply wellfield tapping this source may be limited.

The IAS is located between approximately 120 feet and 750 feet beneath the land surface and includes the Sandstone and Hawthorn Zone I Aquifers. The Sandstone Aquifer is the uppermost hydrologic unit of the IAS. This aquifer is rarely used as a water source in the District because of its relatively low yield. The underlying Hawthorn Zone I Aquifer is a brackish water resource with low to moderate permeability. The FAS, which underlies all of Florida and parts of Georgia and South Carolina, is one of the most productive aquifers in the United States and includes the Lower Hawthorn Aquifer.

The FAS is located between approximately 750 feet and 2,100 feet beneath the land surface and includes the Lower Hawthorn, Suwannee, Ocala and Avon Park Aquifers. The uppermost Lower Hawthorn Aquifer has low to high permeabilities and is currently used by the District as a brackish raw water source.

The Suwannee and Ocala Aquifers generally have low permeabilities and brackish to saline quality groundwater. The Avon Park Aquifer, the deepest of the formations in the FAS, has relatively high permeabilities and a saline quality groundwater. Although a potentially productive source, the Avon Park Aquifer could be a costly raw water source due to increased drilling costs of wells and increased treatment costs of a highly saline groundwater.

Existing Water Supply

Currently, the District obtains water from three existing wellfields: (i) the Golden Gate Tamiami Wellfield, which taps the Lower Tamiami Aquifer; (ii) the North Hawthorn Wellfield, which taps the Lower Hawthorn and Hawthorn Zone I Aquifers; and (iii) the South Hawthorn Wellfield, which taps Hawthorn Zone I and Lower Hawthorn Aquifers. The Golden Gate Tamiami and the North Hawthorn Wellfields are located near the North County Regional Water Treatment Plant (NCRWTP). The South Hawthorn Wellfield is located near the South County Regional Water Treatment Plant (SCRWTP). The Golden Gate Tamiami Wellfield supplies raw water to both the NCRWTP and the SCRWTP through a raw water booster pumping station and transmission mains.

With respect to raw water withdrawals, the Water System is currently regulated by the South Florida Water Management District ("SFWMD"), which is a public entity of the State of Florida established as a multipurpose water management district that has the responsibility of managing the water resources within its boundaries (i.e., southern Florida). SFWMD regulates raw water withdrawals and is authorized to require permits for the consumptive use of water. All significant water users within south Florida, including the District, require permission to withdraw raw water through the issuance of a water user permit by the SFWMD. A permit is issued by the SFWMD when an entity such as the District demonstrates that the water use is consistent with the public interest, is a reasonable beneficial use of water, and will not interfere with any presently existing legal use of water. The District recently obtained unified water use Permit Number 11-00249-W (all wells included in a single water use permit) extending through September 29, 2036, which is summarized in the following table:

Net Water Use Permit Allocations by
SFWMD for Public Water Supply

Wellfield/Aquifer	Water Source	# of Wells[1]	SFWMD CUP Allocation (AADF MGD)	Wellfield Firm Capacity (SFWMD Permit) (MGD)	Wellfield Firm Capacity (District Inventory) (MGD)[5]
Golden Gate Tamiami Wellfield	Fresh Ground Water	38	26.50	46.37	38.79
Hawthorn Zone 1 Aquifer	Brackish Ground Water	46	16.00	42.7	39.21
Lower Hawthorn Aquifer	Brackish Ground Water	42[2]	13.03	55.44	24.26
Lower Tamiami Aquifer (OT Wellfield)	Fresh Ground Water	10[3]	0.65	4.61	N/A
TOTAL		136	56.18[4]	149.12	102.26

[Footnotes on following page]

(1) Number of wells taken from SFWMD CUPs (Permit Number 11-00249-W and 11-00419-W)

(2) Includes 14 proposed future wells for the NERWTP as included in the SFWMD CUP 11-00249-W.

(3) Includes 6 proposed future wells as indicated in the SFWMD CUP 11-00419-W

(4) Special permit condition 5 of the SFWMD CUP 11-00249-W provides for a total annual allocation of 55.53 MGD and limits annual withdrawals from specified sources as identified above. However, the allocation for the Lower Hawthorn Aquifer in the SFWMD CUP 11-00249-W is 19.52 MGD. Special permit condition 5 of the SFWMD CUP 11-00419-W provides for a total annual allocation of 646,904 gallons per day.

(5) The information of wellfield firm capacity for Orange Tree Wellfield is not available.

MGD = Million Gallons Per Day

Source: AECOM, the District's Consulting Engineer

Note: The information provided in the above table does not include permitted raw water allocation from the Golden Gate Wellfield. The wellfield capacities provided in the table are firm capacities, which assumes that one well in each wellfield is on standby.

The current Lower Tamiami Aquifer water supply at the Golden Gate Tamiami Wellfield has a permitted capacity of 9,673 million-gallons (MG) per year (26.50 MGD-AADD). The Hawthorn Zone I Aquifer water supply at the North and South Hawthorn Wellfields has a permitted capacity of 7,125 MG per year (19.52 MGD-AADD), and the Lower Hawthorn Aquifer water supply has a permitted capacity of 4,755 MG per year (13.03 MGD-AADD). The total annual allocation for all aquifers is 20,270 MG per year (55.53 MGD-AADD). The permit limits the use of fresh groundwater resources to 26.5 MGD and brackish water to 29.03 MGD (35.52 MGD with overlap for operational flexibility). Special permit condition 5 of the SFWMD CUP 11-00249-W reduces the annual allocation from 26.5 MGD to 18.77 MGD after September 30, 2019. However, renewal documentation is underway to extend the current fresh groundwater allocation.

An additional 5.00 MGD of treatment capacity is required to be online by the fiscal year ending September 30, 2028 to meet the District projected growth. Constructing the first the first phase of the future Northeast Regional Water Treatment Plant ("NERWTP") with a brackish groundwater treatment process would meet this need in accordance with the current SFWMD CUP 11-00249-W; however, an application to modify this permit to allow 3.75 MGD of fresh water treatment in the future NERWTP is pending. The total reliable raw waster required to utilize the capacity of the existing District treatment facilities and the initial 5 MGD phase of the future NERWTP is 90.31 MGD. The available wellfield firm capacity as the SFWMD CUPs is 146.23 MGD and as per the District well inventory is 102.25 MGD.

Regulatory Issues

SFWMD last prepared and issued the Lower West Coast Water Supply Plan in April, 2012. This document is a 20-year plan for water supply for the Lower West Coast of Florida, comprised of Collier County, Lee County, Glades County, Hendry County and portions of Charlotte and Monroe Counties. The Plan Conclusion was stated as:

> "The future water demands of the region can continue to be met through the 2030 planning horizon with appropriate management and continued diversification of water supply resources."

The Lower West Coast Water Supply Plan recommends the diversification of supply sources, comprising increased use of reclaimed water, increased use of supplemental water sources and the increased use of Aquifer Storage and Recovery ("ASR") for storage. All future raw water sources are being investigated in accordance with SFWMD recommendations. An update to the Plan was approved by the Board on January 8, 2019, with SFWMD approval anticipated sometime later in the Summer of 2019.

Water Treatment Facilities

The United States Environmental Protection Agency, the Florida Department of Environmental Protection ("FDEP"), and the Collier County Department of Health regulate the quality of the District's water. The District is currently in compliance with all applicable regulations relating to water quality, providing potable water that meets the Federal Safe Drinking Water Act and all State of Florida primary and secondary standards. Primary standards set limitations for specific contaminants in drinking water. Secondary standards establish levels for contaminants that may have adverse cosmetic or aesthetic effects on drinking water. Currently, the primary regulatory impetus affects those districts or authorities that utilize surface water sources rather than groundwater sources as the District does.

North County Regional Water Treatment Plant

The North County Regional Water Treatment Plant ("NCRWTP") is located on the north side of Vanderbilt Beach Road Extension east of CR 951 in the northeast quadrant of the service area. The plant uses groundwater withdrawn from the Lower Tamiami, Lower Hawthorn and Hawthorn Zone I Aquifers. Membrane softening and RO treatment processes are used to produce drinking water from these aquifers, respectively. Membrane filtration and RO are physical treatment processes that use semi-permeable membranes for the removal of contaminants from water. The membrane filtration process uses nanofiltration across permeable membranes with approximately 85-percent recovery efficiency (recovery efficiency is the percentage of raw feed water converted to product water). The RO process is designed for chloride removal and provides a recovery efficiency of about 75 percent. The 12-MGD membrane softening process and 8-MGD RO process draw water from separate aquifers and operate independently. The operation of the membrane softening and RO skids is operator-initiated. The membrane softening process uses water from the Lower Tamiami Aquifer, and the RO process uses water from the Lower Hawthorn and Hawthorn Zone I Aquifers. Both membrane processes use similar pretreatment, including chemical addition and cartridge filtration. However, separate sets of cartridge filters and acid/scale inhibitor metering pumps are dedicated to each process. Product water produced by the two membrane processes is blended in a common header for post-treatment and distribution. Chloramines are used for disinfection, and the facility has a chlorine scrubber for safety. Additional chemical additives during post-treatment include polyphosphate for corrosion control, fluoride for public health, and sodium hydroxide for pH adjustment. The concentrate produced by the two membrane processes (reject water) also is blended and subsequently disposed into one of the two on-site injection wells.

The membrane softening and RO processes share a common clean-in-place system that is used to clean the membrane elements with a chemical solution. Chemical cleaning partially recovers the decline in permeate production that occurs due to scaling and fouling of the membrane elements.

Four generators provide emergency power to allow for continued operation of the facility in the event of a temporary or prolonged power outage.

South County Regional Water Treatment Plant

The South County Regional Water Treatment Plant ("SCRWTP") is located near the intersection of CR 951 and I-75 about 5.5 miles south of the NCRWTP. The SCRWTP includes a 12-MGD lime softening facility that receives raw water from the Lower Tamiami Aquifer and a 20-MGD RO process that receives raw water from the Lower Hawthorn and Hawthorn Zone I Aquifers.

For the lime softening process, the raw water is initially pumped through updraft degasification units to remove hydrogen sulfide. Downstream of the degasification units, a splitter box serves as a feed point for potassium permanganate prior to diverting the flow into three reactor/clarifiers for lime softening. The softened water flows from the reactors to the re-carbonation basin where carbon dioxide is added for pH adjustment. From the re-carbonation basin, the flow continues to the gravity sand filters. Upstream of the filters, ammonia and chlorine are added. The filtered water then flows to the clearwell, which is equipped with five transfer pumps to feed the ground storage tanks.

Upstream of the RO process, the raw water is chemically pretreated to adjust pH and inhibit scale and is routed through cartridge filters. The pretreated water is then directed to the RO process to remove calcium, chlorides and inorganic carbon. The product water leaving the RO facility goes through degasification to remove sulfides and any remaining carbon. The degasified permeate flows to the new blend tank, sized to serve both the RO and lime-softened water. A blend tank provides a point at which the product waters from the two different water treatment processes can be combined to create one consistent and stable finished water for storage and distribution. Once lime-softened water and RO permeate come together in the blend tank, sodium hydroxide, chlorine (to disinfect), anhydrous ammonia (to form a chlorine residual), and a blend of ortho-polyphosphate (to inhibit corrosion) and sodium silicofluoride (public health) are added for final treatment. All chemicals associated with pretreatment, treatment, post-treatment, and cleaning of the membranes are stored, used, and disposed of, if necessary, in accordance with Federal and State regulations. The recovery efficiencies of the SCRWTP lime softening and RO treatment processes are approximately 97% and 75%, respectively. The transfer pumps direct the flow to two 6-MG finished water storage tanks.

The transfer pumps direct the flow to one 2-MG and two 6-MG finished water storage tanks. Two lime softening facility generators and two RO facility generators at the SCRWTP provide sufficient emergency power to allow for continued operation of the facility in the event of a temporary or prolonged power outage. The main switchgear feeds the high service pumps, and three motor control centers. The motor control centers feed various equipment throughout the plant including; transfer pumps, chemical systems, backwash and surface wash pumps, and miscellaneous building loads.

Orange Tree Sub-Regional Water Treatment Plant

The District acquired this water plant during the acquisition in 2017. The plant was in service initially but has been placed on stand-by since connecting this community to the District regional water system. It is an operational facility but is not needed at this time for production.

Golden Gate City Sub-Regional Water Treatment Plant

This plant was shut down and membranes preserved upon connection of customers to the District's regional water system shortly after take-over. The entire facility and wells, are in poor condition. This facility is not needed for production.

The existing facilities treat source water and essentially provide all potable water supplies for the District's service area. Maximum month daily demand in 2018 was 30.8 MGD, which is 59% of the permitted maximum month daily capacity. The actual finished water demand for fiscal years ended September 30, 2014 through and including 2018 as a percent of the permitted design capacity is shown in the following table.

Water Production and Capacity Utilization

Fiscal Year	Permitted Capacity MMDD (MGD)[1]	Maximum Month Daily Demand MMDD (MGD)	Percent of Current Permitted Capacity Utilized
2014	52.0	28.9	55%
2015	52.0	29.6	57
2016	52.0	30.6	59
2017	52.0	31.7	61
2018	52.0	30.8	59

MMDD = Maximum Month Daily Demand
MGD = Million Gallons Per Day
(1) Does not include Orange Tree Sub-Regional Water Treatment Plant or Golden Gate City Sub-Regional Water Treatment Plant
Source: AECOM Revised Master Plan Update (12/7/18) for the Expanded District

Water Transmission, Storage, and Distribution

Water Transmission

Pressure is maintained in the transmission system by using high service pumps located at both water treatment plants, three water booster pumping stations and an in-line booster pump station located strategically in the Water System. The booster pumping stations are located at Isles of Capri, Manatee Road and Carica Road. The in-line booster station is in the northwest portion of the Water System near Vanderbilt Drive. The Isles of Capri Pumping Station is a local distribution station in the far south portion of the service area, providing high service pumping to the local area. The Manatee Road facilities serve the south portion of the service area. The Carica Road facilities serve the north portion of the service area. The Vanderbilt Booster Pumping Station was originally installed as a booster station for fire flow demand. As the water customers and demand have increased, this station operates on a regular basis to provide adequate water pressure in the northwest portion of the Water System.

The high service pumps at the treatment plants are operated to maintain a discharge pressure 90 psi. The other pumping stations are utilized to maintain pressures in the extremities of the Water System during high demand periods.

Water Storage

Ground storage tanks at the treatment plants and at the booster pumping station sites provide system storage and reserve capacity to help meet peak hourly demands of the Water System. The booster pumping station storage tanks are located at Isles of Capri, Manatee Road and Carica Road. The Isles of Capri Pumping Station is a local distribution station in the far south portion of the service area, providing 0.25 million gallons of storage. The Manatee Road facilities serve the south portion of the service area and include a two-million-gallon storage tank. The Carica Road facilities include two five million gallon storage tanks.

Finished Water Storage Facilities

		Capacity of Storage Facility – MG	
Name/Location of Storage Facility	Type of Storage Facility	Tank Volume	Usable Storage Capacity
NCRWTP	Ground Storage Tank	12.00	11.10
SCRWTP	Ground Storage Tank	14.00	12.40
Isles of Capri	Distribution Pump Station	0.25	0.20
Manatee Road Pumping Station	Distribution Pump Station	2.00	1.80
Carica Road Pumping Station	Distribution Pump Station	10.00	9.30
Orange Tree WTP	Ground Storage Tank	0.75	0.63
Golden Gate Booster Station	(not currently in operation)	1.00	N/A
Total Combined Storage Capacity		40.00	35.43

MG = Million Gallons
Source: AECOM Revised Master Plan Update (12/7/18) for the Expanded District

Water Distribution

The District owns and maintains over 1,090 miles of potable water transmission and distribution pipelines, ranging in size up to 48 inches in diameter, with over 75,000 metered service connections. The pressure in the water distribution system is generally maintained at 80 psi, which meets the fire flow requirements of the District. The water distribution system is generally not considered as a looped network and there are numerous instances of some dead-end lines, which require periodic flushing to assure water quality. The water distribution facilities are equipped with isolation valves throughout the Water System for repairs and maintenance without shutting down significant portions of the Water System at one time. The water distribution system also includes an adequate number of fire hydrants to provide fire protection throughout the service area of the Water System.

Water System Residuals Disposal

The District generates two types of residuals disposal: (i) lime sludge disposal from the SCRWTP; and (ii) liquid concentrate disposal from the membrane softening ("MS") and RO processes at the SCRWTP and NCRWTP.

Lime solids are created from the calcium carbonate precipitation process. Excess sludge from the reactor/clarifiers is pumped to a gravity thickener, when the solids are settled. The thickened sludge is pumped to a dewatering process that uses belt filter presses, which are located in a dewatering building.

The dewatered sludge is hauled by truck to a land application facility using a contract hauler. The hauling contract typically has a short term of two years and is bid at the end of this term.

Utilization of RO to treat brackish sources generates a concentrate that requires disposal. Concentrate disposal is regulated by the FDEP. In southwest Florida, the FDEP-preferred alternative for disposing of the by-products of the RO treatment process is injection well technology, in which the concentrate is injected through a well into the "Boulder Zone" of the Lower Floridan Aquifer.

The Boulder Zone in the County occurs at depths ranging from approximately 2,000 feet to 3,400 feet below land surface. It is overlain by 500 to 1,000 feet of low-permeability limestone and dolomite, which retard the upward movement of injected fluids. The permeability of the Boulder Zone is very high. This combined with the fact that the Boulder Zone contains salt water makes it an ideal zone for receiving injected wastes. There are currently four Class I injection wells in the County that are used for the disposal of treated municipal sewer and concentrate from RO desalination facilities.

Regulating agencies such as the FDEP support the use of injection wells to dispose of the by-products of membrane treatment. Under current regulations, Class I injection wells must be permitted through the Underground Injection Control ("UIC") program of the FDEP. The UIC permitting process requires that the injection wells be constructed so that they have mechanical integrity and that adequate confinement is present so that injected fluids do not migrate and impact underground sources of drinking water. Injection wells must undergo mechanical integrity testing every five years. Well performance and monitoring data are also reviewed every five years as part of the operational permit renewal.

Concentrate disposal at the two existing water treatment plants is by deep well injection. The NCRWTP has two on-site 16-inch diameter injection wells, each with a design capacity greater than the design concentrate flow of 4.4 MGD. This provides the 100 percent enhanced reliability requirement in the FDEP rules. At the NCRWTP, each well has a constructed capacity of 7.9 MGD. The SCRWTP includes two 20-inch diameter deep injection wells, for the concentrate flow of 6.7 MGD. The permitted capacity for each well is 12.7 MGD.

Condition of Water System

The existing water treatment facilities utilize treatment technologies that are appropriate for the raw water sources and acceptable industry-wide. The District has been diligent in maintaining the Water System and planning for future upgrades. As such, growth has dictated that a significant portion of the Water System has been constructed in the last twenty years. The water supply and treatment facilities appear to be in good operating condition and are maintained in accordance with prudent utility management practices.

Projected Potable Water Demand (Capacity Planning Requirements)

Collier County Growth Management Department Comprehensive Planning Division (the "Comprehensive Planning Division") develops population projections utilizing the following information: historical population growth, Florida Bureau of Economic and Business Research ("BEBR") population forecasts, and water service information provided by the County Water Division. In addition to population growth, other criteria are utilized to determine future capacity of the water treatment and distribution facilities. The Level of Service Standard ("LOSS") factors are used to forecast future water demands, determine capacities of future facilities, and for hydraulic modeling. Revised LOSS factors for

the Water System were adopted by the District in 2015. The LOSS factors include operational standards and a per capita water demand standard (150 gpcd).

The LOSS for water transmission systems requires a minimum system pressure of 50 pounds-per-square-inch (psi) during the peak hour water demand period and a minimum Water System pressure of 40 psi during maximum daily demand with fire flow.

The following table outlines the per capita demand, total annual demand, MMDD, AADD, MDD, and M3DD from 2020 through 2034 projected for capacity planning purposes based on the County's Water System Comprehensive Planning Division populations.

Projected Finished Water Demand – Capacity Planning Purposes[(1)]

Calendar Year	Per Capita Demand LOSS (gpcd)	Total Annual Demand AD (MG)	Annual Average Daily Demand AADD (MGD)	Maximum Month Daily Demand MMDD (MGD)	Maximum Day Demand MDD (MGD)	Maximum 3 Day Demand M3DD (MGD)
2020	150	11,373	30.9	37.7	41.7	40.2
2025	150	12,826	35.4	43.2	47.8	46.1
2030	150	14,089	40.5	49.4	54.6	52.6
2034	150	14,994	44.0	53.7	59.4	57.2

gpcd = gallons per capita per day
MG = Million Gallons
MGD = Million Gallons Per Day

(1) These projections are for finished water following treatment. Processes such as membrane softening and reverse osmosis require additional water due to losses during treatment. The amount of additional raw water required depends on the capacity and efficiency of the treatment system.

Source: AECOM Revised Master Plan Update (12/7/18) for the Expanded District

The projected water demands are forecasted to increase over time, but at a slightly declining rate, due to continued growth in the County, especially in the expanded service areas in the northeast and southeast. As the service area reaches build-out after 2034, the permanent portion of the functional population will remain constant and additional growth will only come from the seasonal component of the functional population, which also includes the daily visitors.

Water System Capacity

The District recently completed an update to the 2014 Water Master Plan/CIP Plan integrated with the 2018 Rate Study to develop a comprehensive plan to accommodate growth. Increasing the Water System capacity requires that the District construct additional treatment facilities to accommodate growth and provide additional infrastructure to deliver finished water to the customers. The combined ultimate operational capacity of the existing facilities is 48.0 MGD. Two future treatment facilities that are proposed to augment the treatment capacity provided by the NCRWTP and SCRWTP are the Northeast Regional Water Treatment Plant ("NERWTP") anticipated to be on-line in 2028, and the

Southeast Regional Water Treatment Plant ("SERWTP") which will depend on demand and population growth. The following table summarizes water treatment plant constructed and operational capacity:

Water Treatment Plant Capacity Summary

WTP	Treatment Process	Ground Water Resource	Constructed Capacity	Recovery Efficiency
NCRWTP	Nanofiltration (NF)	Fresh Ground Water	6 X 2 MGD = 12 MGD	85%
	Low Pressure Reverse Osmosis (LPRO)	Brackish Ground Water	4 X 2 MGD = 8 MGD	75%
SCRWTP	Lime Softening (LS)	Fresh Ground Water	3 X 4 MGD = 12 MGD	97%
	Low Pressure Reverse Osmosis (LPRO)	Brackish Ground Water	10 X 2 MGD = 20 MGD	75%
	Total Constructed Capacity		52 MGD	NA
	Operational Capacity[(1)]		48 MGD	NA

(1) In order to account for the operational need to maintain plant equipment, the constructed capacity (52 MGD) is reduced by the largest treatment process unit (4 MGD lime softening reactor/clarifier). The resulting operational capacity (48 MGD) is used to determine when expansion is required. This is based on the District's Public Utilities Division Reliability Guidelines, February 2006, consistent with the "2012 Recommended Standards for Water Works."

MMDD = Maximum Month Daily Demand
MGD = Million Gallons Per Day
Source: AECOM, the District's Consulting Engineer

Future Water Treatment Expansion

Approximately 5.0 MGD of additional treatment capacity is required to meet the projected potable water system demands starting in the fiscal year ending September 30, 2028 and extending through build out (2034) on the NERWTP site. The Board approved the design/build contract at the March 12, 2019 meeting to construct potable and IQ water transmission mains, wastewater collection mains, interim wastewater treatment facilities and a 7.5 million gallon potable water storage tank and high service pump station to serve imminent demand in the northeast area of the County. Future master planning activities, recently awarded, will provide optimum location and needed facilities based on future development.

Future plans beyond 2034 will potentially include a SERWTP at the 42.5-acre Manatee Road Pumping Station site.

The expanded facilities will treat source water to provide all potable water supplies for the District's service area. The following table outlines the per capita demand, total annual demand, MMDD, AADD, MDD, and M3DD from 2020 through 2034 projected for capacity planning purposes.

Future Water Production and Capacity Utilization

Year	Permitted Capacity MMDD (MGD)	Maximum Month Daily Demand MMDD (MGD)	Percent of Current Permitted Capacity Utilized
2020	52.0	37.7	73%
2025	52.0	43.2	83
2030	57.0	49.4	87
2034	57.0	53.7	94

MMDD = Maximum Month Daily Demand
MGD = Million Gallons Per Day
Source: AECOM Revised Master Plan Update (12/7/18) for the Expanded District

Sewer System

General

The sewer treatment facilities in the Sewer System include two regional water reclamation facilities, two sub-regional treatment facilities (one at Orange Tree to serve that development and the second located at the Golden Gate City wastewater treatment site), over 709 miles of gravity sewer lines, 900 pumping stations (of which 22 are master pumping stations), and more than 447 miles of force main. The Orange Tree facility has a current capacity to treat 0.75 MGD, with an expansion project underway in 2019 to increase that by an additional 0.75 MGD. The Golden Gate City sub-regional treatment plant has a permitted capacity of 1.5 MGD.

Wastewater Flows

When considering sewer flows as they relate to planning and permitting for sewer facilities, the following flow conditions are typically analyzed:

- Annual Average Daily Flow ("AADF"): Total wastewater flow generated in one year divided by the number of days in that year.

- Maximum Month Daily Flow ("MMDF"): Maximum quantity of wastewater generated during a single month during a one-year period, divided by the number of days in the month. The District utilizes the MMDF for sizing sewer treatment facilities. For estimating projected demands, the MMDF is 1.22 times the AADF.

- Maximum 3 Day Flow ("M3DF"): Maximum average of the quantity of wastewater generated in three consecutive days. For estimating projected flows, the M3DF is 1.3 times the AADF.

Historical wastewater flow data is summarized in the following table:

Historical Wastewater Collection

Fiscal Year	Per Capita Flow[1] (gpcd)	Total Annual Flow AF[2] (MG)	Annual Average Daily Flow AADF (MGD)	Maximum Month Daily Flow MMDF (MGD)	Maximum 3 Day Flow M3DF (MGD)
2013	100/120	6,169	16.9	18.9	24.2
2014	100	5,913	16.2	19.5	21.7
2015	100	6,278	17.2	19.5	20.3
2016	100	6,497	17.8	21.6	29.3
2017	100	6,899	18.9	22.0	30.9
2018	100	7,154	19.6	21.2	23.7
Percent Change 2013-2018	N/A	16%	16%	12%	(2%)

MG = Million Gallons
MGD = Million Gallons Per Day
gpcd = Gallons per capita per day
(1) Per capita level of service flow is based on annual average flow, permanent population and overall level of service standard adopted by the District.
(2) Flow data includes Golden Gate and Orange Tree service areas.
Source: AECOM Revised Master Plan Update (12/7/18) for the Expanded District, Collier County Water-Sewer District.

As can be seen in the previous table, the trend in wastewater flows during the period from 2013 through 2018 shows a moderate increase expressed on an average daily flow basis. Wastewater flow increases are expected to continue based on expected demand with development in the expanded northeast service area and growth within the existing served area. From 2013 to 2018, the AADF increased by 16% from 16.9 MGD to 19.6 MGD. The maximum daily flows for the District's service area show a slight decrease. It is forecasted that for the period of 2019 – 2027 annual average daily flows will increase by 20%.

Wastewater Treatment and Effluent Disposal Facilities

General

The United States Environmental Protection Agency and the FDEP, regulate the wastewater treatment and effluent disposal. Regulations for effluent quality vary depending on the nature of effluent management. The District does not dispose of any wastewater effluent by discharge into surface waters. The District's primary means of wastewater effluent management is by irrigation (reuse), which has more stringent treatment requirements than disposal by other means, since customers will directly utilize the end product. Regulations have been established so that permitted wastewater treatment facilities meet effluent limitations for carbonaceous biological oxygen demand ("CBOD"), total suspended solids, nitrates, total phosphorus, fecal coliform, turbidity, and pH. The District is currently in compliance with all applicable regulations relating to wastewater effluent quality for disposal/reuse.

North County Water Reclamation Facility

Sewer treatment in the North Service Area is provided at the North County Water Reclamation Facility ("NCWRF"), located on the east side of Goodlette-Frank Road just south of Immokalee Road. The NCWRF operates under FDEP Permit No. FL0141399 which expires September 8, 2023, and is designed, permitted and operated to stay in compliance and to meet all wastewater treatment standards and effluent disposal requirements. No issues are anticipated by the District in renewing this permit. The plant provides advanced secondary treatment producing effluent consistent with requirements for irrigation quality water. Irrigation water is the primary means of effluent disposal.

The NCWRF is a 24.1 MGD facility with two parallel treatment trains. In the first train, which is an 11.1 MGD MMDF oxidation ditch (extended aeration) facility, influent wastewater flows through the headworks where two mechanical bar screens and one manual bar screen provide preliminary treatment. The wastewater then flows into three aerated grit basins. From the aerated grit basins, wastewater flows into three oxidation ditches. Diffusers provide transfer of oxygen to the mixed liquor in each ditch. Activated sludge is returned to the head of the oxidation ditches by horizontal centrifugal pumps. The oxidation ditch effluent proceeds to five secondary clarifiers for final sedimentation. Effluent from the secondary clarifiers flows to eight traveling bridge automatic backwash filters for solids removal. Filtered effluent is routed to two chlorine contact chambers. Sodium hypochlorite is injected at the head of the chlorine contact chambers. Following the chlorine contact chambers, the treated and filtered effluent flows to the reuse pumping station, where it can be directed to appropriate disposal.

The second parallel treatment train is a 13.0 MGD MMDF facility, which uses the Modified Ludzack-Ettinger ("MLE") process. In the MLE Facility, the influent wastewater flows through mechanical bar screens, aeration grit chambers, and then into aeration basins. The aeration basin effluent proceeds to secondary clarifiers for final sedimentation. A portion of the aeration basin effluent (mixed liquor) is recycled to the aeration basin as part of the MLE process to promote denitrification. Effluent from the secondary clarifiers flows to traveling bridge automatic backwash filters for solids removal. Filtered effluent is routed to chlorine contact chambers. Sodium hypochlorite is injected at the head of the chlorine contact chambers. Following the chlorine contact chambers, the treated and filtered effluent flows to the reuse pumping station, where it can be directed to appropriate disposal. The facility has three 1.5-MG flow equalization tanks to increase plant reliability for handling higher peak hourly flows.

The planned build out capacity of the NCWRF is 30.6 MGD utilizing treatment technologies present at the site.

In December 2014, the FDEP awarded the NCWRF the 2014 Plant Operations Excellence Award in recognition of "outstanding operation through dedicated professionalism."

In January 2019, the FDEP awarded the NCWRF the 2018 Domestic Wastewater Plant Operations Excellence Award in recognition of outstanding treatment plant operation, maintenance and compliance.

South County Water Reclamation Facility

Wastewater treatment in the south service area is provided at the South County Water Reclamation Facility ("SCWRF"), located approximately one mile south of Rattlesnake Hammock Road and nearly one mile east of US 41. The SCWRF operates under FDEP Permit No. FL0141356, which expires October 23, 2022, and is designed, permitted and operated to stay in compliance and to meet all

wastewater treatment standards and effluent disposal requirements. No issues are anticipated in renewing this permit. The plant provides advanced secondary treatment producing effluent consistent with requirements for irrigation quality water. Irrigation water is the primary means of effluent disposal.

The present permitted capacity of the SCWRF is 16.0 MGD MMDF. The SCWRF is a domestic wastewater facility that utilizes the MLE process. Pretreatment consists of a screening facility with mechanical and manual screening, and grit-handling facilities and pumps. Effluent from the pretreatment processes is mixed with activated sludge and recycled mixed liquor prior to feeding the aeration tanks. Secondary treatment is provided by aeration trains (with anoxic zones and fine bubble diffused-air zones), multi-stage centrifugal blowers, return mixed liquor pumps, secondary clarifiers, odor control units and return activated sludge pumps. The SCWRF also has traveling bridge filters with automatic backwash and chlorine contact chambers where sodium hypochlorite is used to disinfect treated water. Residuals are sent to an aerated sludge holding tank and are dewatered by belt filter presses. The SCWRF has two equalization tanks. The SCWRF is currently at its buildout capacity utilizing treatment technologies present at the site.

FDEP awarded the SCWRF the 2017 Operations Excellence Award in recognition of "outstanding operation through dedicated professionalism."

Orange Tree Sub-Regional Water Reclamation Facility

The Orange Tree sub-regional treatment plant is located on Oil Well Road, just east of Immokalee Road. The wastewater treatment plant operates under FDEP Permit No. FLA014165, which expires March 25, 2022, and is permitted and operated to stay in compliance and to meet all wastewater treatment standards and effluent disposal requirements. The plant is an Extended Aeration process and has a permitted capacity of 0.750 MGD, with manually cleaned bar screens, equalization basin, secondary clarifiers, tertiary disc filters, sodium hypochlorite for disinfection and percolation ponds for effluent disposal. Residuals are processed at this time by a vendor utilizing centrifuge technology and hauling to and alternative treatment/disposal site. We are currently in process to increase the capacity of the facility, by constructing an additional extended aeration plant, clarifier and other appurtenances to accommodate for future customers. The project is budgeted to begin in the fiscal year ending September 30, 2019.

Golden Gate City Sub-Regional Water Reclamation Facility

The Golden Gate sub-regional treatment plant is located on 32nd Avenue SW at the intersection with Tropicana Boulevard. This wastewater treatment facility has permitted capacity of 1.5 MGD under permit number FLA142140, which expires June 15, 2020, and is permitted and operated to stay in compliance and to meet all wastewater treatment standards and effluent disposal requirements. The plant is a Complete Mix process and has and equalization basin, pre-screening, grit removal system, 2 secondary clarifiers, sodium hypochlorite for disinfection, deep injection well and percolation ponds for effluent disposal. Residuals are processed at this time by a vendor utilizing centrifuge technology and hauling to and alternative treatment/disposal site. We are currently in discussion concerning potential expansion to plan for the growth of the area.

Effluent Disposal

The primary means of effluent disposal at both the NCWRF and SCWRF is distribution to irrigation quality water customers for irrigation use. Excess water or water unsuitable for public access

irrigation is pumped into deep injection wells ("DIWs") as the District's secondary means of effluent disposal. In the past, the District's two water reclamation facilities each served its own dedicated irrigation quality water system and customers. In 2002, an interconnection between the two systems was created allowing limited irrigation quality water and supplemental water to be exchanged between the two service areas. Irrigation quality water is produced at the water reclamation facilities ("WRFs") as the source of water supply for the benefit of the System. The irrigation quality water can be temporarily stored at the WRFs in ponds on site or distributed for use or storage at customer sites. The District's goals for the irrigation quality water system are to meet the allocations established under each customer irrigation quality water agreement and to maximize the reuse of irrigation quality water, minimizing disposal using DIWs.

The irrigation quality water system serving customers in the District has evolved from being considered strictly effluent disposal to being an irrigation quality water service provider (water resource). However, the primary function of the irrigation quality water system is for effluent disposal, as required by the operating permits of the WRFs. Although some District customers have a backup supply of irrigation water from wells, other customers depend on the District's irrigation quality water system as their sole source of irrigation water. Customers largely consist of bulk commercial customers and residential communities. The District is compensated by its customers based on rates established by the District.

The permit at the NCWRF limits the effluent disposal from the plant to two options, irrigation and deep well injection at the plant site. The NCWRF has two deep injection wells, each with a capacity of 17 MGD MMDF (34.0 MGD peak hourly flow). There are also on-site irrigation quality water storage ponds with a combined volume of 25 MG.

The permit at the SCWRF limits the effluent disposal from the plant to three options, irrigation, wetlands mitigation, and deep well injection at the plant site. The SCWRF has two deep injection wells on site, each with a capacity of 9.25 MGD MMDF (18.0 MGD peak hourly flow). There is also an on-site irrigation quality water storage tank with a volume of 6.6 MG. The plant also has an on-site irrigation quality water storage pond with a volume of 4.4 MG. The District owns several ponds away from the plant site with a total volume of 101.4 MG.

Irrigation Quality Water Aquifer Storage and Recovery

The purpose of the irrigation quality water ASR wells is to store excess irrigation quality or reuse water in the wet season for use during the dry season to help protect and preserve the fresh and potable water supply. The irrigation quality water is stored in a deep brackish water aquifer system that is isolated from the freshwater aquifers that lie several hundred feet above. There are hundreds of feet of confining clays and other strata separating the brackish aquifer from the fresh water aquifer. In addition, all stored water is pretreated to meet primary drinking standards and will be monitored by a comprehensive system.

The District constructed one irrigation quality ASR well in 2014 and a second ASR well in 2015. A total of five irrigation quality water ASR wells are planned by the District to be constructed for irrigation quality water storage. Each ASR well is planned to receive or deliver up to 1.0 MGD of irrigation quality water. This project will enhance the District's ability to store irrigation quality water rather than dispose of this water by deep well injection during periods of high wastewater flows and low irrigation demands (which occurs during the wet season).

ASR Program

Location	Irrigation Quality Water Capacity	Fiscal Year of Construction Completion	Fully Functional Storage Capacity Available
Livingston Road[(1)]	1 MGD (Initial Well)	2014	2019
Livingston Road[(1)]	1 MGD (Second Well)	2015	2019
Livingston Road[(1)]	3 MGD (Three 1-MGD Wells)	2022	2026
Total ASR Capacity	5 MGD	N/A	N/A

(1) Provided that cycle testing yields favorable results.
Source: Collier County Water-Sewer District

Residuals Disposal

Biosolids are dewatered using the belt filter presses at both the NCWRF and the SCWRF. The NCWRF sludge dewatering building size is adequate for the ultimate plant capacity of 30.6 MGD MMDF; however, a sixth belt filter press will be required. Biosolids facilities at the SCWRF include two 330,000-gallon waste activated sludge holding tanks. The District transports biosolids out of the County to a landfill for composting. There are currently no environmental issues regarding composting disposal. The District issued a Request For Proposal on February 26, 2016 to examine options for public private partnership for biosolids digestion providing direct benefit to the District through the production of compressed natural gas for vehicle fueling. Multiple proposals have been received and the selection committee has identified the top two proposals to present to the Board in the near future.

Sewer Collection and Transmission Facilities

The Sewer System contains more than 709 miles of gravity sewer lines and 447 miles of force main, and 900 pumping stations serving the sewer collection system. The pumping stations are predominately small pump stations with a minimum of 2 submersible pumps at each station. There are also 22 master pumping stations strategically located to transmit sewage to the water reclamation facilities. All the master pumping stations are equipped with permanent auxiliary power generators for use during power outages. There is a hydraulic interconnection that allows limited flow transfer between the service area of the NCWRF and SCWRF.

Condition of Sewer System

The existing wastewater treatment facilities utilize treatment technologies that are appropriate for secondary treatment of municipal wastewater and acceptable industry-wide. There have been no known negative performance issues associated with these technologies. The District has been diligent in maintaining the Sewer System and planning for future upgrades. As such, growth has dictated that a significant portion of the Sewer System has been constructed in the last twenty years. The wastewater collection and treatment facilities of the Sewer System appear to be in good operating condition and are maintained in accordance with prudent utility management practices.

Projected Flow (Capacity Planning Requirements)

Collier County Growth Management Department Comprehensive Planning Division (the "Comprehensive Planning Division") develops population projections utilizing the following information:

historical population growth, Florida Bureau of Economic and Business Research ("BEBR") population forecasts, and water service information provided by the Wastewater Division. In addition to population growth, other criteria are utilized to determine future capacity of the water treatment and distribution facilities. The LOSS factors are used to forecast future water demands, determine capacities of future facilities, and for hydraulic modeling. Revised LOSS factors for the Sewer System were adopted by the District in 2015. The LOSS factors include operational standards and a per capita wastewater flow standard of 100 gpcd.

Projected Wastewater Flow – Capacity Planning Purposes

Calendar Year	Per Capita Flow LOSS (gpcd)	Total Annual Flow AF (MG)	Annual Average Daily Flow AADF (MGD)	Maximum Monthly Daily Flow MMDF (MGD)	Maximum 3 Day Flow M3DF (MGD)
2020	100	8,417	23.1	27.7	34.6
2025	100	9,421	25.8	31.0	38.7
2030	100	10,556	28.9	34.7	43.4
2034	100	11,370	31.2	37.4	46.7

gpcd = gallons per capita per day
MG = Million Gallons
MGD = Million Gallons Per Day
Source: AECOM Revised Master Plan Update (12/7/18) for the Expanded District

Sewer System Capacity

The existing regional water reclamation facilities have a combined permitted treatment capacity of 40.1 MGD. Additional treatment capacity will be needed in order to accommodate anticipated future service area growth. In addition to expanding the NCWRF by 6.5 MGD, the two proposed facilities to further augment treatment are the Northeast Water Reclamation Facility ("NEWRF") with construction to start approximately in 2022 with on-line capacity in 2025, and the Southeast Water Reclamation Facility ("SEWRF"). A summary of the wastewater treatment capacities is shown in the following table:

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Sewer Treatment Capacities Summary

Water Reclamation Facility	Permitted Capacity (MGD)
NCWRF	24.1
SCWRF	16.0
OTWWTP[1]	0.87
GGWWTP[2]	2.00
Total	42.97

MGD = Million Gallons Per Day

(1) Treatment capacity is estimated based on permitted TMADF multiplied by an estimated MMDF peaking factor of 1.16 based on available historical flows information.

(2) Treatment based on permitted TMADF multiplied by an estimated MMDF peaking factor of 1.49 based on available historical flows information.

Source: AECOM, the District's Consulting Engineer

Future Wastewater Treatment Expansion

Approximately 4.0 MGD of additional treatment capacity is required system-wide to meet the projected wastewater system demands in the northeast area starting in 2025 through build out in 2034. The District will construct a 1.5 MGD interim treatment facility at the proposed northeast utility site to meet imminent demand proposed by developers. The Board approved the design/build contract at the March 12, 2019 meeting. A permanent 4.0 MGD regional treatment facility on this site is anticipated to start construction in 2022 with capacity on-line by 2025, depending on demand. Future master planning activities will indicate other potential locations for additional capacity based on future development.

Even though significant growth is anticipated in the south service area, because the SCWRF is currently at its buildout capacity, additional treatment must be sited elsewhere. To accommodate growth in the south service area, 5.6 MGD of additional collections system conveyance capacity is required to move flows from south to north starting in 2021 through 2034 (build out). This additional collection system conveyance is being constructed in phases and will enable the 6.5 MGD expansion to meet the needs of the entire service area, north and south.

Rates, Fees and Charges

Gross Revenues for the District is derived primarily from the application of the monthly user charges or rates levied against all customers for utility services rendered. The rates for monthly water and wastewater service accounted for approximately 98% of the reported Gross Revenues for the fiscal year ended September 30, 2018. Gross Revenues also includes interest earnings on unrestricted fund balances and realized gains from the sale of investments considered to be a component of Gross Revenues. Interest earnings on funds where earnings are considered restricted (e.g., System Development Fees, Reserve Fund balances, Renewal and Replacement Fund balances or Construction Fund balances) are not considered as a component of the Gross Revenues of the System.

A comprehensive review of the District's user charges was completed in May, 2018. This study, approved by the Board in July 2018 increased rates 2.8 percent, 2.9 percent and 2.9 percent for fiscal years ending September 30, 2019, 2020 and 2021, respectively. Resolution No. 2018-129 adopted by the Board

on July 10, 2018 and Resolution No. 2018-130 adopted by the Board on July 10, 2018 (collectively, the "Rate Resolution"), established a schedule of monthly user rates and miscellaneous charges. The adopted rates as referenced in the Rate Resolution include: (i) a flat or constant service base or readiness-to-serve charge which varies by meter size for all classes of customers; (ii) for the customers of the Water System, a consumption charge consisting of inclining blocked rates to promote water conservation; (iii) for individually metered residential customers of the Sewer System, a wastewater flow billing threshold of 15,000 gallons per month per account; and (iv) for the remaining customer classes of the Sewer System, a constant volumetric flow charge based on one hundred percent (100%) of the metered water consumption to such account. The following is a summary of the adopted water rates of the District, all as contained in the Rate Resolution.

Monthly Water Rates

	Effective October 1, 2018[1]	Effective October 1, 2019[1]	Effective October 1, 2020[1]
WATER SERVICE BASE CHARGES (All customer types)			
Meter Size			
5/8"	$22.41	$23.06	$23.73
3/4"	22.41	23.06	23.73
1"	35.27	36.34	37.38
1-1/4"	45.44	46.85	48.18
1-1/2"	67.13	69.25	71.20
2"	105.52	108.90	111.94
3"	291.14	300.61	308.94
4"	624.98	664.00	682.36
6"	1,282.95	1,324.96	1,361.56
8"	2,242.70	2,316.22	2,380.17
10"	4,062.20	4,195.43	4,311.23
12"	6,021.83	6,219.37	6,391.01
VOLUME CHARGE PER 1,000 GALLONS (All customer types)			
Block 1[2]	$3.07	$3.16	$3.25
Block 2[2]	4.64	4.77	4.91
Block 3[2]	6.16	6.34	6.52
Block 4[2]	7.69	7.91	8.14
Block 5[2]	9.22	9.49	9.77
Block 6[2]	12.29	12.65	13.02

(1) Reflects rates adopted by the Board on July 10, 2018.

(2) The water consumption blocks vary in service level (amount of gallons) by meter size. The following is the water consumption block structure as reflected in the Rate Resolution:

Consumption Block (Gallons)

Meter Size	Block 1	Block 2	Block 3	Block 4	Block 5	Block 6
5/8"	5,000	10,000	20,000	30,000	50,000	Over 50,000
3/4"	5,000	10,000	20,000	30,000	50,000	Over 50,000
1"	8,000	16,000	32,000	48,000	80,000	Over 80,000
1-1/4"	11,000	22,000	44,000	66,000	110,000	Over 110,000
1-1/2"	17,000	34,000	68,000	102,000	170,000	Over 170,000
2"	27,000	54,000	108,000	162,000	270,000	Over 270,000
3"	75,000	150,000	300,000	450,000	750,000	Over 750,000
4"	167,000	334,000	668,000	1,002,000	1,670,000	Over 1,670,000
6"	333,000	666,000	1,332,000	1,998,000	3,330,000	Over 3,330,000
8"	583,000	1,166,000	2,332,000	3,498,000	5,830,000	Over 5,830,000
10"	1,057,000	2,114,000	4,228,000	6,342,000	10,570,000	Over 10,570,000
12"	1,568,000	3,136,000	6,272,000	9,408,000	15,680,000	Over 15,680,000

Source: Collier County Water-Sewer District

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The following is a summary of the adopted sewer rates of the District, all as contained in the Rate Resolution.

Monthly Sewer Rates

	Effective October 1, 2018[1]	Effective October 1, 2019[1]	Effective October 1, 2020[1]
SEWER SERVICE BASE CHARGES (All customer types)			
Meter Size			
5/8"	$34.24	$35.23	$36.25
3/4"	34.24	35.23	36.25
1"	72.09	65.30	58.29
1-1/4"	94.11	85.14	75.72
1-1/2"	140.96	127.37	112.89
2"	223.80	202.24	178.67
3"	489.37	494.03	496.74
4"	865.09	981.00	1,099.65
6"	1,726.96	1,958.77	2,196.27
8"	2,864.34	3,344.79	3,840.87
10"	5,189.05	6,059.89	6,958.71
12"	7,692.78	8,984.24	10,316.66
VOLUME CHARGE PER 1,000 GALLONS (All customer types)			
All Usage[2]	$4.82	$4.96	$5.10

(1) Reflects rates adopted by the Board on July 10, 2018.

(2) No Sewer user charge shall be imposed on metered water usage for individually metered residential services above fifteen thousand (15,000) gallons per month

Source: Collier County Water-Sewer District

The financial projections indicate a need for additional rate adjustments above those that have already been adopted by the Board primarily to provide funding to meet the ongoing capital needs of the System. The District plans to conduct another user rate study following the construction of the initial northeast utility facilities in 2020 to validate the need for these additional adjustments.

In addition to the water and sewer rates for monthly service, the District also provides reuse irrigation water to a variety of users. Such users include single-family residential customers, commercial and multifamily common areas, and golf courses. The County currently estimates that approximately 90% of the treated effluent from the District's WRFs is used to provide irrigation service. A summary of the reuse irrigation rates, as reflected in the Rate Resolution, is shown as follows:

Monthly Reuse Irrigation Rates

	Effective October 1, 2018[1]	Effective October 1, 2019[1]	Effective October 1, 2020[1]
REUSE IRRIGATION SERVICE BASE CHARGES (All customer types)			
Meter Size			
5/8" and ¾"	$7.50	$8.18	$8.92
1"	12.53	13.66	14.90
1-1/2"	24.98	27.24	29.70
2"	39.98	43.60	47.54
3"	112.50	122.70	133.80
4"	249.98	272.64	297.30
6"	500.03	545.36	594.70
8"	875.03	954.36	1,040.70
10"	1,585.95	1,729.74	1,886.22
12"	2,351.63	2,564.84	2,796.87
VOLUME CHARGE PER 1,000 GALLONS			
Pressurized and Distributed	$1.12	$1.22	$1.33
Pressurized	0.58	0.63	0.69
Bulk	0.44	0.48	0.52

[1] Rates adopted by the Board on July 10, 2018.

Source: Collier County Water-Sewer District

The District plans to review these schedules from time-to-time.

Pursuant to the Rate Resolution, the District has also adopted a revised schedule of fees and charges which are applicable to miscellaneous or customer requested services which became effective on October 1, 2018 for the System. These schedules of fees will be reviewed along with user rates during the next user rate study. The fees generally are imposed to recover the cost of providing specific services such as water and sewer taps and utility turn-on fees. The District does not require customer deposits since the District has the ability to place a statutory lien on each customer's property and can discontinue service to the extent of nonpayment. The District indicates that the level of uncollectibles for providing service is immaterial.

Average Utility Bill Comparison

	5,000 Gallons of Utility Service[1]		
	Water	Sewer	Total
Collier County Water-Sewer District			
Existing Rates Effective October 1, 2018	$37.76	$56.34	$96.10
Adopted Rates Effective October 1, 2019	38.86	60.03	98.89
Other Florida Utilities			
Bonita Springs Utilities, Inc.[2]	$30.47	$46.98	$77.45
City of Bradenton	29.70	37.24	66.94
City of Cape Coral	36.82	66.27	74.06
Charlotte County[2]	46.08	55.99	102.07
DeSoto County	55.61	68.08	123.69
Englewood Water District[2]	26.94	40.18	67.12
FGUA - Lehigh Acres System (Lee County)[2]	43.21	69.73	112.94
City of Fort Myers[2]	33.81	86.11	119.92
Hillsborough County[2]	30.99	36.46	67.45
Lee County[2]	28.94	49.70	78.64
Manatee County[2]	20.85	47.69	68.54
City of Marco Island[2]	58.41	58.27	116.68
City of Naples[2]	15.44	40.91	56.35
City of North Port	40.77	60.37	101.14
Okeechobee Utility Authority	45.35	57.16	102.51
Pinellas County[2]	32.45	38.61	71.06
City of Punta Gorda	31.19	35.25	66.44
City of Sarasota	34.22	57.70	91.92
Sarasota County[2]	28.91	52.59	81.50
City of Venice[2]	55.28	60.88	116.16
Other Florida Utilities' Average	$36.28	$53.26	$88.35

(1) Other Florida utilities represent utilities located in the southwest portion of the State in general proximity of the District.

(2) Utility is currently involved in a rate study, is planning to conduct a rate study, or plans to implement a rate revision or price index/pass-through adjustment within the next twelve months.

Source: Public Resources Management Group, Inc., the District's Financial Feasibility Consultant

With respect to the top ten customers based on billed water user rate revenue, the District reports that such customers accounted for approximately 4.0% of the total District water rate revenue in fiscal year ended September 30, 2018 as shown in the following table:

District Water System Top 10 Customers Based on User Rate Revenue
Fiscal Year 2018[1]

Customer	Service Class	Meter Size	Water Consumption (kgal)	Percent of Total Water Consumption	Total Retail Water Rate Revenues	Percent of Total Water Rate Revenues
Key Marco Delivery (Water-Only)	Commercial	6-inch	57,391	0.70%	$554,462	0.87%
Ritz Carlton Hotels	Commercial	6-inch	50,714	0.62	473,105	0.74
NWNG LLC	Commercial	6-inch	31,403	0.38	246,239	0.39
City of Marco Island[2]	Bulk Water	10-inch	60,290	0.73	238,116	0.37
Naples Community Hospital, Inc.	Commercial	6-inch	30,486	0.37	230,576	0.36
Southwind Village MHC, LLC[3]	MF-Resid.	4-inch	26,903	0.33	243,937	0.38
Creative Choice Homes[3]	MF-Resid.	8-inch	22,192	0.27	197,373	0.31
TEG Amberton MVP MSR WAV, LLC[3]	MF-Resid.	8-inch	21,254	0.26	151,360	0.24
Caribbean MHC, LLC[3]	MF-Resid.	4-inch	15,728	0.19	122,523	0.19
Pacifica Naples LLC[3]	MF-Resid.	8-inch	14,285	0.17	101,525	0.16
Top 10 District Customers			330,646	4.02%	$2,559,216	4.01%
Other District System Customers			7,901,975	95.98%	61,340,174	95.99%
Total District System			8,232,621	100.00%	$63,899,390	100.00%

MF-Resid. = Multi-Family Residential

(1) Based on information provided by the District; reflects amounts for the twelve (12) months ended September 30, 2018 (the most recently completed fiscal year for the System).

(2) Amounts shown reflect bulk water-only service to the City of Marco Island which (i) is a wholesale customer of the District; and (ii) has notified the County that it intends to terminate service beginning in fiscal year ending September 30, 2020.

(3) Represents customer with a large mater serving a number of residential dwelling units.

Source: Public Resources Management Group, Inc., the District's Financial Feasibility Consultant

System Development Fees

In addition to the monthly rates for water and sewer service, the District currently charges System Development Fees, which are sometimes referred to as "impact fees," based upon an equitable and proportionate share of the cost for: (i) water production and transmission facilities; and (ii) wastewater transmission, treatment and effluent disposal capacity of the System. Although the Resolution refers to these fees as "System Development Fees," the ordinance enacted by the Board establishing such fees (and the District in practice) refers to them as "Impact Fees."

The purpose of the System Development Fees is for paying or reimbursing the equitable share of the capital costs relating to the construction, expansion or equipping of excess or unused capacity of the System to serve new users. If an existing customer requests an increase in water or wastewater capacity due to increased development, an additional System Development Fee will be collected prior to the development consistent with the net increase in demand. The current System Development Fees became

effective on May 1, 2017. The following table summarizes the adopted water and Sewer System Development Fees per Equivalent Residential Connection ("ERC"):

	Existing System Development Fee Per ERC[1][2]
Water Fee per ERC	$2,562.00
Sewer Fee per ERC	2,701.00
Total	$5,263.00

(1) Existing System Development Fees became effective on May 1, 2017, collected at issuance of Certificate of Occupancy.

(2) ERC = Equivalent Residential Connection whereby an ERC for the Water System equates to 350 gallons per day of average water use and 250 gallons per day of average Sewer flow for the Sewer System.

Source: Collier County Water-Sewer District

Under Florida law, System Development Fees may be validly imposed against new connections in order to fund capital improvements that are needed to serve new connections or for debt service for bonds or other obligations issued for such purposes (i.e., can only pay debt service on expansion-related debt). Such lawfully available System Development Fees must be placed in separate accounts and used only for the capital improvements or debt service attributable to expansion or over-sizing of the System through construction or acquisition. System Development Fee revenues fluctuate with the amount of new construction which occurs within the District's service area. Therefore, there can be no assurance that such revenues will not decrease or be eliminated altogether in the event that new construction, might decrease or cease altogether within the System service area. See "SECURITY FOR THE BONDS—General" herein for more information relating to System Development Fees.

Capital Improvement Program and Anticipated Funding

The District's Capital Improvement Program ("CIP") for the System was substantially derived from the 2014 Water Master Plan Update and 2014 Sewer Master Plan Update (collectively, the "2014 Capital Improvement Master Plan Updates"), respectively and used as the basis for the User Rate Study adopted by the Board in July 2018. Substantial changes have been incorporated per the adopted capital budget for the fiscal years ending September 30, 2019, as well as out years through 2023 which includes estimated expansion project costs related to the Series 2019 Bonds. The updated 2019 Budget CIP including expansion related facilities through 2028 will be used in the Impact Fee Rate Study anticipated to be presented to the Board in Spring 2019.

The District's CIP is reviewed by the County on an annual basis. Accordingly, the total cost of the CIP could be more or less, depending on future demand requirements and service area needs, actual contract awards and other economic factors.

	Estimated Capital Cost
Capital Improvement Program:	
Water System CIP Projects:	
Water System Development Fee Fund Projects	$49,241,573
Ongoing Department Capital Outlay	3,941,360
Water Capital Account Projects	138,286,917
Total Water System CIP Projects:	$191,469,850
Sewer System CIP Projects:	
Wastewater Development Fee Fund Projects[(1)]	$114,249,107
Ongoing Department Capital Outlay[(2)]	5,075,714
Wastewater Capital Account Projects[(1)]	256,500,281
Total Sewer System CIP Projects:	$375,825,101
Capital Improvement Program Total	$567,294,951

(1) Includes reclaimed (irrigation quality) water projects.

(2) Represents capital expenditures identified in operating budget and is primarily for vehicles, equipment, machinery and other related items (recurring minor capital expenditures).

Source: Collier County Water-Sewer District and the AECOM Master Plan Update

The District anticipates funding Repair and Rehabilitation CIP needs on a "pay as you go" basis and does not expect to issue any debt for that purpose. Modest rate increases beyond September 30, 2020 may be necessary. Initial expansion related funding needs in the first 5 years of the current CIP plan will be funded by the Series 2019 Bonds. Construction of permanent treatment facilities will require issuance of additional debt, the timing of which is dependent on demand and population growth.

Historical Operating Results

The historical operating results for the System are presented for the fiscal years ended September 30, 2014 through and including 2018. The historical operating results have been prepared based on financial information compiled and provided by the County and information included in the County's Consolidated Annual Financial Reports for such fiscal years. In general, the historical operating results have been prepared in a manner consistent with the requirements of the Resolution relative to the determination of Net Revenues of the System. Therefore, the amounts shown reflect certain differences in the presentation of the financial results when compared to the County's annual financial reports. Specifically, these major differences relate to: (i) the determination of Operating Expenses (i.e., depreciation and amortization expenses not recognized); (ii) the treatment of interest income (i.e., does not include earnings on System Development Fees, Reserve Fund, Renewal and Replacement Fund or Construction Fund balances, if any, which are restricted to such Funds); and (iii) recognition of debt service payments (both principal and interest components) which, as a System requirement, are presented on an accrued (funding) basis.

The historical operating results for the System are summarized as follows:

Historical Operating Results[1]

	Fiscal Year Ended September 30,				
	2014	2015	2016	2017	2018
Total Sales Revenues[2]	$104,921,033	$113,219,312	$120,672,583	$132,020,703	$142,618,486
Allowance for Funds Prudently Invested[3]	0	0	0	0	0
Miscellaneous Revenue[4]	3,003,311	3,425,362	3,183,568	3,024,317	3,138,879
Total Operating Revenue	$107,924,344	$116,644,674	$123,856,151	$135,045,020	$145,757,365
Non-Operating Revenue[5]	1,478,079	1,421,473	1,599,527	1,018,979	10,118,515
Gross Revenues	$109,402,423	$118,066,147	$125,455,678	$136,063,999	$155,875,880
Less: Operating Expenses[6]	69,709,955	74,343,637	84,473,620	97,904,195	90,507,901
Net Revenues Available for Debt Service	$39,692,468	$43,722,510	$40,982,058	$38,159,804	$65,367,979[7]
System Development Fees[8]	$11,050,253	$12,647,736	$13,643,674	$12,457,065	$14,087,562
Special Assessment Revenues	0	0	0	0	0
Pledged Funds Available for Debt Service	$50,742,721	$56,370,246	$54,625,732	$50,616,869	$79,455,541
SENIOR LIEN BONDS DEBT SERVICE COVERAGE[1]					
Net Revenue Debt Service Coverage					
Net Revenues Available for Debt Service	$39,692,468	$43,722,510	$40,982,058	$38,159,804	$65,367,979
Total Debt Service on Bonds	$9,952,972	$9,712,547	$6,827,648	$6,720,696	$8,577,955
Debt Service Coverage (1.00 Required)	3.99	4.50	6.00	5.68	7.62
AND					
Pledged Funds Debt Service Coverage					
Pledged Funds Available for Debt Service	$50,742,721	$56,370,246	$54,625,732	$50,616,869	$79,455,541
Total Debt Service on Bonds	$9,952,972	$9,712,547	$6,827,648	$6,720,696	$8,577,955
Debt Service Coverage (1.25 Required)	5.10	5.80	8.00	7.53	9.26

[Footnotes on following page]

(1) Except as noted below, information was obtained from the County's Comprehensive Annual Financial Report for each respective fiscal year and other financial information provided by the County. Rate covenant coverage requirements are defined in the Resolution.

(2) Amounts shown reflect reported revenues recognized by the System for each respective fiscal year, and are based on rates as adopted by the Board during the historical period shown. The Sales Revenues as reported by the County for the historical period shown are a result of a combination of System growth and the implementation of such historical rate adjustments.

(3) The Allowance for Fund Prudently invested was paid coincident with the payment of the Water and Wastewater System Development Fees. Beginning on January 1, 2013, the District ceased to impose the Allowance for Funds Prudently Invested.

(4) Miscellaneous revenues include meter tapping charges, customer service fees, reuse irrigation revenues and other similar charges.

(5) Amounts shown represent interest income on funds that are deposited in the Revenue Fund, Principal Account, Interest Account and Renewal and Replacement Fund pursuant to the Resolution and the water/wastewater capital accounts (accounts utilized by the District to fund renewal and replacement projects), each of which is available for inclusion in Net Revenues and for debt service coverage calculation purposes. Operating grant revenues and Insurance reimbursements are also included in this category.

(6) Amounts shown do not include depreciation or amortization expenses which are non-cash expenses and not considered as Operating Expense as defined in the Resolution. For the fiscal year ended September 30, 2017, the Operating Expenses include $7,545,041 in one-time weather-related expenses due to the effects of Hurricane Irma. See "HURRICANE IRMA IMPACTS" herein.

(7) Increases in the fiscal year ended September 30, 2018 are due to (a) a-2.9% rate increase, (b) a one-time increase due to reimbursement of Hurricane Irma-related expenses of approximately $7 million and (c) insurance reimbursements.

(8) Includes all System Development Fees, only a portion of which are legally available to pay debt service on the District Bonds under Florida law. It is possible that none of these amounts would be legally available to pay debt service on the Bonds and therefore would not be available to be counted for purposes of meeting the rate covenant or Additional Bonds test in the Resolution. See "SECURITY FOR THE BONDS – General" in the Official Statement. Under Florida law, impact fees such as the System Development Fees may be validly imposed against new construction or development in order to fund capital improvements or capacity that are necessitated by such new construction or development or to satisfy debt service for bonds or other obligations issued for such purposes. Proceeds of such System Development Fees may be used only for the capital improvements or capacity attributable to the new construction or development or to pay associated debt service.

Source: Collier County Water-Sewer District

Projected Operating Results

Projected operating results for the System are presented for the fiscal years ending September 30, 2019 through and including 2023 (the "Forecast Period"), and as shown in the table below are taken from information presented in the Consulting Engineers and Financial Feasibility Report attached hereto as APPENDIX D. Such projections were prepared in accordance with the flow of funds prescribed by the Resolution and the assumptions and considerations used in the projections as described below.

Summary of Projected Operating Results and Debt Coverage[1]

	2019	2020	2021	2022	2023	2024
Total Sales Revenues[2]	$149,908	$155,323	$161,279	$167,627	$174,119	$180,591
Other Operating Revenue[3]	4,608	4,663	4,052	4,145	4,240	4,338
Total Operating Revenue	$154,516	$159,986	$165,331	$171,772	$178,359	$184,929
Non-Operating Revenue[4]	2,184	1,911	1,585	1,496	1,480	1,484
Gross Revenues	156,700	161,897	166,916	173,268	179,839	186,413
Operating Expenses[5]	98,413	103,011	107,979	112,345	116,692	121,376
Net Revenues	58,287	58,886	58,937	60,923	63,147	65,037
System Development Fees[6]	9,805	9,610	9,394	9,284	9,066	8,770
Pledged Funds Available for Debt Service	68,092	68,496	68,331	70,207	72,213	73,807
Annual Debt Service[7]	11,409	13,693	13,686	16,809	16,001	15,997
Annual Debt Service Coverage:						
Coverage - Pledged Funds:						
Calculated Coverage	5.97	5.00	4.99	4.18	4.51	4.61
Required Minimum Coverage	1.25	1.25	1.25	1.25	1.25	1.25
AND						
Coverage - Net Revenues:						
Calculated Coverage	5.11	4.30	4.31	3.62	3.95	4.07
Required Minimum Coverage	1.00	1.00	1.00	1.00	1.00	1.00
Subordinated Indebtedness[8]						
Subordinated Indebtedness Coverage:						
Total Annual Debt Service and Subordinated Indebtedness Payments	10,705	10,261	10,261	8,797	8,798	8,797
Coverage - Pledged Funds						
Calculated Coverage[9]	5.03	5.01	4.99	5.59	5.93	6.12
Required Minimum Coverage	1.15	1.15	1.15	1.15	1.15	1.15
Less Other Required Transfers from Net Revenues[10]						
Annual Debt Service	11,409	13,693	13,686	16,809	16,001	15,997
Subordinated Indebtedness	10,705	10,261	10,261	8,797	8,798	8,797
Renewal and Replacement Fund[11]	-	-	-	-	-	-
Bonds Reserve Account[12]	-	-	-	-	-	-
Total Other Required Transfers	22,114	23,954	23,947	25,606	24,799	24,794
Net Revenues Available After Payment of Required Transfers – Transfer to Surplus Fund[13][14]	$36,173	$34,932	$34,990	$35,317	$38,348	$40,243

[Footnotes on following page]

(1) Amounts are presented in thousands (000's) and are derived from the Consulting Engineers and Financial Feasibility Report.

(2) Amount shown includes sales revenues from existing and adopted rates for monthly utility service, including the application of the annual price index rate adjustment as provided in the Rate Resolution (applied during years that no specific rate adjustment was approved by the Board), as identified earlier in the Consulting Engineers and Financial Feasibility Report. No additional rate adjustments above the approved rates or the price index rate adjustment have been assumed during the Forecast Period.

(3) Amounts shown include other operating revenues such as customer service fees, meter installation fees (Connection Fees), and other revenues derived from the daily operation of the System.

(4) Amounts shown include investment income assumed to be earned during the Forecast Period on unrestricted funds which include: the Revenue Fund, accounts included in the Sinking Fund, the Renewal and Replacement Fund, and the Surplus Account (primarily consists of the Water and Wastewater Capital Accounts established by the District for capital expenditure funding purposes). Does not include investment income on System Development Fee funds or deposits on account in the 2019 Project Account or future funds established from the proceeds of Additional Bonds.

(5) Pursuant to the Resolution, such amounts do not include depreciation or amortization expenses which are non-cash in nature.

(6) Includes all System Development Fees, only a portion of which may legally available to pay debt service on the Bonds under Florida law. Under Florida law, impact fees such as the System Development Fees may be validly imposed against new construction or development in order to fund capital improvements or capacity that are necessitated by such new construction or development or to satisfy debt service for bonds or other obligations issued for such purposes. Proceeds of such System Development Fees may be used only for the capital improvements or capacity attributable to the new construction or development to pay associated debt service. Amounts shown include System Developments Fees assumed to be received during the Forecast Period from new development requesting capacity and Investment Income on estimated fund balances.

(7) Amounts shown reflect the Annual Debt Service payment for the Outstanding Bonds, the Series 2019 Bonds and Additional Bonds (i.e., the hereinafter defined Series 2022 Bonds) issued pursuant to the Resolution which are assumed to be outstanding during each Fiscal Year of the Forecast Period. Amounts shown based on a "cash basis" of reporting (when payments are required to be made to bondholders and not when deposits are made by the District to the Principal and Interest Accounts within the Sinking Fund). It is assumed that the District will issue Additional Bonds in 2022 in an approximate amount of $104,039,000 (the "Series 2022 Bonds").

(8) Amounts shown reflect the debt service payments for the Loan which is subordinate to the Bonds that is assumed to be outstanding during each fiscal year of the Forecast Period. Amounts shown based on a "cash basis" of reporting (when payments are required to be made to holders of the notes and not when deposits are made by the District to a note-repayment sinking fund).

(9) The Subordinated Indebtedness coverage for the Forecast Period was determined as follows:

	2019	2020	2021	2022	2023	2024
Pledged Funds Available	$68,092	$68,496	$68,331	$70,207	$72,213	$73,807
Less Annual Debt Service plus 1.25 Coverage	(14,261)	(17,117)	(17,107)	(21,011)	(20,001)	(19,996)
Amounts Pledged for Subordinated Indebtedness	$53,831	$51,379	$51,224	$49,196	52,211	$53,811
Total Subordinated Indebtedness	10,705	10,261	10,261	8,797	8,798	8,797
Debt Service Coverage – Calculated	5.03	5.01	4.99	5.59	5.93	6.12

(10) Amounts shown reflect required transfers to be made from Net Revenues to certain funds and accounts as delineated in the Resolution.

(11) No transfers to the Renewal and Replacement Fund has been recognized during the Forecast Period since it was assumed that the County would maintain on deposit an amount equal to the Renewal and Replacement Fund Requirement (i.e., $300,000) as defined in the Resolution.

(12) No deposit to the Reserve Account was recognized since the fund for each series of Bonds was fully funded (either through the adoption of an surety policy or cash funded from the proceeds of the bonds issued or to be issued by the County) and there was no projected requirement to use funds on deposit in the Reserve Account to fund the Annual Debt payment during the Forecast Period.

(13) Amounts shown represent remaining Net Revenues after payment of all required transfers as delineated in the Resolution for deposit into the Surplus Fund which may be applied for any lawful purpose in connection with the System. Amounts shown do not include any System Development Fees that may be received by the District during the Forecast Period; such amounts were assumed to be maintained in the System Development Fees Fund and are available for the funding of expansion-related capital projects, including the payment of the Annual Debt Service and the Subordinated Indebtedness debt payments as appropriate.

(14) The District has established a Capital Account for each respective water and wastewater system in the Surplus Account; the purpose of the Capital Accounts to provide ongoing funds for capital improvements to the System (similar in use to the Renewal and Replacement Fund).

Source: Consulting Engineers and Financial Feasibility Report attached hereto as APPENDIX D.

See "APPENDIX D – Consulting Engineers and Financial Feasibility Report" attached hereto for a description of the principal considerations and assumptions used by the Financial Feasibility Consultant regarding projected operating results, which such considerations and assumptions should be read in their entirety.

Conclusions of the Consulting Engineer

Based upon the principal considerations and assumptions and the results of studies and analyses as summarized in their report, which should be read in its entirety and in conjunction with the following, the Consulting Engineer is of the opinion that:

1. Based upon the intended use of the System facilities, general field observations of the aboveground facilities, discussions with the management and staff of the County's, and a review of documents, permit data, and System reports filed with regulatory agencies, the existing facilities of the System appear to be in good condition and being operated in accordance with industry standards.

2. The System appears to be adequately maintained following manufacturer's recommendations and more stringent District standards.

3. The Utilities Department has historically provided for adequate operation by employing personnel capable of operating, maintaining, and expanding the System as necessary. Current management of the System appears to be well qualified for the positions for which they are responsible.

4. The existing System facilities along with the facilities, improvements and additions proposed in the Fiscal Year 2019 – Fiscal Year 2028 capital plan as developed by the Utilities Department for the System, can reasonably provide potable water and wastewater services to the service area through Fiscal Year 2030 in the case of the potable water system and Fiscal Year 2034 in the case of the wastewater system.

5. All required permits for operating the system are current, renewal applications are submitted in a timely manner and the District remains compliant with regulatory agencies. Recently acquired utilities by the County are being brought up to District standards in permitting and operation so as to maintain compliance. To the Consulting Engineer's knowledge, the County is in compliance with all federal and state regulatory requirements relating to the provision of water and wastewater services, and there are no outstanding orders requiring corrective actions issued by any regulatory agency. The Consulting Engineer has no reason to believe that the necessary permits for the construction of new facilities and the operation of the System will not be renewed, modified, or extended on a timely basis with the appropriate regulatory agencies.

6. During the course of the engineering due diligence investigations, nothing has come to the attention of the Consulting Engineer that lead them to believe that significant funds above current funding levels will be required for System improvements beyond that identified herein for the Forecast Period. Subsequent to closing, should the County discover any additional capital needs, funding can be provided by increasing the Renewal and Replacement Fund and Surplus Fund deposits, issuance of additional bonds, or by increasing rates.

Conclusions of the Financial Feasibility Consultant

Based upon the principal considerations and assumptions and the results of studies and analyses as summarized in their report, which should be read in its entirety and in conjunction with the following, the Financial Feasibility Consultant is of the opinion that:

1. The projected growth in customers and usage of the System represent reasonable and attainable projections for the purposes of the Consulting Engineers and Financial Feasibility Report based on current economic conditions and recent development plans for the service area.

2. The projected growth in the Operating Expenses represents reasonable projections for the purposes of the Consulting Engineers and Financial Feasibility Report.

3. The System revenues estimated to be earned during the Forecast Period from (i) the County-approved water, wastewater, and irrigation quality water retail rates, which also includes and assumes the annual application of a price index (inflationary) rate adjustment, as contained in the Rate Resolution; and (ii) the County-approved wholesale water rates as contained in the Rate Resolution, should be sufficient to pay the projected Operating Expenses, pay the estimated Annual Debt Service on the Outstanding Bonds, the Series 2019 Bonds, and projected Additional Bonds and the debt service payments on the Subordinated Indebtedness coming due in such years, and make the projected deposits to the Renewal and Replacement Fund and the Surplus Fund which is available for paying the cost of major extensions,

improvements or additions to, or the replacement or renewal of capital assets of the System, or extraordinary repairs of the System and continue to be in compliance with the rate covenant contained in the Resolution. The Board has annually adjusted the rates associated with the application of previously approved adjustments or through the application of a price index factor for the Fiscal Years 2014 to 2018 (in accordance with the provisions of the rate resolution in effect at that time) and has adopted projected rates and indexing provisions to be placed in effect during the Forecast Period.

4. Based on financial information as provided by the County, which includes, but is not limited to, the Comprehensive Annual Financial Reports for the System, the Pledged Funds of the System have historically (for the past five Fiscal Years ended September 30, 2018 as contained in the Consulting Engineers and Financial Feasibility Report) been in compliance with the rate covenant contained in the Resolution.

5. The rates currently in effect for water and wastewater service are considered comparable to charges for similar service provided by other publicly-owned utilities located in proximity to the County in the southwestern portion of Florida. The projected implementation of the approved rate adjustments or estimated price index adjustments assumed for the Forecast Period as represented in the Consulting Engineers and Financial Feasibility Report is not expected by the Financial Feasibility Consultant and the Utilities Department to negatively affect the customer growth or sales (billed water and wastewater use or flow) assumed for the Forecast Period or the overall the competitiveness of the County's monthly user rates over the Forecast Period. The Board has the ability to increase the rates above the rates presented in the rate implementation plan as contained in the Rate Resolution, which were assumed for the projections.

6. The System Development Fees are impact fees and are comparable to the fees charged by neighboring utilities. The Financial Feasibility Consultant considers the System Development Fees to be reasonable, which were based on the utility plant-in-service as reported in the County's Comprehensive Annual Financial Report and the near-term capital requirements of the System contained in the System's adopted capital improvement plan at the time of fee determination. Based on discussions with the Utilities Department staff, the application of the System Development Fees is not expected to negatively affect System growth.

RISK FACTORS

The future financial condition of the System could be affected adversely by, among other things, legislation, environmental and other regulatory actions as set forth above, changes in demand for services, economic conditions, demographic changes, and litigation. In addition to those items listed in the preceding sentence, some of the possible changes in the future may include, but not be limited to, the following:

1. The County's water and sewer facilities are subject to regulation and control by numerous federal and state governmental agencies. Neither the District nor its consultants can predict future policies such agencies may adopt. Future changes could result in the District having to discontinue operations at certain facilities or to make significant capital expenditures and could generate substantial litigation.

2. Estimates of revenues and expenses contained in this Official Statement and the realization of such estimates, are subject to, among other things, future economic and other conditions

which are unpredictable and which may adversely affect such revenues and expenses, and in turn, the payment of the Series 2019 Bonds.

3. While the District expects to complete the five-year capital improvement plan on time and within budget, no assurance can be given to potential investors that the District will in fact be able to meet such expectations. The timing and costs of completing the five-year capital improvement plan are subject to amendment from year to year subject to market conditions and demand for water and sewer services.

HURRICANE IRMA IMPACTS

On September 10, 2017, the State of Florida was impacted by Hurricane Irma. At approximately 9:00 a.m., the center of Hurricane Irma made landfall at Cudjoe Key in the lower Florida Keys as a Category 4 storm, according to the National Weather Service. The center of Hurricane Irma made a second landfall as a Category 3 storm, at approximately 3:30 p.m., near Marco Island, in Collier County with sustained winds of 115 miles per hour. Mandatory evacuations were ordered for portions of the County. The primary impacts of Hurricane Irma were widespread power outages and debris, coastal flooding and beach erosion.

Through January of 2019, Collier County has spent $105 million on debris removal and repairs and has budgeted an additional $34 million in fiscal year ending September 30, 2019 for remaining cleanup efforts. The County had sufficient disaster recovery and cleanup reserves to manage such costs and plans to recoup a majority of its costs through Federal Emergency Management Agency (“FEMA”) and state reimbursements. To date, FEMA and insurance reimbursements totaling $27.8 million have been received.

INVESTMENT POLICY

The moneys held in the funds and accounts under the Resolution may only be invested in Authorized Investments (as defined in the Resolution). The investment of surplus funds is currently governed by the provisions of the County's Investment Policy, established by the Board under Section 218, Florida Statutes. The policy authorizes investment of surplus public funds in the permitted investments described in Section 218.415, Florida Statutes.

Pursuant to a Board resolution, the Clerk of the Circuit Court and Comptroller of Collier County and Clerk to the District (the "Clerk") administers to the investment policy for investment of such surplus funds. The investment policy establishes guidelines as to the type, maturity, composition and risk relating to the County's investment portfolio.

Permitted investments pursuant to such investment policy include the following:

1. U.S. Treasury & Government Guaranteed - U.S. Treasury obligations, and obligations the principal and interest of which are backed or guaranteed by the full faith and credit of the U S. Government.

2. Federal Agency/GSE - Debt obligations, participations or other instruments issued or fully guaranteed by any U.S. Federal agency, instrumentality or government-sponsored enterprise (GSE).

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

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

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

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

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

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

9. Repurchase Agreements - Repurchase agreements (Repo or RP) that meet the following requirements:

    a. Must be governed by a written SIFMA Master Repurchase Agreement which specifies securities eligible for purchase and resale, and which provides the unconditional right to liquidate the underlying securities should the Counterparty default or fail to provide full timely repayment.
    b. Counterparty must be a Federal Reserve Bank, a Primary Dealer as designated by the Federal Reserve Bank of New York, or a nationally chartered commercial bank.
    c. Securities underlying repurchase agreements must be delivered to a third party custodian under a written custodial agreement and may be of deliverable or tri-party form. Securities must be held in the County's custodial account or in a separate account in the name of the County.
    d. Acceptable underlying securities include only securities that are direct obligations of, or that are fully guaranteed by, the United States or any agency of the United States, or U.S. Agency-backed mortgage related securities.

e. Underlying securities must have an aggregate current market value of at least 102% (or 100% if the counterparty is a Federal Reserve Bank) of the purchase price plus current accrued price differential at the close of each business day.
f. Final term of the agreement must be 1 year or less.

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

11. Fixed-Income Mutual Funds - Shares in open-end and no-load fixed-income mutual funds whose underlying investments would be permitted for purchase under this policy and all its restrictions.

12. Local Government Investment Pools — State, local government or privately-sponsored investment pools that are authorized pursuant to state law.

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

General Investment and Portfolio Limits

1. General investment limitations:

a. Investments must be denominated in U S dollars and issued for legal sate in U.S. markets.
b. Minimum ratings are based on the highest rating by any one Nationally Recognized Statistical Ratings Organization ("NRSRO"), unless otherwise specified.
c. All limits and rating requirements apply at time of purchase.
d. Should a security fall below the minimum credit rating requirement for purchase, the Clerk will notify the Board .e The maximum maturity (or average life for MBS/ABS) of any Investment is 5 years. Maturity and average life are measured from settlement date. The final maturity date can be based on any mandatory call, put, pre-refunding date, or other mandatory redemption date.

2. General portfolio limitations:

a. The maximum effective duration of the aggregate portfolio is 3 years.

3. Investment in the following are permitted, provided they meet all other policy requirements:

a. Callable, step-up callable, called, pre-refunded puttable and extendable securities. as long as the effective final maturity meets the maturity limits for the sector.
b. Variable-rate and floating-rate securities.
c. Subordinated secured and covered debt, if it meets the ratings requirements for the sector.
d. Zero coupon issues and strips, excluding agency mortgage-backed Interest-only structures (I/Os).

e. Treasury TIPS

4. The following are NOT PERMITTED investments, unless specifically authorized by statute and with prior approval of the governing body:

a. Trading for speculation.
b. Derivatives (other than callables and traditional floating or variable-rate instruments).
c. Mortgage-backed interest-only structures (I/Os).
d. Inverse or leveraged floating-rate and variable-rate instruments.
e. Currency, equity, index and event-linked notes (e.g. range notes), or other structures that could return less than par at maturity.
f. Private placements and direct loans, except as may be legally permitted by Rule 144A or commercial paper issued under a 4(2) exemption from registration.
g. Convertible, high yield, and non-U.S. dollar denominated debt.
h. Short sales.
i. Use of leverage.
j. Futures and options.
k. Mutual funds, other than fixed-income mutual funds and ETFs, and money market funds.
l. Equities, commodities, currencies and hard assets.

Any and all exceptions to the investment policy require a vote of the majority of Board. Furthermore, the Board may revise the aforementioned investment policy from time to time.

LEGAL MATTERS

Certain legal matters in connection with the issuance of the Series 2019 Bonds are subject to an approving legal opinion of Nabors, Giblin & Nickerson, P.A., Tampa, Florida, Bond Counsel, whose approving opinion (a form of which is attached hereto as "APPENDIX E – Form of Bond Counsel Opinion") will be available at the time of delivery of the Series 2019 Bonds. The actual legal opinion to be delivered by Bond Counsel may vary from that text if necessary to reflect facts and law on the date of delivery. Such opinion will speak only as of its date, and subsequent distribution of it by recirculation of this Official Statement or otherwise shall create no implication that Bond Counsel has reviewed or expresses any opinion concerning any of the matters referenced in the opinion subsequent to its date.

Bond Counsel has not been engaged to, nor has it undertaken to, review (1) the accuracy, completeness or sufficiency of this Official Statement or any other offering material relating to the Series 2019 Bonds; provided, however, that Bond Counsel will render an opinion to the Underwriter of the Series 2019 Bonds (upon which opinion only the Underwriter may rely) relating to the fairness of the presentation of certain statements contained herein under the heading "TAX EXEMPTION" and certain statements which summarize provisions of the Resolution, the Series 2019 Bonds, and federal tax law, and (2) the compliance with any federal or state law with regard to the sale or distribution of the Series 2019 Bonds.

Certain legal matters will be passed upon by Jeffrey A. Klatzkow, Esq., District Attorney, and by Bryant Miller Olive P.A., Tampa, Florida, Disclosure Counsel to the District.

LITIGATION

There is no pending or, to the knowledge of the County or the District, any threatened litigation against the County or the District of any nature whatsoever which in any way questions or affects the validity of the Series 2019 Bonds, or any proceedings or transactions relating to their issuance, sale, execution, or delivery, or the adoption of the Resolution, or the pledge of the Pledged Funds. Neither the creation, organization or existence, nor the title of the present members of the governing body of the District or the Board, or other officers of the District or the County is being contested.

The County and the District experience other claims, litigation, and various legal proceedings which, individually are not expected to have a material adverse effect on the operations or financial condition of the District, but may, in the aggregate, have a material impact thereon. In the opinion of the District Attorney, however, the County or the District will either successfully defend such actions or otherwise resolve such matters without any material adverse consequences on the financial condition of the County or the District.

DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS

Pursuant to Section 517.051, Florida Statutes, as amended, no person may directly or indirectly offer or sell securities of the County or the District except by an offering circular containing full and fair disclosure of all defaults as to principal or interest on its obligations since December 31, 1975, as provided by rule of the Office of Financial Regulation within the Florida Financial Services Commission (the "FFSC"). Pursuant to administrative rulemaking, the FFSC has required the disclosure of the amounts and types of defaults, any legal proceedings resulting from such defaults, whether a trustee or receiver has been appointed over the assets of the County or the District, and certain additional financial information, unless the District believes in good faith that such information would not be considered material by a reasonable investor. Neither the County nor the District is not and has not been in default on any bond issued since December 31, 1975 that would be considered material by a reasonable investor in the Series 2019 Bonds.

Neither the County nor the District has undertaken an independent review or investigation of securities for which it has served as conduit issuer. Neither the County nor the District believes that any information about any default on such securities is appropriate and would be considered material by a reasonable investor in the Series 2019 Bonds because the County or the District would not have been obligated to pay the debt service on any such securities except from payments made to it by the private companies on whose behalf such securities were issued and no funds of the County or the District would have been pledged or used to pay such securities or the interest thereon.

TAX EXEMPTION

Opinion of Bond Counsel

In the opinion of Bond Counsel, the form of which is included as APPENDIX E hereto, the interest on the Series 2019 Bonds is excludable from gross income of the owners thereof for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax under existing statutes, regulations, rulings and court decisions. Failure by the District to comply subsequently to the issuance of the Series 2019 Bonds with certain requirements of the Internal Revenue Code of 1986, as amended (the "Code"), including but not limited to requirements regarding the use,

expenditure and investment of Series 2019 Bond proceeds and the timely payment of certain investment earnings to the Treasury of the United States, may cause interest on the Series 2019 Bonds to become includable in gross income for federal income tax purposes retroactive to their date of issuance. The District has covenanted in the Resolution to comply with all provisions of the Code necessary to, among other things, maintain the exclusion from gross income of interest on the Series 2019 Bonds for purposes of federal income taxation. In rendering its opinion, Bond Counsel has assumed continuing compliance with such covenants.

Internal Revenue Code of 1986

The Code contains a number of provisions that apply to the Series 2019 Bonds, including, among other things, restrictions relating to the use or investment of the proceeds of the Series 2019 Bonds and the payment of certain arbitrage earnings in excess of the "yield" on the Series 2019 Bonds to the Treasury of the United States. Noncompliance with such provisions may result in interest on the Series 2019 Bonds being included in gross income for federal income tax purposes retroactive to their date of issuance.

Collateral Tax Consequences

Except as described above, Bond Counsel will express no opinion regarding the federal income tax consequences resulting from the ownership of, receipt or accrual of interest on, or disposition of, the Series 2019 Bonds. Prospective purchasers of the Series 2019 Bonds should be aware that the ownership of the Series 2019 Bonds may result in other collateral federal tax consequences. For example, ownership of the Series 2019 Bonds may result in collateral tax consequences to various types of corporations relating to (1) denial of interest deduction to purchase or carry such Series 2019 Bonds, (2) the branch profits tax, and (3) the inclusion of interest on the Series 2019 Bonds in passive income for certain Subchapter S corporations. In addition, the interest on the Series 2019 Bonds may be included in gross income by recipients of certain Social Security and Railroad Retirement benefits.

PURCHASE, OWNERSHIP, SALE OR DISPOSITION OF THE SERIES 2019 BONDS AND THE RECEIPT OR ACCRUAL OF THE INTEREST THEREON MAY HAVE ADVERSE FEDERAL TAX CONSEQUENCES FOR CERTAIN INDIVIDUAL AND CORPORATE BONDHOLDERS, INCLUDING, BUT NOT LIMITED TO, THE CONSEQUENCES DESCRIBED ABOVE. PROSPECTIVE SERIES 2019 BONDHOLDERS SHOULD CONSULT WITH THEIR TAX SPECIALISTS FOR INFORMATION IN THAT REGARD.

Other Tax Matters

Interest on the Series 2019 Bonds may be subject to state or local income taxation under applicable state or local laws in other jurisdictions. Purchasers of the Series 2019 Bonds should consult their own tax advisors as to the income tax status of interest on the Series 2019 Bonds in their particular state or local jurisdictions.

During prior years, legislative proposals have been introduced in Congress, and in some cases enacted, that altered certain federal tax consequences resulting from the ownership of obligations that are similar to the Series 2019 Bonds. In some cases these proposals have contained provisions that altered these consequences on a retroactive basis. Such alteration of federal tax consequences may have affected the market value of obligations similar to the Series 2019 Bonds. From time to time, legislative proposals are pending which could have an effect on both the federal tax consequences resulting from ownership of

the Series 2019 Bonds and their market value. No assurance can be given that additional legislative proposals will not be introduced or enacted that would or might apply to, or have an adverse effect upon, the Series 2019 Bonds.

Original Issue Discount

Certain of the Series 2019 Bonds (the "Discount Bonds") may be offered and sold to the public at an original issue discount, which is the excess of the principal amount of the Discount Bonds over the initial offering price to the public, excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers, at which price a substantial amount of the Discount Bonds of the same maturity was sold. Original issue discount represents interest which is excluded from gross income for federal income tax purposes to the same extent as interest on the Series 2019 Bonds. Original issue discount will accrue over the term of a Discount Bond at a constant interest rate compounded semi-annually. A purchaser who acquires a Discount Bond at the initial offering price thereof to the public will be treated as receiving an amount of interest excludable from gross income for federal income tax purposes equal to the original issue discount accruing during the period he holds such Discount Bonds and will increase its adjusted basis in such Discount Bonds by the amount of such accruing discount for purposes of determining taxable gain or loss on the sale or other disposition of such Discount Bonds. The federal income tax consequences of the purchase, ownership and prepayment, sale or other disposition of Discount Bonds which are not purchased in the initial offering at the initial offering price may be determined according to rules which differ from those above. Owners of Discount Bonds should consult their own tax advisors with respect to the precise determination for federal income tax purposes of interest accrued upon sale, prepayment or other disposition of such Discount Bonds and with respect to the state and local tax consequences of owning and disposing of such Discount Bonds.

Bond Premium

Certain of the Series 2019 Bonds (the "Premium Bonds") may be offered and sold to the public at a price in excess of the principal amount of such Premium Bond, which excess constitutes to an initial purchaser amortizable bond premium which is not deductible from gross income for Federal income tax purposes. The amount of amortizable bond premium for a taxable year is determined actuarially on a constant interest rate basis over the term of each Premium Bond (or in the case of certain Premium Bonds callable prior to maturity, the amortization period and yield must be determined on the basis of the earliest call date that results in the lowest yield on the Premium Bond). For purposes of determining gain or loss on the sale or other disposition of a Premium Bond, an initial purchaser who acquires such obligation in the initial offering to the public at the initial offering price is required to decrease such purchaser's adjusted basis in such Premium Bond annually by the amount of amortizable bond premium for the taxable year. The amortization of bond premium may be taken into account as a reduction in the amount of tax-exempt income for purposes of determining various other tax consequences of owning such Premium Bonds. The federal income tax consequences of the purchase, ownership and sale or other disposition of Premium Bonds which are not purchased in the initial offering at the initial offering price may be determined according to rules which differ from those described above. Owners of the Premium Bonds are advised that they should consult with their own advisors with respect to the state and local tax consequences of owning such Premium Bonds.

RATINGS

Fitch Ratings, Inc. ("Fitch") and Moody's Investors Service, Inc. ("Moody's") have assigned their ratings of "AAA" (stable) and "Aaa," respectively, to the Series 2019 Bonds. The ratings reflect only the views of said rating agencies and an explanation of the ratings may be obtained only from said rating agencies. There is no assurance that such ratings will continue for any given period of time or that they will not be lowered or withdrawn entirely by the rating agencies, or any of them, if in their judgment, circumstances so warrant. A downward change in or withdrawal of any of such ratings, may have an adverse effect on the market price of the Series 2019 Bonds. An explanation of the significance of the ratings can be received from the rating agencies, at the following addresses: Fitch Ratings, Inc., One State Street Plaza, New York, New York 10004 and Moody's Investors Service, Inc., 99 Church Street, New York, New York 10007.

FINANCIAL ADVISOR

PFM Financial Advisors LLC, Coral Gables, Florida, is the Financial Advisor to the District with respect to the sale of the Series 2019 Bonds. The Financial Advisor has assisted the District in the preparation of this Official Statement and has advised the District as to other matters relating to the planning, structuring and sale of the Series 2019 Bonds. The Financial Advisor will not engage in any underwriting activities with regard to the issuance and sale of the Series 2019 Bonds. The Financial Advisor is not obligated to undertake and has not undertaken to make an independent verification or to assume responsibility for the accuracy, completeness or fairness of the information contained in this Official Statement.

PFM Financial Advisors LLC is an independent advisory firm and is not engaged in the business of underwriting, trading or distributing municipal or other public securities.

AUDITED FINANCIAL STATEMENTS

The general purpose financial statements of the County for the fiscal year ending September 30, 2018 of Clifton Larson Allen LLP, Naples, Florida (the "Auditor") are included in "APPENDIX C – Collier County Comprehensive Annual Financial Report For Fiscal Year Ended September 30, 2018" hereto. Such statements speak only as of September 30, 2018. The consent of the County's auditor to include in this Official Statement the aforementioned report was not requested, and such report of the County is provided only as publicly available documents. The auditor was not requested nor did they perform any procedures with respect to the preparation of this Official Statement or the information presented herein. The County expects the Comprehensive Annual Financial Report for the fiscal year ended September 30, 2018 to be available prior to the delivery of the Series 2019 Bonds, to be included in a supplement to this Official Statement.

The Series 2019 Bonds are payable solely from Pledged Funds in the manner and to the extent as described in the Resolution and herein and are not otherwise secured by, or payable from, the general revenues of the District. See "SECURITY FOR THE BONDS" herein. Such Comprehensive Annual Financial Report is presented for general information purposes only.

The District covenanted and agreed in the Resolution to, immediately after the close of each fiscal year, cause the financial statements relating to the System to be properly audited by a recognized independent certified public accountant or recognized independent firm of certified public accountants,

and shall require such accountants to complete their report on the annual financial statements in accordance with applicable law. The annual financial statements shall be prepared in conformity with generally accepted accounting principles consistently applied.

UNDERWRITING

The Series 2019 Bonds are being purchased by the Underwriter shown on the cover of the Official Statement (the "Underwriter") at an aggregate purchase price of $_____ (which equals the principal amount of the Series 2019 Bonds, plus/less an original issue premium/discount of $_____, less the Underwriter's discount of $_____). The Underwriter's obligations are subject to certain conditions precedent contained in the Official Notice of Sale which was prepared by the District, and it will be obligated to purchase all of the Series 2019 Bonds if any Series 2019 Bonds are purchased. The Series 2019 Bonds may be offered and sold to certain dealers (including dealers depositing such Series 2019 Bonds into investment trusts) at prices lower than such public offering prices, and such public offering prices may be changed, from time to time, by the Underwriter.

CONTINGENT FEES

The District has retained Bond Counsel, the Financial Advisor and Disclosure Counsel with respect to the authorization, sale, execution and delivery of the Series 2019 Bonds. Payment of the fees of such professionals and an underwriting discount to the Underwriter is each contingent upon the issuance of the Series 2019 Bonds.

ENFORCEABILITY OF REMEDIES

The remedies available to the owners of the Series 2019 Bonds upon an event of default under the Resolution are in many respects dependent upon judicial actions which are often subject to discretion and delay. Under existing constitutional and statutory law and judicial decisions, including specifically the federal bankruptcy code, the remedies specified by the Resolution and the Series 2019 Bonds may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the Series 2019 Bonds, including Bond Counsel's approving opinion, will be qualified, as to the enforceability of the remedies provided in the various legal instruments, by limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors enacted before or after such delivery. See "APPENDIX B – Composite Resolution" attached hereto for a description of events of default and remedies.

CONTINUING DISCLOSURE

The District has covenanted for the benefit of the Series 2019 Bondholders to provide certain financial information and operating data relating to the District and the Series 2019 Bonds in each year, and to provide notices of the occurrence of certain enumerated material events. The District has agreed to file annual financial information and operating data and the audited financial statements with each entity authorized and approved by the SEC to act as a repository (each a "Repository") for purposes of complying with Rule 15c2-12 adopted by the SEC under the Securities Exchange Act of 1934 (the "Rule"). Effective July 1, 2009, the sole Repository is the Municipal Securities Rulemaking Board ("MSRB"). The District has agreed to file notices of certain enumerated material events, when and if they occur, with the Repository.

The specific nature of the financial information, operating data, and of the type of events which trigger a disclosure obligation, and other details of the undertaking are described in "APPENDIX F - Form of Continuing Disclosure Certificate" attached hereto. The Continuing Disclosure Certificate shall be executed by the District prior to the issuance of the Series 2019 Bonds. These covenants have been made in order to assist the Underwriter in complying with the continuing disclosure requirements of the Rule.

With respect to the Series 2019 Bonds, no party, other than the District, is obligated to provide, nor is expected to provide, any continuing disclosure information with respect to the Rule. The District and the County fully anticipate satisfying all future disclosure obligations required pursuant to the Rule. The County has entered into a contract with Digital Assurance Certification, LLC to provide continuing disclosure dissemination agent services for all of its outstanding bond issues, including those of the District.

Further, in order to demonstrate its continued commitment to continuing disclosure best practices, the District has included disclosure of several non-material instances of late filings in this Official Statement in the interest of being transparent. All relate to bond insurer ratings upgrades and/or downgrades. The bond insurer upgrades and/or downgrades occurred on the following dates: March 18, 2014 and May 21, 2014. All such bond insurer rating changes filings have since been made as it relates to bond issues that remain outstanding as of the date hereof. The underlying ratings upgrade of the Water and Sewer Revenue Bonds, Series 2006 on June 4, 2014 by Fitch was filed promptly as required by the related continuing disclosure undertaking, but not within 10 business days. It was filed 3 business days late on June 23, 2014. In summary, the County and the District do not believe that the disclosures described in this paragraph to be material in complying with any prior agreements to provide continuing disclosure information pursuant to the Rule.

ACCURACY AND COMPLETENESS OF OFFICIAL STATEMENT

The references, excerpts, and summaries of all documents, statutes, and information concerning the District or the County and certain reports and statistical data referred to herein do not purport to be complete, comprehensive and definitive and each such summary and reference is qualified in its entirety by reference to each such document for full and complete statements of all matters of fact relating to the Series 2019 Bonds, the security for the payment of the Series 2019 Bonds and the rights and obligations of the owners thereof and to each such statute, report or instrument. Copies of such documents may be obtained from either the office of Crystal K. Kinzel, Clerk of the Circuit Court and Comptroller of Collier County and Clerk to the District, Collier County Courthouse Annex, 3315 Tamiami Trail East, 2nd Floor, Board Minutes and Records Department, Naples, Florida 34112-5324, phone (239) 252-7240 or the County's Financial Advisor, PFM Financial Advisors LLC, 2222 Ponce de Leon Boulevard, Third Floor, Coral Gables, Florida 33134.

Any statements made in this Official Statement involving matters of opinion or of estimates, whether or not so expressly stated are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized. Neither this Official Statement nor any statement that may have been made verbally or in writing is to be construed as a contract with the owners of the Series 2019 Bonds.

The appendices attached hereto are integral parts of this Official Statement and must be read in their entirety together with all foregoing statements.

AUTHORIZATION OF OFFICIAL STATEMENT

The execution and delivery of this Official Statement has been duly authorized and approved by the District. At the time of delivery of the Series 2019 Bonds, the District will furnish a certificate to the effect that nothing has come to their attention which would lead it to believe that the Official Statement (other than information herein related to DTC, the book-entry only system of registration and the information contained under the caption "TAX EXEMPTION" and as to which no opinion shall be expressed), as of its date and as of the date of delivery of the Series 2019 Bonds, contains an untrue statement of a material fact or omits to state a material fact which should be included therein for the purposes for which the Official Statement is intended to be used, or which is necessary to make the statements contained therein, in the light of the circumstances under which they were made, not misleading.

COLLIER COUNTY WATER-SEWER DISTRICT

By: _____

Chairman, Board of County Commissioners of Collier County, Florida, as the Ex-Officio Chairman of the Governing Board of the Collier County Water-Sewer District

Approved as to form
and legal sufficiency:

_____

County Attorney

APPENDIX A

GENERAL INFORMATION REGARDING COLLIER COUNTY, FLORIDA

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APPENDIX A

GENERAL INFORMATION REGARDING COLLIER COUNTY, FLORIDA

The following information concerning Collier County, Florida (the "County") has been supplied by the County and is included only for purposes of supplying general information regarding the County.

General Information

The County was established in 1923 by the Legislature of the State of Florida (the "State") from portions of Lee and Monroe Counties. Its territorial limits, as they presently exist, contain approximately 2,026 square miles. In terms of land area, it is the largest county in the State. The County is located on the southwest coast of the Florida peninsula directly west of the Miami-Fort Lauderdale area. In 2018, the County had an estimated population of 368,534. Part of the Everglades National Park, the United States' only subtropical national park, comprises a portion of the County. Principal industries within the County include wholesale and retail trade, tourism, medical services, agriculture, forestry, fishing, cattle ranching and construction.

Board of County Commissioners

The Board of County Commissioners (the "Board") is the principal legislative and governing body of the County. The Board consists of five County Commissioners; one from each of the five districts elected for terms of four years. All of the County Commissioners are residents of the County. The current members of the Board and their expiration of terms of office are:

Commissioner	Office	Term Expires
William L. McDaniel, Jr.	Chairman	November, 2020
Burt L. Saunders	Vice Chairman	November, 2020
Donna Fiala	Commissioner	November, 2020
Andy Solis	Commissioner	November, 2022
Penny Taylor	Commissioner	November, 2022

County Manager

The chief administrative official of the County is the County Manager. This official is directly responsible to the Board for administration and operation of four administrative divisions under the Board and for execution of all Board policies. The County Manager directs the administrative divisions for Growth Management, Public Services, Public Utilities, and Administrative Services. The County Manager is also responsible to the Board for the preparation of budgets and for the control of expenditures of departments under his supervision throughout the budget year.

Budget Process

The County Manager's Director of Corporate, Financial and Management Services (the "Director") initiates the budget planning process in January with budget policy discussions among key members of the fiscal and administrative leadership team. These discussions culminate in the presentation and adoption of budget policy and guidance by the Board in February. County division heads and elected officers submit their proposed expenditures beginning in April for compilation by the Director no later than July 1 of each year and each submission is matched against available revenues. A

balanced, proposed budget is presented to the Board for review within 15 days of receipt of an assessed value certification from the County's Property Appraiser which is due by July 1. A tentative budget is thereupon adopted within 15 days.

Subsequent to public hearings, a final budget is adopted. The final budget for the fiscal year ended September 30, 2019 was adopted by the Board on September 20, 2018. Final millage rates are adopted, usually by late September, and the County's Tax Collector prepares tax bills for mailing on or after November 1. Upon valid adoption, all expenditures in the budget constitute appropriations, and amendments to the budget can be made only in accordance with the provisions of Chapter 129, Florida Statutes, and such chapter provides that expenditures in excess of total fund budgets are unlawful.

Annual Audit

Florida law requires that an annual post audit be completed by independent certified public accountants retained by the County. The County retained the firm of Clifton Larson Allen LLP, Naples, Florida, to undertake the audit for the fiscal year ended September 30, 2018. The Comprehensive Annual Financial Report for the fiscal year ended September 30, 2018 appears in APPENDIX B attached to this Official Statement.

The Governmental Accounting Standards Board (GASB) issued Statement No. 68, "Accounting and Financial Reporting for Pensions" ("GASB No. 68") – an amendment to GASB Statement No. 27, "Accounting for Pensions by State and Local Governmental Employers", which was effective for the County's fiscal year ended September 30, 2018. For a more complete description of GASB No. 68 and its effect on the County's financial reporting, see "– Florida Retirement System" below.

Population

The County has experienced rapid population growth in recent decades. The following table presents historical and projected population growth for the County, the State, and the United States for the period of 1960 to 2020:

POPULATION TRENDS

Year	County Population	Population Percentage Increase	State Population	Population Percentage Increase	United States Population	Population Percentage Increase
1960	15,753	---	4,951,560	---	179,323,175	---
1970	38,040	141.5%	6,791,418	37.1%	203,302,031	13.4%
1980	85,971	126.0	9,746,961	43.5	226,504,825	11.4
1990	152,099	76.9	12,938,071	32.7	250,410,000	10.6
2000	251,377	65.3	15,982,378	23.5	274,634,000	9.7
2010	321,520	27.9	18,801,310	17.6	308,745,538	12.4
2020*	384,400	19.6	21,326,800	13.4	322,742,000	4.5

*Estimates on County and State population use medium estimates of population growth.

Source: University of Florida, Bureau of Economic and Business Research, Population Program, unpublished data. Census data from U.S. Bureau of Census.

Most of the growth of Collier County is due to migration. The estimated median age of the County's population was 49.7 years according to the Collier County Comprehensive Annual Financial Report for Fiscal Year Ending September 30, 2018.

COLLIER COUNTY EMPLOYMENT
BY MAJOR INDUSTRY

Industry	Establishments	Employees
Retail Trade	1,622	21,584
Accommodation and Food Services	903	20,695
Health Care and Social Assistance	1,123	19,217
Construction	1,980	15,094
Administrative and Waste Services	1,183	9,587
Educational Services	119	7,650
Arts, Entertainment, and Recreation	275	8,271
Other Services (except Public Administration)	1,314	6,215
Professional and Technical Service	1,932	5,491
Public Administration	59	5,705
Agriculture, Forestry, Fishing and Hunting	97	3,720
Real Estate and Rental and Leasing	1,221	3,989
Finance and Insurance	683	4,037
Manufacturing	297	3,840
Wholesale Trade	434	3,525
Transportation and Warehousing	267	2,207
Information	177	1,368
Management of Companies and Enterprises	145	366
Utilities	23	193
Mining	7	43
Unclassified Establishments	118	73

Source: Florida Research and Economic Information Database Application, Labor Market Statistics, Quarterly Census of Employment and Wages Program.

COLLIER COUNTY EMPLOYMENT
(2009-2018)

Year	Labor Force	Employment	Unemployment	County Unemployment Rate	State of Florida Unemployment Rate
2009	143,337	127,434	15,903	11.1%	10.4%
2010	145,349	128,427	16,922	11.6	11.1
2011	148,810	133,729	15,081	10.1	10.0
2012	152,851	139,903	12,948	8.5	8.5
2013	155,486	144,508	10,978	7.1	7.2
2014	160,130	150,596	9,534	6.0	6.3
2015	163,488	154,976	8,512	5.2	5.5
2016	169,288	161,411	7,877	4.7	4.8
2017	171,979	164,974	7,005	4.1	4.2
2018	177,351	171,255	6,096	3.4	3.6

Source: Florida Research and Economic Information Database Application, Labor Market Statistics, Local Area Unemployment Statistics Program.

BUILDING PERMIT ACTIVITIES IN COLLIER COUNTY
(2009-2018)

Year	Single Family Units	Multi-Family Units	Residential Valuation[(1)]
2009	558	310	$200,991
2010	747	513	284,339
2011	866	320	272,942
2012	1,149	304	313,259
2013	1,540	817	448,610
2014	2,195	722	630,402
2015	2,611	954	795,923
2016	2,788	782	875,143
2017	2,615	846	688,050
2018	3,063	1,232	1,086,682

(1) Valuation in thousands of dollars.

Source: Collier County, Florida Finance Department.

Agriculture

Agriculture is a dominant factor in the economy of the County. Rainfall averages about 54 inches annually with most of the precipitation occurring during the late spring and summer. The high yearly rainfall and year-round mild temperature enable agriculture to be a productive sector of the County economy. The agricultural industry represents five percent of the workforce. Farming activities are located approximately 40 miles inland primarily centered around the community of Immokalee. Major crops include tomatoes, peppers, cucumbers, melons and citrus. Beef cattle are also a significant farming commodity.

Tourism

Tourism is a major factor in the economy of the County. Visitors to the County enjoy its Gulf of Mexico beaches, golf, tennis and other attractions. Everglades National Park, the United States only subtropical National Park, located near Naples, comprises a substantial portion of the County. Collier-Seminole Park and Corkscrew Swamp are also located nearby. Salt water fishing in the Gulf of Mexico, as well as fresh water fishing, makes the many lakes and waterways popular vacation spots. The County is regarded as one of the largest shelling areas in the United States.

Transportation

The County is served by U.S. Highway 41 (otherwise known as the Tamiami Trail) and Interstate 75, which links Naples to the east coast of Florida and intersects U.S. Highway 27, providing access to the Florida Turnpike. Interstate 75 also provides access to the County from the North. Greyhound Bus Lines connects the County to all points within the State.

Air service is available at the Naples Airport owned by the City of Naples and covers an area of approximately 650 acres. The airport has two lighted 5,000 feet hard surfaced runways, each 150 feet wide. Activity at this airport mainly consists of charter flights and general aviation. Air service at the Southwest Florida International Airport near Fort Myers, 35 miles north of Naples, reaches many major cities. In addition, the County owns and operates three public airports: the Marco Island Executive Airport and the Immokalee and Everglades City Airparks.

Educational System

The County school system serves 48,000 students in 29 elementary schools, 10 middle schools, 8 high schools, and a PreK-12 school (Everglades City School). There are also 13 Alternative School Programs. The public schools provide a varied adult education program and a special program for pre-school children. There are several private and parochial schools in the County offering classes from kindergarten through the twelfth grade. Florida Southwestern State College's main campus in Fort Myers, with a branch campus in Naples, offers technical training as well as college preparation for students. In August of 2003, Ave Maria University, a private Catholic University located within the County, began admitting students. The University offers bachelor's degrees in biology, classics, economics, history, literature, mathematics, music, philosophy, politics and theology. Pre-professional programs are offered in pre-law, pre-medicine and pre-business. Although not located within the County, Florida Gulf Coast University, the tenth college in the State University System, is operating in Lee County, immediately north of the County.

Medical Facilities

Naples Community Hospital, a non-profit, private corporation provides health services to the residents of the County. It opened as a 50-bed facility in 1956, financed exclusively by contributions from members of the community. Since 1956, Naples Community Hospital has grown to encompass approximately 422,000 square feet and include two six-story towers that house Naples Community Hospital's 715 licensed beds and patient care ancillary services and a two-story support services wing located between the two towers. Hospital services are also provided in the Carpenter-Briggs Radiation Therapy Center located across the street from Naples Community Hospital, at the Golden Gate Urgent Care Center located in leased space approximately seven miles from Naples Community Hospital, and in several other outpatient facilities that provide urgent care, rehabilitation, wellness and infusion services. In addition, Physician's Regional operates two hospitals within the County with a total of 201 beds.

The Collier County Health Department operates in every community in the County under the direction of a licensed physician and with a staff of trained specialists, including public health workers, nurses, sanitarians and clinical psychologists.

COLLIER COUNTY
FINANCIAL AND ECONOMIC DATA
(Fiscal Years 2009-2018)
(Unaudited)

Fiscal Year	Population	Percent Increase/(Decrease)	Per Capita Income	Bank Deposits (000's)
2009	333,032	--	$63,276	$11,690
2010	331,800	(0.4)	62,559	9,981
2011	321,520	(3.1)	60,049	N/A
2012	323,785	0.7	59,264	N/A
2013	329,849	1.9	60,391	N/A
2014	339,642	3.0	64,872	N/A
2015	348,777	2.7	73,869	N/A
2016	353,936	1.5	78,473	N/A
2017	360,846	2.0	84,101	N/A
2018	368,534	2.1	87,829	N/A

N/A = Data not currently available
Source: Collier County, Florida Finance Department.

Assessed Valuation

The following table shows the assessed value and taxable value for operating millage in each of the past ten Fiscal Years.

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
IN COLLIER COUNTY[1]
(Fiscal Years 2009-2018)
(Unaudited)
(Amounts Expressed in Thousands)

Fiscal Year Ended September 30	Residential Property	Personal Property	Centrally Assessed Property	Less: Tax Exempt	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value[2]
2009	$86,949,935	$2,430,996	$202	$10,718,166	$78,662,967	4.1246	$89,381,133	100%
2010	77,359,174	2,444,323	202	9,826,950	69,976,749	4.4236	79,803,699	100
2011	67,947,039	2,259,654	171	8,770,667	61,436,197	4.4151	70,206,864	100
2012	64,464,592	2,248,702	187	8,510,911	58,202,570	4.4149	66,713,481	100
2013	64,723,621	2,240,098	184	8,471,142	58,942,761	4.4126	66,963,903	100
2014	66,977,907	2,198,734	152	8,539,021	60,637,772	4.1592	69,176,193	100
2015	71,149,974	2,186,145	195	8,739,269	64,597,045	4.1582	73,336,324	100
2016	76,970,360	2,353,841	134	9,235,508	70,088,827	4.1572	79,324,335	100
2017	91,067,675	2,448,008	246	9,905,936	83,609,993	4.1562	93,515,929	100
2018	109,736,738	2,535,239	244	10,317,449	101,954,772	4.1851	112,272,221	100

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

(2) The basis of assessed value required by the state is 100% of actual value.

Source: Collier County, Florida Finance Department.

The following table contains the property tax rates for the last ten fiscal years.

COLLIER COUNTY, FLORIDA
PROPERTY TAX RATES – ALL DIRECT AND OVERLAPPING GOVERNMENTS[1]
(Fiscal Years 2009-2018)
(Unaudited)

	Collier County				Other		
Fiscal Year	General Fund	Special Revenue Funds	Debt Service Funds	Total	County School District	Independent Districts	Total
2009	3.1469	0.7528	0.2249	4.1246	4.9090	1.2784	10.3120
2010	3.5645	0.7225	0.1366	4.4236	5.2390	1.3243	10.9869
2011	3.5645	0.6926	0.1580	4.4151	5.6990	1.3299	11.4440
2012	3.5645	0.7627	0.0877	4.4149	5.5270	1.2202	11.1621
2013	3.5645	0.7555	0.0926	4.4126	5.5760	1.2395	11.2281
2014	3.5645	0.5873	0.0074	4.1592	5.6900	1.2228	11.0720
2015	3.5645	0.5860	0.0077	4.1582	5.5800	1.1853	10.9235
2016	3.5645	0.5856	0.0071	4.1572	5.4800	1.1331	10.7703
2017	3.5645	0.6030	0.0061	4.2029	5.2450	1.1138	10.5617
2018	3.5645	0.6145	0.0061	4.1851	5.1220	1.2735	10.5446

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

Source: Collier County, Florida Finance Department.

Property Tax Reform

Millage Rollback Legislation. In 2007, the State Legislature adopted a property tax plan which significantly impacted ad valorem tax collections for State local governments (the "Millage Rollback Legislation"). One component of the Millage Rollback Legislation required counties, cities and special districts to rollback their millage rates for the 2007-2008 Fiscal Year to a level that, with certain adjustments and exceptions, would generate the same level of ad valorem tax revenue as in Fiscal Year 2006-2007; provided, however, depending upon the relative growth of each local government's own ad valorem tax revenues from 2001 to 2006, such rolled back millage rates were determined after first reducing 2006-2007 ad valorem tax revenues by zero to nine percent (0% to 9%). In addition, the Rollback Legislation also limited how much the aggregate amount of ad valorem tax revenues may increase in future fiscal years. A local government may override certain portions of these requirements by a supermajority, and for certain requirements, a unanimous vote of its governing body.

Constitutional Exemptions. Certain exemptions from property taxes have been enacted. Constitutional exemptions include, but are not limited to, property owned by a municipality and used exclusively by it for municipal or public purposes, certain household goods and personal effects to the value fixed by general law, certain locally approved community and economic development ad valorem tax exemptions to new businesses and expansions of existing businesses, as defined by general law and

historic preservation ad valorem tax exemptions to owners of historic properties, $25,000 of the assessed value of property subject to tangible personal property tax, the assessed value of solar devices or renewable energy source devices subject to tangible personal property tax may be exempt from ad valorem taxation, subject to limitations provided by general law, and certain real property dedicated in perpetuity for conservation purposes, including real property encumbered by perpetual conservation easements or by other perpetual conservation protections, as defined by general law.

Limitation on Increase in Assessed Value of Property. The State Constitution limits the increases in assessed just value of homestead property to the lower of (1) three percent of the assessment for the prior year or (2) the percentage change in the Consumer Price Index for all urban consumers, U.S. City Average, all items 1967=100, or successor reports for the preceding calendar year as initially reported by the United States Department of Labor, Bureau of Labor Statistics. The accumulated difference between the assessed value and the just value is known as the "Save Our Homes Benefit." Further, any change of ownership of homestead property or upon termination of homestead status such property shall be reassessed at just value as of January 1 of the year following the year of sale or change of status; new homestead property shall be assessed at just value as of January 1 of the year following the establishment of the homestead; and changes, additions, reductions or improvements to the homestead shall initially be assessed as provided for by general law.

Owners of homestead property may transfer up to $500,000 of their Save Our Homes Benefit to a new homestead property purchased within two years of the sale of their previous homestead property to which such benefit applied if the just value of the new homestead is greater than or is equal to the just value of the prior homestead. If the just value of the new homestead is less than the just value of the prior homestead, then owners of homestead property may transfer a proportional amount of their Save Our Homes Benefit, such proportional amount equaling the just value of the new homestead divided by the just value of the prior homestead multiplied by the assessed value of the prior homestead.

For all levies other than school district levies, assessment increases for specified nonhomestead real property may not exceed ten percent (10%) of the assessment for the prior year. This assessment limitation is, by its terms, to be repealed effective January 1, 2019; however, the legislature by joint resolution approved an amendment abrogating such repeal, which was approved by the electors in the November 6, 2018 general election and came into effect January 1, 2019.

Homestead Exemptions. In addition to the exemptions described above, the State Constitution also provides for a homestead exemption. Every person who has the legal title or beneficial title in equity to real property in the State and who resides thereon and in good faith makes the same his or her permanent residence or the permanent residence of others legally or naturally dependent upon such person is eligible to receive a homestead exemption of up to $50,000. The first $25,000 applies to all property taxes, including school district taxes. The additional exemption, up to $25,000, applicable to the assessed value of the property between $50,000 and $75,000, applies to all levies other than school district levies. A person who is receiving or claiming the benefit of an ad valorem tax exemption or a tax credit in another state where permanent residency, or residency of another legally or naturally dependent upon the owner, is required as a basis for the granting of that ad valorem tax exemption or tax credit is not entitled to the homestead exemption. In addition to the general homestead exemption described in this paragraph, the following homestead exemptions are authorized by State law:

Certain Persons 65 or Older. A board of county commissioners or the governing authority of any municipality may adopt an ordinance to allow an additional homestead exemption equal to (i) of up to

$50,000 for persons age 65 or older with household income that does not exceed the statutory income limitation of $20,000 (as increased by the percentage increase in the average cost of living index each year since 2001) or (ii) the assessed value of the property with a just value less than $250,000, as determined the first tax year that the owner applies and is approved, for any person 65 or older who has maintained the residence as his or her permanent residence for not less than 25 years and whose household income does not exceed the statutory income. The County enacted an ordinance providing for the exemption from County ad valorem taxes described in this paragraph.

In addition, veterans 65 or older who are partially or totally permanently disabled may receive a discount from tax on homestead property if the disability was combat related and the veteran was honorably discharged upon separation from military service. The discount is a percentage equal to the percentage of the veteran's permanent, service-connected disability as determined by the United States Department of Veteran's Affairs. The County has not enacted an ordinance providing for the exemption from County ad valorem taxes described in this paragraph.

Deployed Military Personnel. The State Constitution provides that by general law and subject to certain conditions specified therein, each person who receives a homestead exemption who was a member of the United States military or military reserves, the United States Coast Guard or its reserves, or the Florida National Guard; and who was deployed during the preceding calendar year on active duty outside the continental United States, Alaska, or Hawaii in support of military operations designated by the legislature shall receive an additional exemption equal to a percentage of the taxable value of his or her homestead property. The applicable percentage shall be calculated as the number of days during the preceding calendar year the person was deployed on active duty outside the continental United States, Alaska, or Hawaii in support of military operations designated by the legislature divided by the number of days in that year.

Certain Active Duty Military and Veterans. A military veteran who was honorably discharged, is a resident of the State, and who is disabled to a degree of 10% or more because of misfortune or while serving during wartime may be entitled to a $5,000 reduction in the assessed value of his or her property. This exemption is not limited to homestead property. A military veteran who was honorably discharged with a service-related total and permanent disability may be eligible for a total exemption from taxes on homestead property. A similar exemption is available to disabled veterans confined to wheelchairs. Under certain circumstances, the veteran's surviving spouse may be entitled to carry over these exemptions.

Certain Totally and Permanently Disabled Persons. Real estate used and owned as a homestead by a quadriplegic, less any portion used for commercial purposes, is exempt from all ad valorem taxation. Real estate used and owned as a homestead by a paraplegic, hemiplegic, or other totally and permanently disabled person, who must use a wheelchair for mobility or who is legally blind, is exempt from taxation if the gross household income is below statutory limits.

Survivors of First Responders. Any real estate that is owned and used as a homestead by the surviving spouse of a first responder (law enforcement officer, correctional officer, firefighter, emergency medical technician or paramedic), who died in the line of duty may be granted a total exemption on homestead property if the first responder and his or her surviving spouse were permanent residents of the State on January 1 of the year in which the first responder died.

Save Our Homes Portability Affected by Storm Damage (SOH). Owners of homestead property that was significantly damaged or destroyed as a result of a named tropical storm or hurricane can elect to have the property deemed abandoned if the owner establishes a new homestead by January 1 of the second year immediately following the storm or hurricane. This will allow the owner of the homestead property to keep their SOH benefit if they move from the significantly damaged or destroyed property to establish a new homestead by the end of the year following the storm.

Property Tax Relief for Natural Disasters. In light of the recent natural disasters, the state legislature created a property tax relief credit for homestead parcels on which certain residential improvements were damaged or destroyed by a hurricane that occurred in 2016 or 2017, namely hurricanes Hermine, Matthew, and Irma. If the residential improvement is rendered uninhabitable for at least 30 days due to a hurricane that occurred during the 2016 or 2017 calendar year, taxes initially levied in 2019 may be abated. Due to this reduction in ad valorem tax revenue, the legislature is required to appropriate funds to offset the deficit in certain taxing jurisdictions.

Recent Amendments Relating to Ad Valorem Taxation. In the 2016 legislative session, several amendments were passed affecting ad valorem taxation, including classification of agricultural lands during periods of eradication or quarantine, deleting requirements that conservation easements be renewed annually, providing that just value of real property shall be determined in the first tax year for income restricted persons age 65 or older who have maintained such property as the permanent residence for at least 25 years, authorizing a first responder who is totally and permanently disabled as a result of injuries sustained in the line of duty to receive relief from ad valorem taxes assessed on homestead property, revising procedures with respect to assessments, hearings and notifications by the value adjustment board, and revising the interest rate on unpaid ad valorem taxes.

Future Amendments Relating to Ad Valorem Taxation. Historically, various legislative proposals and constitutional amendments relating to ad valorem taxation have been introduced in each session of the State legislature. Many of these proposals have provided for new or increased exemptions to ad valorem taxation and limited increases in assessed valuation of certain types of property or have otherwise restricted the ability of local governments in the State to levy ad valorem taxes at then current levels.

Constitutional Limitations on New State Taxes and Fees

During the 2018 State legislative session, the State Legislature passed House Joint Resolution 7001 ("HJR 7001"), including an amendment to the State Constitution providing that no state tax or fee may be imposed, authorized, raised by the State Legislature, or authorized by the State Legislature to be raised, except through legislation approved by two-thirds of the membership of each house of the Legislature. The same requirement would apply to decreasing or eliminating any state tax, fee exemption or credit. Previously, such actions could be approved by a majority vote. HJR 7001 also requires that any proposed state tax or fee imposition, authorization or increase must be contained in a separate bill that contains no other subject. The joint resolution specifies that the amendment does not authorize the imposition of any state tax or fee otherwise prohibited by the State Constitution, and does not apply to any tax or fee imposed by, or authorized to be imposed by, a county, municipality, school board, or special district. The amendment in the HJR 7001 was approved by at least sixty percent of the voters during the 2018 general election and was passed and signed into law by Governor Scott and will take effect on January 8, 2019. Although the legislation will not subject local taxes and fees to the stricter voting requirement, local governments could be adversely impacted during recessionary economic environments if State

lawmakers are unable to raise taxes. The County does not expect that HJR 7001 will have an impact on its ability to pay debt service on the Series 2019 Bonds.

Florida Retirement System

The information relating to the Florida Retirement System ("FRS") contained herein has been obtained from the FRS Annual Reports available at www.dms.myflorida.com and the Florida Comprehensive Annual Financial Reports available at www. myfloridacfo.com/aadir/statewide_financial_reporting. No representation is made by the County as to the accuracy or adequacy of such information or that there has not been any material adverse change in such information subsequent to the date of such information.

General Information. Substantially all of the County's fire fighter employees participate in the FRS. The FRS is a cost-sharing multiple-employer public-employee retirement system with two primary plans – the FRS defined benefit pension plan (the "FRS Pension Plan") and the FRS defined contribution plan (the "FRS Investment Plan"). The FRS Pension Plan was created in Chapter 121, Florida Statutes, to provide a defined benefit pension plan for participating public employees.

Florida Retirement System Pension Plan

Membership. FRS membership is compulsory for all employees filling a regularly established position in a state agency, county agency, state university, state community college, or district school board. Participation by cities, municipalities, special districts, charter schools, and metropolitan planning organizations, although optional, is generally irrevocable after election to participate is made. Members hired into certain positions may be eligible to withdraw from the FRS altogether or elect to participate in the non-integrated optional retirement programs in lieu of the FRS except faculty of a medical college in a state university who must participate in the State University System Optional Retirement Program.

There are five general classes of membership, as follows:

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

- *Senior Management Service Class (SMSC)* - Members in senior management level positions in state and local governments as well as assistant state attorneys, assistant statewide prosecutors, assistant public defenders, assistant attorneys general, deputy court administrators, and assistant capital collateral representatives. Members of the Elected Officers' Class ("EOC") may elect to withdraw from the FRS or participate in the SMSC in lieu of the EOC.

- *Special Risk Class* - Members who are employed as law enforcement officers, firefighters, firefighter trainers, fire prevention officers, state fixed-wing pilots for aerial firefighting surveillance, correctional officers, emergency medical technicians, paramedics, community-based correctional probation officers, youth custody officers (from July 1, 2001 through June 30, 2014), certain health-care related positions within state forensic or correctional facilities, or specified forensic employees of a medical examiner's office or a law enforcement agency, and meet the criteria to qualify for this class.

- *Special Risk Administrative Support Class* - Former Special Risk Class members who are transferred or reassigned to nonspecial risk law enforcement, firefighting, emergency medical care, or correctional administrative support positions within an FRS special risk-employing agency.

- *Elected Officers' Class (EOC)* - Members who are elected state and county officers and the elected officers of cities and special districts that choose to place their elected officials in this class.

Beginning July 1, 2001, through June 30, 2011, the FRS Pension Plan provided for vesting of benefits after six years of creditable service for members initially enrolled during this period. Members not actively working in a position covered by the FRS Pension Plan on July 1, 2001, must return to covered employment for up to one work year to be eligible to vest with less service than was required under the law in effect before July 1, 2001. Members initially enrolled on or after July 1, 2001, through June 30, 2011, vest after six years of service. Members initially enrolled on or after July 1, 2011, vest after eight years of creditable service. Members are eligible for normal retirement when they have met the requirements listed below. Early retirement may be taken any time after vesting within 20 years of normal retirement age; however, there is a 5% benefit reduction for each year prior to the normal retirement age.

- *Regular Class, SMSC, and EOC Members* – For members initially enrolled in the FRS Pension Plan before July 1, 2011, six or more years of creditable service and age 62, or the age after completing six years of creditable service if after age 62. Thirty years of creditable service regardless of age before age 62. For members initially enrolled in the FRS Pension Plan on or after July 1, 2011, eight or more years of creditable service and age 65, or the age after completing eight years of creditable service if after age 65. Thirty-three years of creditable service regardless of age before age 65.

- *Special Risk Class and Special Risk Administrative Support Class Members* – For members initially enrolled in the FRS Pension Plan before July 1, 2011, six or more years of Special Risk Class service and age 55, or the age after completing six years of Special Risk Class service if after age 55. Twenty-five years of special risk service regardless of age before age 55. A total of 25 years of service including special risk service and up to four years of active duty wartime service and age 52. Without six years of Special Risk Class service, members of the Special Risk Administrative Support Class must meet the requirements of the Regular Class. For members initially enrolled in the FRS Pension Plan on or after July 1, 2011, eight or more years of Special Risk Class service and age 60, or the age after completing eight years of Special Risk Class service if after age 60. Thirty years of special risk service regardless of age before age 60. Without eight years of Special Risk Class service, members of the Special Risk Administrative Support Class must meet the requirements of the Regular Class.

Benefits. Benefits under the FRS Pension Plan are computed on the basis of age, average final compensation, creditable years of service, and accrual value by membership class. Members are also eligible for in-line-of-duty or regular disability and survivors' benefits. Pension benefits of retirees and annuitants are increased each July 1 by a cost-of-living adjustment. If the member is initially enrolled in the FRS Pension Plan before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3% per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3% determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3%. FRS Pension Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

The Deferred Retirement Option Program ("DROP") became effective July 1, 1998, subject to provisions of Section 121.091(13), Florida Statutes. FRS Pension Plan members who reach normal retirement are eligible to defer receipt of monthly benefit payments while continuing employment with

an FRS employer. An employee may participate in the DROP for a maximum of 60 months. Authorized instructional personnel may participate in the DROP for up to 36 additional months beyond their initial 60-month participation period. Monthly retirement benefits remain in the FRS Trust Fund during DROP participation and accrue interest. As of June 30, 2017, the FRS Trust Fund held $2,255,747,029 in accumulated benefits for 34,810 DROP participants. Of these 34,810 DROP participants, 32,972 were active in the DROP with balances totaling $2,032,044,001. The remaining participants were no longer active in the DROP and had balances totaling $216,703,029 to be processed after June 30, 2017.

Administration. The Department of Management Services, Division of Retirement administers the FRS Pension Plan. The State Board of Administration (the "SBA") invests the assets of the FRS Pension Plan held in the FRS Trust Fund. Costs of administering the FRS Pension Plan are funded from earnings on investments of the FRS Trust Fund. Reporting of the FRS Pension Plan is on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when the obligation is incurred.

Contributions. All participating employers must comply with statutory contribution requirements. Section 121.031(3), Florida Statutes, requires an annual actuarial valuation of the FRS Pension Plan, which is provided to the Legislature as guidance for funding decisions. Employer and employee contribution rates are established in Section 121.71, Florida Statutes. Employer contribution rates under the uniform rate structure (a blending of both the FRS Pension Plan and FRS Investment Plan rates) are recommended by the actuary but set by the Legislature. Statutes require that any unfunded actuarial liability ("UAL") be amortized within 30 plan years. Pursuant to Section 121.031(3)(f), Florida Statutes, any surplus amounts available to offset total retirement system costs are to be amortized over a 10-year rolling period on a level-dollar basis. The balance of legally required reserves for all defined benefit pension plans at June 30, 2017, was $154,053,262,968. These funds were reserved to provide for total current and future benefits, refunds, and administration of the FRS Pension Plan.

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Effective July 1, 2011, both employees and employers of the FRS are required to make contributions to establish service credit for work performed in a regularly established position. Effective July 1, 2002, the Florida Legislature established a uniform contribution rate system for the FRS, covering both the FRS Pension Plan and the FRS Investment Plan. The uniform rates for Fiscal Year 2016-17 are as follows:

Membership Class	Employee Contribution Rate	Employer Contribution Rate[1]	Total Contribution Rate
Regular	3.00%	5.80%	8.80%
Special Risk	3.00	20.85	23.85
Special Risk Administrative Support	3.00	26.34	29.34
Elected Officers – Judges	3.00	34.98	37.98
Elected Officers - Legislators/Attorneys/Cabinet	3.00	40.38	43.38
Elected Officers – County, City, Special Districts	3.00	40.75	43.75
Senior Management Service	3.00	20.05	23.05
Deferred Retirement Option Program	N/A	11.33	11.33

(1) These rates include the normal cost and unfunded actuarial liability contributions but do not include the 1.66% contribution for the Retiree Health Insurance Subsidy ("HIS") and the fee of 0.06% for administration of the FRS Investment Plan and provision of educational tools for both plans.

Source: Florida Retirement System Pension Plan and Other State Administered Systems Comprehensive Annual Financial Report for Fiscal Year Ended June 30, 2017.

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The contributions of the County are established and may be amended by the State Legislature. The consolidated County's contributions to the FRS Pension Plan totaled $31,741,046 for the Fiscal Year ended September 30, 2018.

Pension Amounts for the FRS Pension Plan.

Schedule of Changes in Net Pension Liability and Related Ratios
(in thousands)

Total Pension Liability	June 30, 2015	June 30, 2016	June 30, 2017
Service cost	$2,114,047	$2,132,906	$2,073,754
Interest on total pension liability	11,721,563	12,109,114	12,484,167
Effect of plan changes	0	32,310	92,185
Effect of economic/demographic (gains) or losses	1,620,863	980,192	1,412,462
Effect of assumption changes or inputs	0	1,030,667	10,398,344
Benefit payments	(10,201,501)	(10,624,925)	(9,859,319)
Net change in total pension liability	5,254,972	5,660,264	16,601,593
Total pension liability, beginning	156,115,763	161,370,735	167,030,999
Total pension liability, ending (a)	$161,370,735	$167,030,999	$183,632,592
Fiduciary Net Position			
Employer contributions	$2,438,085	$2,438,659	$2,603,246
Member contributions	698,304	710,717	744,839
Investment income net of investment expenses	5,523,287	820,583	18,801,917
Benefit payments	(10,201,500)	(10,624,925)	(9,859,319)
Administrative expenses	(18,074)	(18,507)	(18,340)
Net change in plan fiduciary net position	(1,559,898)	(6,673,473)	12,272,342
Fiduciary net position, beginning	150,014,292	148,454,394	141,780,921
Fiduciary net position, ending (b)	$148,454,394	$141,780,921	$154,053,263
Net pension liability, ending = (a) – (b)	$12,916,341	$25,250,078	$29,579,329
Fiduciary net position as a % of total pension liability	92.00%	84.88%	83.89%
Covered payroll[(1)]	$32,726,034	$33,214,217	$33,775,800
Net pension liability as a % of covered payroll	39.47%	76.02%	87.58%

(1) For June 30, 2015, and later, covered payroll shown includes the payroll for FRS Investment Plan members and payroll on which only UAL rates are charged.

Source: Florida Retirement System Pension Plan and Other State Administered Systems Comprehensive Annual Financial Report for Fiscal Year Ended June 30, 2017.

Actuarial Methods and Assumptions for the FRS Pension Plan. The total pension liability was determined by an actuarial valuation as of the valuation date of July 1, 2017, calculated based on the discount rate and actuarial assumptions below:

	June 30, 2016	June 30, 2017
Discount rate	7.60%	7.10%
Long-term expected rate of return, net of investment expense	7.60%	7.10%
Bond Buyer General Obligation 20-Bond Municipal Bond Index	N/A	N/A

Source: Florida Retirement System Pension Plan and Other State Administered Systems Comprehensive Annual Financial Report for Fiscal Year Ended June 30, 2017.

The plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees in determining the projected depletion date. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

The actuarial assumptions used to determine the total pension liability as of June 30, 2017, were based on the results of an actuarial experience study for the period July 1, 2008 - June 30, 2013.

Valuation Date	July 1, 2017
Measurement Date	June 30, 2017
Asset Valuation Method	Fair Market Value
Inflation	2.60%
Salary increase including inflation	3.25%
Mortality	Generational RP-2000 with Projection Scale BB
Actuarial cost method	Individual Entry Age Normal

Source: Florida Retirement System Pension Plan and Other State Administered Systems Comprehensive Annual Financial Report for Fiscal Year Ended June 30, 2017.

Sensitivity Analysis for the FRS Pension Plan. The following presents the net pension liability of the FRS, calculated using the discount rate of 7.10%, as well as what the FRS's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.10%) or one percentage point higher (8.10%) than the current rate.

	1% Decrease 6.10%	Current Discount Rate 7.10%	1% Increase 8.10%
Total pension liability	$207,590,062,000	$183,632,592,000	$163,742,403,000
Fiduciary net position	154,053,262,968	154,053,262,968	154,053,262,968
Net pension liability	$53,536,799,032	$29,579,329,032	$9,689,140,032

Source: Florida Retirement System Pension Plan and Other State Administered Systems Comprehensive Annual Financial Report for Fiscal Year Ended June 30, 2017.

Retiree Health Insurance Subsidy Program

The HIS Program is a cost-sharing multiple-employer defined benefit pension plan established under Section 112.363, Florida Statutes. The benefit is a monthly payment to assist retirees of state-administered retirement systems in paying their health insurance costs and is administered by the Division of Retirement within the Department of Management Services. For the fiscal year ended June 30, 2017, eligible retirees and beneficiaries received a monthly HIS payment equal to the number of years of creditable service completed at the time of retirement multiplied by $5. The payments are at least $30 but not more than $150 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS benefit, a retiree under a state-administered retirement system must provide proof of health insurance coverage, which can include Medicare.

The HIS Program is funded by required contributions from FRS participating employers as set by the Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended June 30, 2017, the contribution rate was 1.66% of payroll pursuant to Section 112.363, F.S. The State contributed 100% of its statutorily required contributions for the current and preceding two years. HIS contributions are deposited in a separate trust fund from which HIS payments are authorized. HIS benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, the legislature may reduce or cancel HIS payments.

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Pension Amounts for the HIS.

Schedule of Changes in Net Pension Liability and Related Ratios
(in thousands)

Total Pension Liability	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017
Service cost	$190,371	$217,519	$256,710	$304,537
Interest on total pension liability	409,907	405,441	390,757	337,486
Effect of plan changes	0	0	0	0
Effect of economic/demographic (gains) or losses	0	0	(30,826)	0
Effect of assumption changes or inputs	386,383	607,698	1,352,459	(1,073,716)
Benefit payments	(407,276)	(425,086)	(449,857)	(465,980)
Net change in total pension liability	579,385	805,572	1,519,243	(897,673)
Total pension liability, beginning	8,864,244	9,443,629	10,249,201	11,768,445
Total pension liability, ending (a)	$9,443,629	$10,249,201	$11,768,445	$10,870,772
Fiduciary Net Position				
Employer contributions	$342,566	$382,454	$512,564	$529,229
Member contributions	0	0	0	0
Investment income net of investment expenses	219	208	565	1,380
Benefit payments	(407,275)	(425,085)	(449,857)	(465,980)
Administrative expenses	(54)	(188)	(188)	(177)
Net change in plan fiduciary net position	(64,544)	(42,611)	63,084	64,452
Fiduciary net position, beginning	157,929	93,385	50,774	113,859
Fiduciary net position, ending (b)	$93,385	$50,774	$113,859	$178,311
Net pension liability, ending = (a) – (b)	$9,350,244	$10,198,427	$11,654,586	$10,692,461
Fiduciary net position as a % of total pension liability	0.99%	0.50%	0.97%	1.64%
Covered payroll	$29,676,340	$30,340,449	$30,875,274	$31,885,633
Net pension liability as a % of covered payroll	31.51%	33.61%	37.75%	33.53%

Source: Florida Retirement System Pension Plan and Other State Administered Systems Comprehensive Annual Financial Report for Fiscal Year Ended June 30, 2017.

Actuarial Methods and Assumptions for the HIS. The total pension liability was determined by an actuarial valuation as of the valuation date, calculated based on the discount rate and actuarial assumptions below, and then was projected to the measurement date. Any significant changes during this period have been reflected as prescribed by GASB 67. The same demographic and economic assumptions that were used in the Florida Retirement System Actuarial Valuation as of July 1, 2016 ("funding valuation") were used for the HIS Program, unless otherwise noted. In a given membership

class and tier, the same assumptions for both FRS Investment Plan members and for FRS Pension Plan members were used.

	June 30, 2016	June 30, 2017
Discount rate	2.85%	3.58%
Long-term expected rate of return, net of investment expense	N/A	N/A
Bond Buyer General Obligation 20-Bond Municipal Bond Index	2.85%	3.58%

Source: Florida Retirement System Pension Plan and Other State Administered Systems Comprehensive Annual Financial Report for Fiscal Year Ended June 30, 2017.

In general, the discount rate for calculating the total pension liability under GASB 67 is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the plan sponsor. The discount rate used in the 2017 valuation was updated from 2.85% to 3.58%, reflecting the change in the Bond Buyer General Obligation 20- Bond Municipal Bond Index as of June 30, 2017.

The actuarial assumptions used to determine the total pension liability as of June 30, 2017, were based on the results of an actuarial experience study for the period July 1, 2008 - June 30, 2013.

Valuation Date	July 1, 2017
Measurement Date	June 30, 2017
Inflation	2.60%
Salary increase including inflation	3.25%
Mortality	Generational RP-2000 with Projection Scale BB
Actuarial cost method	Individual Entry Age

Source: Florida Retirement System Pension Plan and Other State Administered Systems Comprehensive Annual Financial Report for Fiscal Year Ended June 30, 2017.

Sensitivity Analysis for the HIS. The following presents the net pension liability of the HIS, calculated using the discount rate of 3.58%, as well as what the HIS's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (2.58%) or one percentage point higher (4.58%) than the current rate.

	1% Decrease 2.58%	Current Discount Rate 3.58%	1% Increase 4.58%
Total pension liability	$12,379,825,232	$10,870,772,218	$9,613,814,415
Fiduciary net position	178,310,841	178,310,841	178,310,841
Net pension liability	$12,201,514,391	$10,692,461,377	$9,435,503,574

Source: Florida Retirement System Pension Plan and Other State Administered Systems Comprehensive Annual Financial Report for Fiscal Year Ended June 30, 2017.

FRS Investment Plan

The State Board of Administration administers the defined contribution plan officially titled the FRS Investment Plan. The Florida Legislature establishes and amends the benefit terms of the plan. Retirement benefits are based upon the value of the member's account upon retirement. The FRS Investment Plan provides vesting after one year of service regardless of membership class. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the FRS Investment Plan, the years of service required for vesting under the FRS Pension Plan (including the service credit represented by the transferred funds) is required to be vested for these funds and the earnings on the funds. The employer pays a contribution as a percentage of salary that is deposited into the individual member's account. Effective July 1, 2011, there is a mandatory employee contribution of 3.00%. The FRS Investment Plan member directs the investment from the options offered under the plan. Costs of administering the plan, including the FRS Financial Guidance Program, are funded through an employer assessment of payroll and by forfeited benefits of plan members. After termination and applying to receive benefits, the member may rollover vested funds to another qualified plan, structure a periodic payment under the FRS Investment Plan, receive a lump-sum distribution, or leave the funds invested for future distribution. Disability coverage is provided; the employer pays an employer contribution to fund the disability benefit which is deposited in the FRS Trust Fund. The member may either transfer the account balance to the FRS Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the FRS Pension Plan, or remain in the FRS Investment Plan and rely upon that account balance for retirement income.

GASB 68/71

The Governmental Accounting Standards Board (GASB) issued Statement No. 68, "Accounting and Financial Reporting for Pensions" – an amendment to GASB Statement No. 27, "Accounting for Pensions by State and Local Governmental Employers", which was subsequently amended by GASB No. 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date" (collectively, "GASB No. 68/71"), which is effective for the County's fiscal year ended September 30, 2016. As a participating employer, the County implemented GASB No. 68/71, which requires an employer participating in a cost-sharing multiple-employer defined benefit pension plans to report the employer's proportionate share of the net pension liabilities of the defined benefit pension plans. The greatest impact of GASB No. 68/71 to the County is the inclusion of the County's proportionate share of the FRS Net Pension Liability (the "County's Net Pension Liability"), which reduced the County's Unrestricted Net Position and Total Net Position. Additionally, pension expense is no longer equal to pension contributions made, but instead is equal to the change in net pension liability from year to year, with adjustments for deferred amounts. The County is also now required to include more extensive footnote disclosures and supplementary schedules.

All of these decreases are accrual based accounting changes, and do not represent decreases in cash or liquidity positions. The County does not expect that implementation of GASB 68/71 to have any effect on the County's ability to pay debt service on the Series 2019 Bonds.

Multiple Employer Defined Benefit Retirement Plan

As provided by Chapters 121 and 112, *Florida Statutes,* the FRS provides two cost-sharing, multiple-employer defined benefit plans administered by the Florida Department of Management

Services, Division of Retirement, including the FRS Pension Plan and HIS. Under Section 121.4501, Florida Statutes, the FRS also provides a defined contribution plan FRS Investment Plan alternative to the FRS Pension Plan, which is administered by the SBA. 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 FRS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefits are established by Chapter 121, Florida Statutes, and Chapter 60S, Florida Administrative Code. Amendments to the law can be made only by an act of the Florida State Legislature.

The State of Florida annually issues a publicly available financial report that includes financial statements and required supplementary information for the FRS. The latest available report may be obtained by writing to the State of Florida Division of Retirement, Department of Management Services, P.O. Box 9000, Tallahassee, Florida 32315-9000 or from the website: ww.dms.myflorida.com/workforce_operations/retiremenitipublications.

Other Postemployment Benefit Plans

General

The County provides post-employment healthcare benefits for retirees through a single employer defined benefit plan (County's OPEB Plan) and can amend the benefits provisions. The participants of this plan include retirees of the Board, the Clerk of the Circuit Court and Comptroller, the Property Appraiser, the Tax Collector and the Supervisor of Elections. The Sheriff also provides post-employment healthcare benefits under a separate plan. In accordance with Florida Statute 112.0801, employees who retire and immediately begin receiving benefits from the FRS have the option of paying premiums to continue in the County's health insurance plan at the same group rate as for active employees.

The Board and the Tax Collector also subsidize the cost of the post-employment healthcare for qualifying retirees and each has the authority to amend benefit provisions. The Board offers a subsidy for its retirees who have at least 60% of eligible accrued sick leave remaining at the time of retirement and have completed 15 years of continuous service with the Board. In addition, the retiree must retire from the Board, be at least 55 years of age or have completed 30 years of service under the FRS and be eligible to receive an FRS benefit with no break in time. Such employees are eligible to receive a 50% to 100% subsidy toward the cost of coverage under the active plan. A subsidy is currently provided to 20 retirees. The Tax Collector offers a subsidy of 100% the cost of health care for employees with 10 years of service, between the ages of 54 and 64 and who exchange 800 hours of sick leave at retirement for employees hired prior to June 1, 2015. A subsidy is currently provided to 6 retirees.

The County's OPEB Plan is currently being funded on a pay as you go basis. No trust or agency fund has been established for the plan. The plan does not issue a separate financial report.

Participant Data

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

Inactive employees or beneficiaries currently receiving benefits	60
Active employees	2,285
Total employees	2,354

Total OPEB Liability

The County's total OPEB liability of $8,730,722 was measured as of September 30, 2018 and was determined roll forward from the October 1, 2017 valuation date. The following table shows the changes in the County's total OPEB liability for the year ended September 30, 2018.

	Total OPEB Liability
Balance, as of October 1, 2017	$8,833,096
Changes:	
Service cost	491,865
Interest on total OPEB liability	252,345
Changes in assumptions or other inputs	(221,309)
Benefit payments	(625,275)
Net changes	(102,374)
Balance, as of September 30, 2018	$8,730,722

OPEB Liability Discount Rate Sensitivity

The following presents the County's total OPEB liability, as well as what the County's total OPEB liability would be if it were calculated using a discount rate one percentage point lower or one percentage point higher than the current discount rate:

Description	1% Decrease in Discount Rate	Current Discount Rate	1% Increase in Discount Rate
OPEB Plan Discount Rate	2.25%	3.25%	4.25%
Total OPEB Liability	$9,348,038	$8,730,722	$8,172,221

OPEB Liability Healthcare Trend Rate Sensitivity

The following presents the County's total OPEB liability, as well as what the County's total OPEB liability would be if it were calculated using a healthcare trend rate one percentage point lower or one percentage point higher than the current healthcare trend rate:

Description	1% Decrease in Healthcare Cost Trend Rate	Healthcare Cost Trend Rate	1% Increase in Healthcare Cost Trend Rate
Healthcare Cost Trend Rate	5.00%	6.00%	7.00%
Total OPEB Liability	$8,006,125	$8,730,722	$9,571,904

Deferred Outflows and Inflows of Resources Related to OPEB

For the year ended September 30, 2018, the County's OPEB expense was $742,285. In addition, the County reported deferred inflows of resources from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Economic Experience	$-	$6,333
Changes in Assumptions	-	221,309
	$-	$227,642

Amounts reported as deferred inflows of resources related to OPEB will be amortized over 4.12 years and will be recognized as follows:

Year Ending September 30	Amount
2019	$55,641
2020	55,641
2021	55,641
2022	54,274
Thereafter	6,445

Actuarial Methods and Assumptions

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

Calculations for financial reporting purposes are based on the benefits provided under terms of the plan as understood by the employer and the plan members in effect at the time of each valuation and on the pattern of sharing of costs between the employer and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or

contractual funding limitations on the pattern of cost sharing between the employer and plan members in the future. Actuarial calculations reflect a long-term perspective. Consistent with that perspective, actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

The actuarial methods are:	
Actuarial cost method	Entry Age Actuarial
The actuarial assumptions are:	
Discount rate	3.25% (Based on the 20 year AA municipal bond rate)
Healthcare cost trend rate	6% decreasing to 5% in 2021 and thereafter
Salary increase	3%
New employees	None

Mortality rates were based on the RP-2014 Mortality Fully Generational tables using Projection Scale MP-2018.

Since the most recent valuation, the following changes have been made:

- The discount rate was changed from 2.8% to 3.25%.
- The mortality assumption has been updated from RP-2014 Mortality Fully Generational using Projection Scale MP-2016 to RP 2014 Mortality Fully Generational using Projection Scale MP-2018.

Plan Description and Benefits Provided

The Sheriff provides post-employment healthcare benefits for retirees through a single employer defined benefit plan (Sheriffs OPEB Plan) and can amend the benefit provisions. In accordance with Florida Statute 112.0801, employees who retire and immediately begin receiving benefits from the FRS have the option of paying premiums to continue in the Sheriffs health insurance plan at the same group rate as for active employees.

Prior to 2010, the Sheriff subsidized approximately 20% of the cost for both single and family healthcare for its retirees who have 6 years of creditable service with the Sheriff and who receive a monthly retirement benefit from the Florida Retirement System. Approximately 36% of retirees receive the subsidy.

The Sheriffs OPEB Plan is currently being funded on a pay as you go basis. No trust or agency fund has been established for the plan. The plan does not issue a separate financial report.

Participant Data

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

Inactive employees or beneficiaries currently receiving benefits	120
Active employees	1,153
Total employees	1,282

Total OPEB Liability

The Sheriffs total OPEB liability of $19,492,497 was measured as of September 30, 2018 and was determined by an actuarial valuation as of October 1, 2018. The following table shows the changes in the Sheriffs total OPEB liability for the year ended September 30, 2018.

	Total OPEB Liability
Balance, as of October 1, 2017	$18,260,466
Changes:	
Service cost	520,082
Interest on total OPEB liability	503,525
Differences between expected and actual experience	2,048,462
Changes in assumptions or other inputs	(898,977)
Benefit payments	(941,061)
Net changes	1,232,031
Balance, as of September 30, 2018	$19,492,497

OPEB Liability Discount Rate Sensitivity

The following presents the Sheriffs total OPEB liability, as well as what the Sheriffs total OPEB liability would be if it were calculated using a discount rate one percentage point lower or one percentage point higher than the current discount rate:

Description	1% Decrease in Discount Rate	Current Discount Rate	1% Increase in Discount Rate
OPEB Plan Discount Rate	2.25%	3.25%	4.25%
Total OPEB Liability	$21,325,122	$19,492,497	$17,873,887

OPEB Liability Healthcare Trend Rate Sensitivity

The following presents the Sheriffs total OPEB liability, as well as what the Sheriffs total OPEB liability would be if it were calculated using a healthcare trend rate one percentage point lower or one percentage point higher than the current healthcare trend rate:

Description	1% Decrease in Healthcare Cost Trend Rate	Healthcare Cost Trend Rate	1% Increase in Healthcare Cost Trend Rate
Healthcare Cost Trend Rate	5.00%	6.00%	7.00%
Total OPEB Liability	$17,798,126	$19,492,497	$21,430,289

Deferred Outflows and Inflows of Resources Related to OPEB

For the year ended September 30, 2018, the Sheriffs OPEB expense was $1,012,248. In addition, the Sheriff reported deferred outflows of resources from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Economic Experience	$2,048,462	$72,247
Changes in assumptions	-	898,977
	$2,048,462	$971,224

Amounts reported as deferred outflows of resources related to OPEB will be amortized over 7.17 years and will be recognized as follows:

Year Ending September 30	Amount
2019	$148,959
2020	148,959
2021	148,959
2022	148,959
2023	148,959
Thereafter	332,443

Actuarial Methods and Assumptions

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

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

The actuarial methods are:

Actuarial cost method	Entry Age Actuarial

The actuarial assumptions are:

Discount rate	3.25% (Based on the 20 year AA municipal bond rate)
Healthcare cost trend rate	6% decreasing to 5% in 2021 and thereafter
Salary increase	None
New employees	None

Mortality rates were based on the RP-2014 Mortality Fully Generational tables using Projection Scale MP-2017.

Since the most recent valuation, the following changes have been made:

- The discount rate was changed from 2.75% to 3.25%.
- The mortality assumption has been updated from RP-2014 Mortality Fully Generational using Projection Scale MP-2016 to RP 2014 Mortality Fully Generational using Projection Scale MP-2017.

Summary

The aggregate amount of total OPEB liability, related deferred outflows of resources and deferred inflows of resources and OPEB expense for the County's postemployment benefit plans are summarized below:

	County's OPEB Plan	Sheriff's OPEB Plan	Total
Total OPEB liability	$8,730,722	$19,492,497	$28,223,219
Deferred outflows of resources related to OPEB	-	2,048,462	2,048,462
Deferred inflows of resources related to OPEB	227,642	971,224	1,198,866
OPEB expense	742,285	1,012,248	1,754,533

APPENDIX B

COMPOSITE RESOLUTION

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COUNTY WATER-SEWER DISTRICT

COLLIER COUNTY, FLORIDA

COMPOSITE
FIRST AMENDED AND RESTATED
WATER AND SEWER REVENUE BOND RESOLUTION

ADOPTED DECEMBER 26, 1985
As Amended thru November 14, 2006

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A RESOLUTION AMENDING IN CERTAIN RESPECTS AND RESTATING IN ITS ENTIRETY RESOLUTION NO. CWS-85-5 OF THE COUNTY WATER-SEWER DISTRICT, ADOPTED ON JULY 30, 1985, AND ENTITLED: "A RESOLUTION AUTHORIZING THE ISSUANCE BY THE COUNTY WATER-SEWER DISTRICT OF NOT EXCEEDING $82,500,000 IN THE AGGREGATE PRINCIPAL AMOUNT OF WATER AND SEWER REVENUE BONDS, SERIES 1985 TO FINANCE THE COST OF REFUNDING CERTAIN OUTSTANDING OBLIGATIONS OF THE DISTRICT AND CONSTRUCTING AND ACQUIRING CERTAIN ADDITIONS, EXTENSIONS AND IMPROVEMENTS TO THE DISTRICT'S WATER AND SEWER SYSTEM; PLEDGING THE NET REVENUES AND SYSTEM DEVELOPMENT FEES TO SECURE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON SAID BONDS; PROVIDING FOR THE RIGHTS OF THE HOLDERS OF SAID BONDS; AND PROVIDING FOR AN EFFECTIVE DATE FOR THIS RESOLUTION" AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF COLLIER COUNTY, FLORIDA, ACTING AS THE EX-OFFICIO GOVERNING BODY OF THE COUNTY WATER-SEWER DISTRICT:

SECTION 1. AUTHORITY FOR THIS FIRST AMENDED AND RESTATED RESOLUTION. This First Amended and Restated Resolution is adopted pursuant to the provisions of Part II of Chapter 153, Florida Statutes, Chapter 78-489, Laws of Florida, Special Acts of 1978, as amended and supplemented, and other applicable provisions of law.

SECTION 2. FINDINGS. It is hereby found and determined that:

A. On July 30, 1985, the Issuer adopted Resolution No. CWS-85-5, the title of which is set forth in the title hereto (the "Original Resolution").

B. Upon the advice of the Issuer's financial advisor, its underwriters and its bond counsel, it is necessary and desirable to amend the Original Resolution in certain respects and to restate the Original Resolution, in its entirety.

SECTION 3. FIRST AMENDED AND RESTATED RESOLUTION. The Original Resolution is hereby amended and restated in its entirety to read as follows:

A RESOLUTION AUTHORIZING THE ISSUANCE BY THE COUNTY WATER-SEWER DISTRICT OF NOT EXCEEDING $82,500,000 IN THE AGGREGATE PRINCIPAL AMOUNT OF WATER AND SEWER REVENUE BONDS, SERIES 1985 TO FINANCE THE COST OF REFUNDING CERTAIN OUTSTANDING OBLIGATIONS OF THE DISTRICT AND CONSTRUCTING AND ACQUIRING CERTAIN ADDITIONS, EXTENSIONS AND IMPROVEMENTS TO THE DISTRICT'S WATER AND SEWER SYSTEM; PLEDGING THE NET REVENUES AND SYSTEM DEVELOPMENT FEES TO SECURE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON SAID BONDS; PROVIDING FOR THE RIGHTS OF THE HOLDERS OF SAID BONDS; AND PROVIDING FOR AN EFFECTIVE DATE FOR THIS RESOLUTION

BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF COLLIER COUNTY, FLORIDA, ACTING AS THE EX-OFFICIO GOVERNING BODY OF THE COUNTY WATER-SEWER DISTRICT:

ARTICLE I
GENERAL

SECTION 1.01. DEFINITIONS. When used in this Resolution, the following terms shall have the following meanings, unless the context clearly otherwise requires:

"Accreted Value" shall mean, as of any date of computation with respect to any Capital Appreciation Bond, an amount equal to the principal amount of such Capital Appreciation Bond (the principal amount at its initial offering) plus the interest accrued on such Capital Appreciation Bond from the date of delivery to the original purchasers thereof to the Interest Date next preceding the date of computation or the date of computation if an Interest Date, such interest to accrue at a rate not exceeding the legal rate, compounded semiannually, plus, with respect to matters related to the payment upon redemption or acceleration of the Capital Appreciation Bonds, if such date of computation shall not be an Interest Date, a portion of the difference between the Accreted Value as of the immediately preceding Interest Date and the Accreted Value as of the immediately succeeding Interest Date, calculated based on the assumption that Accreted Value accrues during any semi-annual period in equal daily amounts on the basis of a 360-day year.

"Act" shall mean Part II of Chapter 153, Florida Statutes, Chapter 78-489, Laws of Florida, Special Acts of 1978, and other applicable provisions of law.

"Additional Bonds" shall mean the obligations issued at any time under the provisions of Section 6.02 hereof on a parity with the Series 1985 Bonds.

"Additional Project" shall mean any structure, property or facility for public use which the Issuer from time to time may determine to construct or acquire as part of the System, together with all equipment, structures and other facilities necessary or appropriate in connection therewith which are financed in whole or in part with the indebtedness secured by this Resolution. This term is to be broadly construed as including any lawful undertaking which will accrue to the benefit of the System, including joint ventures and acquisition of partial interests or contractual rights, and including modification, disposal or cancellation of an Additional Project previously authorized, should such modification, disposal or cancellation be permitted under this Resolution.

"AFPI" shall mean Allowance for Funds Prudently Invested fees, to the extent lawfully levied by the Issuer.

"Annual Audit" shall mean the annual audit prepared pursuant to the requirements of Section 5.06 hereof.

"Annual Budget" shall mean the annual budget prepared pursuant to the requirements of Section 5.03 hereof.

"Annual Debt Service" shall mean, at any time, the aggregate amount in the then current Bond Year of (1) interest required to be paid on the Outstanding Bonds during such Bond Year, except to the extent that such interest is to be paid from deposits in the Interest Account made from Bond proceeds, (2) principal of Outstanding Serial Bonds maturing in such Bond Year, and (3) the Sinking Fund Installments herein designated with respect to such Bond Year; provided that in computing such Annual Debt Service for any future period, any Variable Rate Bonds shall be deemed to bear interest at all times to the maturity thereof at a constant rate of interest equal to the greater of the Maximum Interest Rate or 110% of the actual rate of interest borne by such Variable Rate Bonds on such date of calculation. For purposes of this definition, all amounts payable on a Capital Appreciation Bond shall be considered a principal payment due in the year it becomes due.

"Authorized Investments" shall mean any of the following, if and to the extent that the same are at the time legal for investment of funds of the Issuer:

(1) Direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America, including obligations issued or held in book entry form by the Department of the Treasury of the United States.

(2) Direct obligations and fully guaranteed certificates of beneficial interest of the Export-Import Bank of the Unites States; senior debt obligations of the Federal Home Loan Banks; debentures of the Federal Housing Administration; guaranteed mortgage-backed bonds and guaranteed pass-through obligations of the Government National Mortgage Corporation; guaranteed Title XI financing of the U.S. Maritime Administration; mortgage-backed securities and senior debt obligations of the Federal National Mortgage Association; and participation certificates and senior debt obligations of the Federal Home Loan Mortgage Corporation.

(3) Bank time deposits evidenced by certificates of deposit, and bankers' acceptances, issued by any bank, savings and loan association, trust company or national banking association, which has combined capital, surplus and undivided profits of not less than $3,000,000, provided such deposits are fully insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation.

(4) Repurchase agreements collateralized by securities described in paragraphs (1) or (2) above with any registered broker/dealer subject to the Securities Investors' Protection Corporation jurisdiction which has an uninsured, unsecured and unguaranteed obligation rated "Prime-1" or "A3" or better by Moody's Investors Service and "A-1" or "A-" or better by Standard & Poor's Corporation, or any commercial bank which has the above ratings, provided:

A. a specific written repurchase agreement governs the transaction, and

B. the securities are held free and clear of any lien by an independent third party and such third party is

(i) a Federal Reserve Bank,

(ii) a bank which is a member of the Federal Deposit Insurance Corporation and which has combined capital, surplus and undivided profits of not less than $25 million, or

(iii) a bank approved in writing for such purposes by Financial Guaranty Insurance Company, and the Issuer shall have received written confirmation from such third party that it holds such securities, free and clear of any lien, and

C. a perfected first security interest under the Uniform Commercial Code, or book entry procedures prescribed at 31 CFR 306.1 et seq. or 31 CFR 350.0 et seq. in such securities is created for the benefit of the Issuer, and

D. the purchase agreement has a term of thirty days or less, or the Issuer will value the collateral securities no less frequently than monthly and will liquidate the collateral securities if any deficiency in the required collateral percentage is not restored within two business days of such valuation, and

E. the repurchase agreement matures at least ten days (or other appropriate liquidation period) prior to a debt service payment date, and

F. the fair market value of the securities in relation to the amount of the repurchase obligation, including principal and interest, is equal to at least 100%.

(5) Units of participation in the Local Government Surplus Funds Trust Fund established pursuant to Part IV, Chapter 218, Florida Statutes, or any similar common trust fund which is established pursuant to law as a legal depository of public moneys and for which the State Board of Administration acts as custodian.

(6) Such other obligations as shall be permitted to be legal investments of the Issuer by the laws of the State.

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"Authorized Issuer Officer" shall mean the County's Manager or Utilities Administrator, and when used in reference to any act or document, also means any other person authorized by resolution of the Issuer to perform such act or sign such document.

"Bond Year" shall mean the period commencing on May 1 of each year and continuing through the next succeeding April 30, or such other period as may be provided by resolution of the Issuer.

"Bondholder" or **"Holder"** or **"holder"** or any similar term, when used with reference to a Bond or Bonds, shall mean any person who shall be the registered owner of any Outstanding Bond or Bonds as provided in the registration books of the Issuer.

"Bonds" shall mean the Series 1985 Bonds, together with any Additional Bonds issued pursuant to this Resolution.

"Capital Appreciation Bonds" shall mean those Bonds so designated by Supplemental Resolution of the Issuer, which may be either Serial Bonds or Term Bonds and which shall bear interest payable at maturity or redemption. In the case of Capital Appreciation Bonds that are convertible to Bonds with interest payable prior to maturity or redemption of such Bonds, such Bonds shall be considered Capital Appreciation Bonds only during the period of time prior to such conversion.

"Chairman" shall mean the Chairman of the Board of County Commissioners of Collier County, Florida, acting as the Ex-Officio Chairman of the Governing Body, and such other person as may be duly authorized to act on his or her behalf.

"Clerk" shall mean the Clerk of the Board of County Commissioners of Collier County, Florida, acting as the Ex-Officio Clerk of the Governing Body, and such other person as may be duly authorized to act on his or her behalf.

"Code" shall mean the Internal Revenue Code of 1954, as amended, and the regulations and rules thereunder in effect or proposed.

"Connection Fees" shall mean the charges imposed on customers for the cost of physically connecting into the System, including, but not limited to, the cost of excavating, plumbing, installation of meters and landscaping. Connection Fees shall not include System Development Fees.

"Construction Fund" shall mean the fund established pursuant to Section 4.03 hereof.

"Consulting Engineers" shall mean any engineering firm of reputation for skill and experience with respect to the construction and operation of facilities similar to the System, which is duly licensed under the laws of the State of Florida and designated by the Issuer to perform the duties of the Consulting Engineers under the provisions hereof.

"Cost", when used in connection with a Project, shall mean (1) the Issuer's cost of physical construction; (2) costs of acquisition by or for the Issuer of such Project; (3) costs of land and interests therein and the cost of the Issuer incidental to such acquisition; (4) the cost of any indemnity and surety bonds and premiums for insurance during construction; (5) all interest due to be paid on the Bonds and other obligations relating to the System during the period of construction of such Project; (6) engineering, legal and other consultant fees and expenses; (7) costs and expenses of the financing, including audits, fees and expenses of any Paying Agent, Registrar or depository; (8) amounts, if any, required by this Resolution to be paid into the Interest Account upon the issuance of any Series of Bonds; (9) payments, when due (whether at the maturity of principal or the due date of interest or upon redemption) on any indebtedness of the Issuer (other than the Bonds) incurred for a Project for the System; (10) costs of machinery, equipment and supplies and reserves required by the Issuer for the commencement of operation of such Project; and (11) any other costs properly attributable to such construction or acquisition, as determined by generally accepted accounting principles applicable to water and sewer systems, and shall include reimbursement to the Issuer for any such items of Cost heretofore paid by the Issuer. Any Supplemental Resolution may provide for additional items to be included in the aforesaid Costs.

"County" shall mean Collier County, Florida.

"Credit Bank" shall mean as to any particular Series of Bonds, the Person (other than an Insurer) providing a letter of credit, a line of credit or other credit or liquidity enhancement facility, as designated in the Supplemental Resolution providing for the issuance of such Bonds.

"Credit Facility" shall mean as to any particular Series of Bonds, a letter of credit, a line of credit or another credit or legal liquidity enhancement facility (other than an insurance policy issued by an Insurer), as approved in the Supplemental Resolution providing for the issuance of such Bonds.

"District" shall mean the area of operation and jurisdiction of the Issuer.

"Escrow Deposit Agreement" shall mean the Escrow Deposit Agreement entered into by and between the Issuer and a banking institution or trust company, as escrow holder, in connection with the refunding of the Refunded Obligations.

"Federal Securities" shall mean direct obligations of the United States of America and obligations the principal of and interest on which are fully guaranteed by the United States of America, none of which permit redemption prior to maturity at the option of the obligor. Federal Securities shall include any certificates or any other evidences of a direct ownership interest in the aforementioned obligations or in specified portions thereof (which may consist of specified portions of the interest thereon).

"Fiscal Year" shall mean the period commencing on October 1 of each year and continuing through the next succeeding September 30, or such other period as may be prescribed by law.

"Governing Body" shall mean the Board of County Commissioners of Collier County, Florida, acting as the Ex-Officio Governing Body of the Issuer, or its successor in function.

"Government Grant", when used with respect to the System, shall mean any sum of money heretofore or hereafter received by the Issuer from the United States of America or any agency thereof or from the State of Florida or any agency or political subdivision thereof as or on account of a grant or contribution, not repayable by the Issuer, for or with respect to (1) the construction, acquisition or other development of an addition, extension or improvement to any part of the System or any costs of any such construction, acquisition or development, or (2) the financing of any such construction, acquisition, development or costs.

"Gross Revenues" shall mean all income and moneys received by the Issuer from the rates, fees, rentals, charges and other income to be made and collected by the Issuer for the use of the products, services and facilities to be provided by the System, or otherwise received by the Issuer or accruing to the Issuer in the management and

operation of the System, calculated in accordance with generally accepted accounting methods employed in the operation of public utility systems similar to the System, including, without limiting the generality of the foregoing, Connection Fees, AFPI and all earnings and income derived from the investment of moneys under the provisions of this Resolution which are transferred to the Revenue Fund or Interest Account as herein provided. "Gross Revenues" shall not include (1) any Government Grants, (2) System Development Fees, and (3) Special Assessments.

"Initial Project" shall mean the following facilities to be constructed or acquired in or about the jurisdiction of the Issuer with all necessary and incidental connections, equipment, apparatus structures and appurtenances, including all real property and rights-of-way and other interests and all personal property necessary or desirable for efficient operation of such facilities:

(1) Acquisition of Lely Sewer Utilities;

(2) Construction of various improvements to Lely Sewer Utilities;

(3) Construction of effluent disposal system for spray irrigation on Imperial Golf Course;

(4) Construction of new sewage treatment plant - phase I;

(5) Expansion to existing sewage treatment plant in North Naples to 5 MGD;

(6) Construction of a sewage collection and transmission system in East Naples;

(7) Expansion to existing regional water plant;

(8) Expansion of existing water wells;

(9) Construction of North Naples water storage facilities of approximately 2 MG;

(10) Construction of Capri area water system improvements; and

(11) Such changes, deletions, additions or modifications to the enumerated improvements and facilities provided in clauses (1) through (10) above or such other improvements to the System as the Consulting Engineers shall recommend and as may be approved by the Governing Body.

"Insurer" shall mean such Person as shall be in the business of insuring or guaranteeing the payment of principal of and interest on municipal securities and whose credit is such that, at the time of any action or consent required or permitted by the

Insurer pursuant to the terms of this Resolution, all municipal securities insured or guaranteed by it are then rated, because of such insurance or guarantee, in one of the two most secure grades by one of the two most widely nationally recognized rating agencies which regularly rate the credit of municipal securities.

"Interest Account" shall mean the separate account in the Sinking Fund established pursuant to Section 4.04(C) hereof.

"Interest Date" shall be such date or dates as shall be provided by Supplemental Resolution of the Issuer.

"Issuer" shall mean the County Water-Sewer District, and also includes any authority or other governmental entity to which may hereafter be transferred some or all of the powers and responsibilities of the Issuer with respect to the ownership, financing, operation, enlargement, improvement and maintenance of the System.

"Maximum Annual Debt Service" shall mean the largest aggregate amount in any Bond Year, excluding all Bond Years which shall have ended prior to the Bond Year in which the Maximum Annual Debt Service shall at any time be computed, of the Annual Debt Service.

"Maximum Interest Rate" shall mean, with respect to any particular Variable Rate Bonds, a numerical rate of interest, which shall be set forth in the Supplemental Resolution of the Issuer delineating the details of such Bonds, that shall be the maximum rate of interest such Bonds may at any particular time bear.

"Net Revenues" shall mean Gross Revenues less Operating Expenses.

"Operation and Maintenance Fund" shall mean the fund created pursuant to Section 4.04(B) hereof.

"Operating Expenses" shall mean the Issuer's expenses for operation, maintenance, repairs and replacements with respect to the System and shall include, without limiting the generality of the foregoing, administration expenses, insurance and surety bond premiums, legal and engineering expenses, ordinary and current rentals of equipment or other property, refunds of moneys lawfully due to others, payments to others for disposal of sewage or other wastes, payments to pension, retirement, health and hospitalization funds, and any other expenses required to be paid for or with respect to proper operation or maintenance of the System, all to the extent properly attributable to the System in accordance with generally accepted accounting principles employed in the operation of public utility systems similar to the System, and disbursements for the expenses, liabilities and compensation of any Paying Agent or Registrar under this Resolution, but does not include any costs or expenses in respect of original construction or improvement other than expenditures necessary to prevent an interruption or

continuance of an interruption of Gross Revenues or minor capital expenditures necessary for the proper and economical operation or maintenance of the System, or any provision for interest, depreciation, amortization or similar charges.

"Outstanding", when used with reference to Bonds and as of any particular date, shall describe all Bonds theretofore and thereupon being authenticated and delivered except, (1) any Bond in lieu of which other Bond or Bonds have been issued under agreement to replace lost, mutilated or destroyed Bonds, (2) any Bond surrendered by the Holder thereof in exchange for other Bond or Bonds under Sections 2.06 and 2.08 hereof, and (3) Bonds deemed to have been paid pursuant to Section 9.01 hereof.

"Paying Agent" shall mean any paying agent for Bonds appointed by or pursuant to this Resolution and its successor or assigns, and any other Person which may at any time be substituted in its place pursuant to this Resolution.

"Person" shall mean an individual, a corporation, a partnership, an association, a joint stock company, a trust, any unincorporated organization or governmental entity.

"Pledged Funds" shall mean, (1) the Net Revenues, (2) the System Development Fees, (3) the Special Assessment Proceeds, and (4) until applied in accordance with the provisions of this Resolution, all moneys, including investments thereof, in the funds and accounts established hereunder, except as for the Revenue Fund and the Operation and Maintenance Fund.

"Prerefunded Obligations" shall mean any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any such state (1) which are (A) not callable prior to maturity or (B) as to which irrevocable instructions have been given to the fiduciary for such bonds or other obligations by the obligor to give due notice of redemption and to call such bonds for redemption on the date or dates specified in such instructions, (2) which are secured as to principal, redemption premium, if any, and interest by a fund consisting only of cash or Federal Securities, secured in the manner set forth in Section 9.01 hereof, which fund may be applied only to the payment of such principal of, redemption premium, if any, and interest on such bonds or other obligations on the maturity date or dates thereof or the specified redemption date or dates pursuant to such irrevocable instructions, as the case may be, and (3) as to which the principal of and interest on the Federal Securities, which have been deposited in such fund along with any cash on deposit in such fund are sufficient to pay principal of, redemption premium, if any, and interest on the bonds or other obligations on the maturity date or dates thereof or on the redemption date or dates specified in the irrevocable instructions referred to in clause (1) above. Such Prerefunded Obligations must be rated in the highest rating category by either of the two most widely recognized national rating organizations of tax-exempt obligations.

"Principal Account" shall mean the separate account in the Sinking Fund established pursuant to Section 4.04(C) hereof.

"Projects" shall mean the Initial Project and each Additional Project.

"Redemption Price" shall mean, with respect to any Bond or portion thereof, the principal amount or portion thereof, plus the applicable premium, if any, payable upon redemption thereof pursuant to such Bond or this Resolution.

"Refunded Obligations" shall mean (l) the Issuer's Water Revenue Refunding Bonds, Series 1983, dated as of June 1, 1983, (2) the Issuer's Sewer Revenue Bonds, dated April 26, 1977, (3) the Issuer's Sewer Revenue and Special Assessment Bonds, Series 1980, dated July 15, 1981, and (4) the Issuer's Water Revenue and Special Assessment Bonds, Series 1980, dated July 15, 1981.

"Refunded Resolutions" shall mean Resolution Nos. CWS-83-2, CWS-77-9, CWS-80-5 and CWS-80-6, all as amended and supplemented, of the Issuer which authorized the issuance of the Refunded Obligations.

"Refunding Securities" shall mean the Federal Securities and the Prerefunded Obligations.

"Registrar" shall mean any registrar for the Bonds appointed by or pursuant to this Resolution and its successors and assigns, and any other Person which may at any time be substituted in its place pursuant to this Resolution.

"Renewal and Replacement Fund" shall mean the fund created pursuant to Section 4.04(F) hereof.

"Renewal and Replacement Fund Requirement" shall mean an amount of money equal to $300,000, or such other amount as may be certified to the Issuer by the Consulting Engineers as an amount appropriate for the purposes of this Resolution.

"Reserve Account" shall mean the separate account in the Sinking Fund established pursuant to Section 4.04(C) hereof.

"Reserve Account Requirement" shall mean, as of any date of calculation, an amount equal to the lesser of (1) Maximum Annual Debt Service for all Outstanding Bonds, or (2) 125% of the average annual debt service for all Outstanding Bonds, as provided in Revenue Procedure 84-26 of the Internal Revenue Service.

"Resolution" shall mean this Resolution, as the same may from time to time be amended, modified or supplemented by Supplemental Resolution.

"Revenue Fund" shall mean the fund created pursuant to Section 4.04(A) hereof.

"Serial Bonds" shall mean all of the Bonds other than the Term Bonds.

"Series" shall mean all the Bonds delivered on original issuance in a simultaneous transaction and identified pursuant to Sections 2.01 and 2.02 hereof or a Supplemental Resolution authorizing the issuance by the Issuer of such Bonds as a separate Series, regardless of variations in maturity, interest rate, Sinking Fund Installments or other provisions.

"Series 1985 Bonds" shall mean the Issuer's Water and Sewer Revenue Bonds, Series 1985 authorized pursuant to Section 2.02 hereof.

"Sinking Fund" shall mean the fund established pursuant to Section 4.04(C) hereof.

"Sinking Fund Installment" shall mean an amount designated as such by Supplemental Resolution of the Issuer and established with respect to the Term Bonds.

"Special Assessments" means any and all assessments against property benefited by the System or any part thereof, but special assessments shall be subject to the provisions and lien and pledge of this Resolution only if and to the extent provision for inclusion as part of the Pledged Funds has been made by Supplemental Resolution to be adopted by the Issuer. Special Assessments shall include all assessments which have been levied by the Issuer in regard to the System on the date the first Series 1985 Bonds are issued.

"Special Assessments Fund" shall mean the fund created pursuant to Section 4.04(E) hereof.

"Special Assessments Proceeds" means the proceeds of Special Assessments pledged hereunder (principal and interest), whether paid at one time or in installments from time to time.

"State" shall mean the State of Florida.

"Subordinated Indebtedness" shall mean that indebtedness of the Issuer, subordinate and junior to the Bonds, issued in accordance with the provisions of Section 6.01 hereof.

"Surplus Fund" shall mean the fund created pursuant to Section 4.04(G) hereof.

"Supplemental Resolution" shall mean any resolution of the Issuer amending or supplementing this Resolution enacted and becoming effective in accordance with the terms of Sections 8.01, 8.02 and 8.03 hereof.

"System" shall mean any and all water production, transmission, treatment and distribution facilities and sewage collection, transmission, treatment and disposal facilities now owned and operated or hereafter owned and operated by the Issuer, which System shall also include any and all improvements, extensions and additions thereto hereafter constructed or acquired either from the proceeds of Bonds or from any other sources, together with all property, real or personal, tangible or intangible, now or hereafter owned or used in connection therewith.

"System Development Fees" shall mean the charges imposed by the Issuer on Persons, including developers and large users, connecting to the System, or reserving capacity in the System, which represent a pro rata share of the costs of the System which are attributable to the increased demand such additional connections create upon the System; provided, however, that such charges shall be net of any refunds to said Persons in accordance with applicable developer or use agreements. System Development Fees shall not include Connection Fees.

"System Development Fees Fund" shall mean the fund created pursuant to Section 4.04(D) hereof.

"Term Bonds" shall mean those Bonds which shall be designated as Term Bonds hereby or by Supplemental Resolution of the Issuer.

"Term Bonds Redemption Account" shall mean the separate account in the Sinking Fund established pursuant to Section 4.04(C) hereof.

"Variable Rate Bonds" shall mean Bonds issued with a variable, adjustable, convertible or other similar rate which is not fixed in percentage for the entire term thereof at the date of issue.

The terms "herein," "hereunder," "hereby," "hereto," "hereof," and any similar terms, shall refer to this Resolution; the term "heretofore" shall mean before the date of adoption of this Resolution; and the term "hereafter" shall mean after the date of adoption of this Resolution.

Words importing the masculine gender include every other gender.

Words importing the singular number include the plural number, and vice versa.

SECTION 1.02. AUTHORITY FOR RESOLUTION. This Resolution is adopted pursuant to the provisions of the Act. The Issuer has ascertained and hereby determined that adoption of this Resolution is necessary to carry out the powers, purposes and duties expressly provided in the Act, that each and every matter and thing as to which provision is made herein is necessary in order to carry out and effectuate the purposes of the Issuer in accordance with the Act and to carry out and effectuate the plan and purpose

of the Act, and that the powers of the Issuer herein exercised are in each case exercised in accordance with the provisions of the Act and in furtherance of the purposes of the Issuer.

SECTION 1.03. RESOLUTION TO CONSTITUTE CONTRACT. In consideration of the purchase and acceptance of any or all of the Bonds by those who shall hold the same from time to time, the provisions of this Resolution shall be a part of the contract of the Issuer with the Holders of the Bonds and with any Insurer of such Bonds, and shall be deemed to be and shall constitute a contract between the Issuer and the Holders from time to time of the Bonds and each Insurer. The pledge made in the Resolution and the provisions, covenants and agreements herein set forth to be performed by or on behalf of the Issuer shall be for the equal benefit, protection and security of the Holders of any and all of said Bonds and each Insurer. All of the Bonds, regardless of the time or times of their issuance or maturity, shall be of equal rank without preference, priority or distinction of any of the Bonds over any other thereof except as expressly provided in or pursuant to this Resolution.

SECTION 1.04. FINDINGS. It is hereby ascertained, determined and declared:

(A) That the Issuer now owns, operates and maintains water facilities for the supply and distribution of water for domestic, commercial and industrial use.

(B) That the Issuer now owns, operates and maintains sewer facilities for the collection, treatment and disposal of sewage and waste water matter within the District.

(C) That the Issuer deems it necessary, desirable and in the best financial and administrative interests of the Issuer that the water and sewer facilities be combined and consolidated into a single system.

(D) That the water and sewer facilities be and are hereby combined and consolidated into one single system.

(E) That there is hereby authorized the acquisition and construction of additions, extensions and improvements to the System, in the form of the Initial Project, substantially in accordance with the plans and specifications prepared by the Consulting Engineers and filed with and approved by the Governing Body. The Initial Project shall be financed by part of the proceeds of the Bonds issued pursuant to this Resolution and by other moneys available for such purposes, if any.

(F) That the Issuer has heretofore issued and has now outstanding and unpaid certain of the Refunded Obligations.

(G) That the Pledged Funds are not pledged or encumbered in any manner except for the payment of principal of and interest on the Refunded Obligations.

(H) That there is hereby authorized the payment and refunding of the Refunded Obligations all in the manner as provided by this Resolution.

(I) That for the payment and refunding of said Refunded Obligations, the Issuer shall, as provided herein, deposit part of the proceeds derived from the sale of the Series 1985 Bonds into a special escrow deposit trust fund, which shall be sufficient, together with investment earnings therefrom, to refund the Refunded Obligations as the same become due and payable or are redeemed prior to maturity, all as provided in this Resolution and the Escrow Deposit Agreement.

(J) That the estimated Gross Revenues to be derived in each year hereafter from the operation of the System will be sufficient to pay all the Operating Expenses, the principal of and interest on the Bonds to be issued pursuant to this Resolution, as the same become due, and all other payments provided for in this Resolution.

(K) That the principal of and interest on the Bonds to be issued pursuant to this Resolution, and all other payments provided for in this Resolution will be paid solely from the Pledged Funds in accordance with the terms hereof; and the ad valorem taxing power or any other funds of the Issuer or the County will never be necessary or authorized to pay the principal of and interest on the Bonds to be issued pursuant to this Resolution, or to make any other payments provided for in this Resolution, and the Bonds shall not constitute a lien upon the System or upon any other property whatsoever of or in the Issuer or the County.

(L) That the estimated cost of the Initial Project is $50,000,000; the estimated annual Gross Revenues, including System Development Fees and Special Assessment Proceeds, to be derived from the System, subsequent to acquisition and construction of the Initial Project are $17,095,000; the estimated annual Operating Expenses of the System, subsequent to acquisition and construction of the Initial Project are $8,392,000; that the estimated annual debt service on the Series 1985 Bonds is $8,240,000.

SECTION 1.05. INITIAL PROJECT. The Issuer does hereby authorize the acquisition, construction and installation of the Initial Project.

ARTICLE II
AUTHORIZATION, TERMS, EXECUTION AND REGISTRATION OF BONDS

SECTION 2.01. AUTHORIZATION OF BONDS. This Resolution creates an issue of Bonds of the Issuer to be designated as "County Water-Sewer District Water and Sewer Revenue Bonds" which may be issued in one or more Series as hereinafter provided. The aggregate principal amount of the Bonds which may be executed and delivered under this Resolution is not limited except as is or may hereafter be provided in this Resolution or as limited by the Act or by law.

The Bonds may, if and when authorized by the Issuer pursuant to this Resolution, be issued in one or more Series, with such further appropriate particular designations added to or incorporated in such title for the Bonds of any particular Series as the Issuer may determine and as may be necessary to distinguish such Bonds from the Bonds of any other Series. Each Bond shall bear upon its face the designation so determined for the Series to which it belongs.

The Bonds shall be issued for such purpose or purposes; shall bear interest at such rate or rates not exceeding the maximum rate permitted by law; and shall be payable in lawful money of the United States of America on such dates; all as determined by Supplemental Resolution of the Issuer.

The Bonds shall be issued in such denominations and such form, whether coupon or registered; shall be dated such date; shall bear such numbers; shall be payable at such place or places; shall contain such redemption provisions; shall have such Paying Agents and Registrars; shall mature in such years and amounts; and the proceeds shall be used in such manner; all as determined by Supplemental Resolution of the Issuer. The Issuer may issue Bonds which may be secured by a Credit Facility or by an insurance policy of an Insurer all as shall be determined by Supplemental Resolution of the Issuer.

So long as the Series 1985 Bonds are outstanding and insured by AMBAC Indemnity Corporation ("AMBAC Indemnity") the Issuer shall not: (A) issue Variable Rate Bonds in an amount that, after the date of issuance thereof, will exceed 35% of the total principal of the Bonds then Outstanding; or (B) issue Variable Rate Bonds without the prior approval by AMBAC Indemnity of the terms and conditions of any Credit Facility issued to secure any Variable Rate Bonds and of the Credit Bank issuing such Credit Facility, including the terms and conditions for the replacement and substitution of such Credit Facility and Credit Bank contained in the Supplemental Resolution authorizing such Variable Rate Bonds, which approval shall not be unreasonably withheld. The provisions of this paragraph are for the sole and exclusive benefit of AMBAC Indemnity.

SECTION 2.02. AUTHORIZATION AND DESCRIPTION OF SERIES 1985 BONDS. A Series of Bonds entitled to the benefit, protection and security of this Resolution is hereby authorized in the aggregate principal amount of not exceeding $82,500,000 for the purposes of refunding of the Refunded Obligations and financing the Cost of the Initial Project. Such Series of Bonds shall be designated as, and shall be distinguished from the Bonds of all other Series by the title, "County Water-Sewer District Water and Sewer Revenue Bonds, Series 1985"; provided the Issuer may change such designation in the event that the total amount of Series 1985 Bonds authorized herein are not issued in a simultaneous transaction or the Series 1985 Bonds are not issued in calendar year 1985.

The Series 1985 Bonds shall be dated as of the first day of the month in which occurs the delivery of the Series 1985 Bonds to the purchaser or purchasers thereof or such other date as may be set forth by Supplemental Resolution of the Issuer; shall be issued as fully registered Bonds; shall be numbered consecutively from one upward in order of maturity preceded by the letter "R"; shall be in such denominations and shall bear interest at a rate or rates not exceeding the maximum rate permitted by law, payable in such manner and on such dates; shall consist of such amounts of Serial Bonds, Term Bonds, Variable Rate Bonds and Capital Appreciation Bonds maturing in such years and amounts not exceeding forty (40) years from their date; shall be payable in such place or places; shall have such Paying Agents and Registrars; and shall contain such redemption provisions; all as the Issuer shall provide hereafter by Supplemental Resolution.

The principal of or Redemption Price, if applicable, on the Series 1985 Bonds are payable upon presentation of the Series 1985 Bonds at the office of the Paying Agent. Interest payable on any Series 1985 Bond on any Interest Date will be paid by check of the Paying Agent to the Holder in whose name such Bond shall be registered at the close of business on the date which shall be the fifteenth day (whether or not a business day) of the calendar month next preceding such Interest Date, or, at the option of the Paying Agent, and at the request and expense of such Holder, by bank wire transfer for the account of such Holder. All payments of principal of or Redemption Price, if applicable, and interest on the Series 1985 Bonds shall be payable in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

SECTION 2.03. APPLICATION OF SERIES 1985 BOND PROCEEDS. Except as otherwise provided by Supplemental Resolution of the Issuer, the proceeds derived from the sale of the Series 1985 Bonds, including accrued interest and premium, if any, shall, simultaneously with the delivery of the Series 1985 Bonds to the purchaser or purchasers thereof, be applied by the Issuer as follows:

(A) Accrued interest and proceeds of the Series 1985 Bonds representing capitalized interest, if any, shall be deposited in the Interest Account and shall be used

only for the purpose of paying the interest which shall thereafter become due on the Series 1985 Bonds.

(B) A sufficient amount of Series 1985 Bond proceeds shall be deposited in the Reserve Account which, together with any moneys and securities on deposit therein and insurance policies obtained in accordance with Section 4.05(B)(4) hereof, shall equal the Reserve Account Requirement.

(C) A sufficient amount of the Series 1985 Bond proceeds shall be applied to the payment of the premiums of any municipal bond insurance policies applicable to the Series 1985 Bonds or reserves established therefor and to the payment of costs and expenses relating to the issuance of the Series 1985 Bonds.

(D) A sufficient amount of Series 1985 Bond proceeds shall be deposited irrevocably in trust in the escrow deposit trust fund under the terms and provisions of the Escrow Deposit Agreement and shall be invested in Federal Securities in the manner set forth in the Escrow Deposit Agreement, which investments shall mature at such times and in such amounts as shall be sufficient to pay the principal of or Redemption Price, if applicable, and interest on the Refunded Obligations as the same mature and become due and payable or are redeemed prior to maturity.

(E) The balance, if any, of the Series 1985 Bond proceeds shall be deposited in the Construction Fund.

SECTION 2.04. EXECUTION OF BONDS. The Bonds shall be executed in the name of the Issuer with the manual or facsimile signature of the Chairman and the official seal of the Issuer shall be imprinted thereon, attested and countersigned with the manual or facsimile signature of the Clerk. In case any one or more of the officers who shall have signed or sealed any of the Bonds or whose facsimile signature shall appear thereon shall cease to be such officer of the Issuer before the Bonds so signed and sealed have been actually sold and delivered such Bonds may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed or sealed such Bonds had not ceased to hold such office. Any Bond may be signed and sealed on behalf of the Issuer by such person who at the actual time of the execution of such Bond shall hold the proper office of the Issuer, although at the date of such Bond such person may not have held such office or may not have been so authorized. The Issuer may adopt and use for such purposes the facsimile signatures of any such persons who shall have held such offices at any time after the date of the adoption of this Resolution, notwithstanding that either or both shall have ceased to hold such office at the time the Bonds shall be actually sold and delivered.

SECTION 2.05. AUTHENTICATION. No Bond of any Series shall be secured hereunder or entitled to the benefit hereof or shall be valid or obligatory for any purpose unless there shall be manually endorsed on such Bond a certificate of

authentication by the Registrar or such other entity as may be approved by the Issuer for such purpose. Such certificate on any Bond shall be conclusive evidence that such Bond has been duly authenticated and delivered under this Resolution. The form of such certificate shall be substantially in the form provided in Section 2.10 hereof.

SECTION 2.06. TEMPORARY BONDS. Until the definitive Bonds of any Series are prepared, the Issuer may execute, in the same manner as is provided in Section 2.04, and deliver, upon authentication by the Registrar pursuant to Section 2.05 hereof, in lieu of definitive Bonds, but subject to the same provisions, limitations and conditions as the definitive Bonds, except as to the denominations thereof, one or more temporary Bonds substantially of the tenor of the definitive Bonds in lieu of which such temporary Bond or Bonds are issued, in denominations of $5,000 or any multiple thereof authorized by the Issuer (except as to Capital Appreciation Bonds and Variable Rate Bonds which may be issued in such denominations as provided by Supplemental Resolution), and with such omissions, insertions and variations as may be appropriate to temporary Bonds. The Issuer, at his own expense, shall prepare and execute definitive Bonds, which shall be authenticated by the Registrar. Upon the surrender of such temporary Bonds for exchange, the Registrar, without charge to the Holder thereof, shall deliver in exchange therefor definitive Bonds, of the same aggregate principal amount and Series and maturity as the temporary Bonds surrendered. Until so exchanged, the temporary Bonds shall in all respects be entitled to the same benefits and security as definitive Bonds issued pursuant to this Resolution. All temporary Bonds surrendered in exchange for another temporary Bond or Bonds or for a definitive Bond or Bonds shall be forthwith cancelled by the Registrar.

SECTION 2.07. BONDS MUTILATED, DESTROYED, STOLEN OR LOST. In case any Bond shall become mutilated, or be destroyed, stolen or lost, the Issuer may, in its discretion, issue and deliver, and the Registrar shall authenticate, a new Bond of like tenor as the Bond so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Bond upon surrender and cancellation of such mutilated Bond or in lieu of and substitution for the Bond destroyed, stolen or lost, and upon the Holder furnishing the Issuer and the Registrar proof of his ownership thereof and satisfactory indemnity and complying with such other reasonable regulations and conditions as the Issuer or the Registrar may prescribe and paying such expenses as the Issuer and the Registrar may incur. All Bonds so surrendered shall be cancelled by the Registrar. If any of the Bonds shall have matured or be about to mature, instead of issuing a substitute Bond, the Issuer may pay the same or cause the Bond to be paid, upon being indemnified as aforesaid, and if such Bonds be lost, stolen or destroyed, without surrender thereof.

Any such duplicate Bonds issued pursuant to this Section 2.07 shall constitute original, additional contractual obligations on the part of the Issuer whether or not the lost, stolen or destroyed Bond be at any time found by anyone, and such duplicate Bond

shall be entitled to equal and proportionate benefits and rights as to lien on the Pledged Funds to the same extent as all other Bonds issued hereunder.

SECTION 2.08. INTERCHANGEABILITY, NEGOTIABILITY AND TRANSFER. Bonds, upon surrender thereof at the office of the Registrar with a written instrument of transfer satisfactory to the Registrar, duly executed by the Holder thereof or his attorney duly authorized in writing, may, at the option of the Holder thereof, be exchanged for an equal aggregate principal amount of registered Bonds of the same Series and maturity of any other authorized denominations.

The Bonds issued under this Resolution shall be and have all the qualities and incidents of negotiable instruments under the law merchant and the Uniform Commercial Code of the State of Florida, subject to the provisions for registration and transfer contained in this Resolution and in the Bonds. So long as any of the Bonds shall remain Outstanding, the Issuer shall maintain and keep, at the office of the Registrar, books for the registration and transfer of the Bonds.

Each Bond shall be transferable only upon the books of the Issuer, at the office of the Registrar, under such reasonable regulations as the Issuer may prescribe, by the Holder thereof in person or by his attorney duly authorized in writing upon surrender thereof together with a written instrument of transfer satisfactory to the Registrar duly executed and guaranteed by the Holder or his duly authorized attorney. Upon the transfer of any such Bond, the Issuer shall issue, and cause to be authenticated, in the name of the transferee a new Bond or Bonds of the same aggregate principal amount and Series and maturity as the surrendered Bond. The Issuer, the Registrar and any Paying Agent or fiduciary of the Issuer may deem and treat the Person in whose name any Outstanding Bond shall be registered upon the books of the Issuer as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal or Redemption Price, if applicable, and interest on such Bond and for all other purposes, and all such payments so made to any such Holder or upon his order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid and neither the Issuer nor the Registrar nor any Paying Agent or other fiduciary of the Issuer shall be affected by any notice to the contrary.

The Registrar, in any case where it is not also the Paying Agent in respect to any Series of Bonds, forthwith (A) following the fifteenth day prior to an interest payment date for such Series; (B) following the fifteenth day next preceding the date of first mailing of notice of redemption of any Bonds of such Series; and (C) at any other time as reasonably requested by the Paying Agent of such Series, certify and furnish to such Paying Agent the names, addresses and holdings of Bondholders and any other relevant information reflected in the registration books. Any Paying Agent of any fully registered Bond shall effect payment of interest on such Bonds by mailing a check to the Holder

entitled thereto or may, in lieu thereof, upon the request and at the expense of such Holder, transmit such payment by bank wire transfer for the account of such Holder.

In all cases in which the privilege of exchanging Bonds or transferring Bonds is exercised, the Issuer shall execute and deliver Bonds and the Registrar shall authenticate such Bonds in accordance with the provisions of this Resolution. Execution of Bonds by the Chairman and Clerk for purposes of exchanging, replacing or transferring Bonds may occur at the time of the original delivery of the Series of which such Bonds are a part. All Bonds surrendered in any such exchanges or transfers shall be held by the Registrar in safekeeping until directed by the Issuer to be cancelled by the Registrar. For every such exchange or transfer of Bonds, the Issuer or the Registrar may make a charge sufficient to reimburse it for any tax, fee, expense or other governmental charge required to be paid with respect to such exchange or transfer. The Issuer and the Registrar shall not be obligated to make any such exchange or transfer of Bonds of any Series during the fifteen (15) days next preceding an Interest Date on the Bonds of such Series (other than Capital Appreciation Bonds and Variable Rate Bonds), or, in the case of any proposed redemption of Bonds of such Series, then during the fifteen (15) days next preceding the date of the first mailing of notice of such redemption and continuing until such redemption date.

SECTION 2.09. COUPON BONDS. The Issuer, at its discretion, may by Supplemental Resolution authorize the issuance of coupon Bonds, registrable as to principal only or as to both principal and interest. Such Supplemental Resolution shall provide for the negotiability, transfer, interchangeability, denominations and form of such Bonds and coupons appertaining thereto.

SECTION 2.10. FORM OF BONDS. The text of the Bonds, except as otherwise provided pursuant to Section 2.09 hereof and except for Capital Appreciation Bonds and Variable Rate Bonds, the form of which shall be provided by Supplemental Resolution of the Issuer, shall be in substantially the following form with such omissions, insertions and variations as may be necessary and/or desirable and approved by the Chairman or the Clerk prior to the issuance thereof (which necessity and/or desirability and approval shall be presumed by such officer's execution of the Bonds and the Issuer's delivery of the Bonds to the purchaser or purchasers thereof):

No. R- $_____

UNITED STATES OF AMERICA
STATE OF FLORIDA
COLLIER COUNTY
COUNTY WATER-SEWER DISTRICT
WATER AND SEWER REVENUE BOND,
SERIES

Interest Rate	Maturity Date	Date of Original Issue	CUSIP

Registered Holder:

Principal Amount:

KNOW ALL MEN BY THESE PRESENTS, the County Water-Sewer District, a body corporate and politic created and existing under and by virtue of the laws of the State of Florida (the "Issuer"), which is located in Collier County, Florida, for value received, hereby promises to pay, solely from the Pledged Funds hereinafter described, to the Registered Holder identified above, or registered assigns as hereinafter provided, on the Maturity Date identified above, the Principal Amount identified above and to pay interest on such Principal Amount from the Date of Original Issue identified above or from the most recent interest payment date to which interest has been paid at the Interest Rate per annum identified above on _____ and _____ of each year commencing _____ until such Principal Amount shall have been paid, except as the provisions hereinafter set forth with respect to redemption prior to maturity may be or become applicable hereto.

Such Principal Amount and interest and the premium, if any, on this Bond are payable in any coin or currency of the United States of America which, on the respective dates of payment thereof, shall be legal tender for the payment of public and private debts. Such Principal Amount and the premium, if any, on this Bond, are payable at the principal corporate trust office of _____, _____, _____, as Paying Agent. Payment of each installment of interest shall be made to the person in whose name this Bond shall be registered on the registration books of the Issuer maintained by _____, _____, _____, as Registrar, at the close of business on the date which shall be the fifteenth day (whether or not a business day) next preceding each interest payment date and shall be paid by a check of such Paying Agent mailed to such Registered Holder at the address appearing on such registration

books or, at the option of such Paying Agent, and at the request and expense of such Registered Holder, by bank wire transfer for the account of such Holder.

This Bond is one of an authorized issue of Bonds in the aggregate principal amount of $_____ the "Bonds") of like date, tenor and effect, except as to maturity date, interest rate, denomination and number, issued to finance _____, in and for the Issuer, under the authority of and in full compliance with the Constitution and laws of the State of Florida, particularly Part II of Chapter 153, Florida Statutes, and other applicable provisions of law (the "Act"), and a resolution duly adopted by the Board of County Commissioners of Collier County, Florida, acting as the Governing Body of the Issuer, on _____, as amended and supplemented (the "Resolution"), and is subject to all the terms and conditions of the Resolution.

This Bond and the interest hereon are payable solely from and secured by a lien upon and a pledge of (i) the Net Revenues (as defined in the Resolution) to be derived from the operation of the Issuer's water and sewer system (the "System"), (ii) the System Development Fees (as defined in the Resolution), (iii) the Special Assessment Proceeds (as defined in the Resolution), and (iv) until applied in accordance with the provisions of the Resolution, all moneys, including investments thereof, in certain funds and accounts established by the Resolution (collectively, the "Pledged Funds"), subject in each case to the application thereof for the purposes and on the conditions permitted by the Resolution. It is expressly agreed by the Registered Holder of this Bond that the full faith and credit of the Issuer and of Collier County, Florida (the "County") are not pledged to the payment of the principal of, premium, if any, and interest on this Bond and that such Holder shall never have the right to require or compel the exercise of any taxing power of the Issuer or the County to the payment of such principal, premium, if any, and interest. This Bond and the obligation evidenced hereby shall not constitute a lien upon the System or any other property of the Issuer or the County, but shall constitute a lien only on, and shall be payable solely from, the Pledged Funds in accordance with the terms of the Resolution.

Neither the members of the Governing Body of the Issuer nor any person executing this Bond shall be liable personally hereon or be subject to any personal liability or accountability by reason of the issuance hereof.

REFERENCE IS HEREBY MADE TO THE FURTHER PROVISIONS OF THIS BOND SET FORTH ON THE REVERSE SIDE HEREOF AND SUCH FURTHER PROVISIONS SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS IF SET FORTH ON THE FRONT SIDE HEREOF.

This Bond is one of a series of Bonds which were validated by judgment of the Circuit Court for Collier County, Florida, rendered on _____.

This Bond shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Registrar.

IN WITNESS WHEREOF, the County Water-Sewer District has issued this Bond and has caused the same to be executed by the manual or facsimile signature of the Chairman of the Board of County Commissioners of Collier County, Florida, acting as the Ex-Officio Chairman of the Governing Body of the Issuer and by the manual or facsimile signature of the Clerk of the Board of County Commissioners of Collier County, Florida, acting as the Ex-Officio Clerk of the Governing Body of the Issuer and its corporate seal or a facsimile thereof to be affixed or reproduced hereon.

COUNTY WATER-SEWER DISTRICT

(SEAL)

_____

Chairman of the Board of County Commissioners of Collier County, Florida acting as the Ex-Officio Chairman of the Governing Body of the County Water-Sewer District

_____

Clerk of the Board of County Commissioners of Collier County, Florida, acting as the Ex-Officio Clerk of the Governing Body of the County Water-Sewer District

(Provisions on Reverse Side of Bond)

This Bond is transferable in accordance with the terms of the Resolution only upon the books of the Issuer kept for that purpose at the principal corporate trust office of the Registrar by the Registered Holder hereof in person or by his attorney duly authorized in writing, upon the surrender of this Bond together with a written instrument of transfer satisfactory to the Registrar duly executed by the Registered Holder or his attorney duly authorized in writing, and thereupon a new Bond or Bonds in the same aggregate principal amount shall be issued to the transferee in exchange therefor, and upon the payment of the charges, if any, therein prescribed. The Bonds are issuable in the form of fully registered Bonds in the denomination of $5,000 and any integral multiple thereof, not exceeding the aggregate principal amount of the Bonds. The Issuer, the Registrar and any Paying Agent may treat the Registered Holder of this Bond as the absolute owner hereof for all purposes, whether or not this Bond shall be overdue, and shall not be affected by any notice to the contrary. The Issuer shall not be obligated to make any exchange or transfer of the Bonds during the fifteen (15) days next preceding an interest payment date or, in the case of any proposed redemption of the Bonds, then, during the fifteen (15) days next preceding the date of the first mailing of notice of such redemption.

(INSERT REDEMPTION PROVISIONS)

Redemption of this Bond under the preceding paragraphs shall be made as provided in the Resolution upon notice given by first class mail sent at least thirty (30) days prior to the redemption date to the Registered Holder hereof at the address shown on the registration books maintained by the Registrar; provided, however, that failure to mail notice to the Registered Holder hereof, or any defect therein, shall not affect the validity of the proceedings for redemption of this Bond. In the event that less than the full principal amount hereof shall have been called for redemption, the Registered Holder hereof shall surrender this Bond in exchange for one or more Bonds in an aggregate principal amount equal to the unredeemed portion of principal, as provided in the Resolution.

Reference to the Resolution and any and all resolutions supplemental thereto and modifications and amendments thereof and to the Act is made for a description of the pledge and covenants securing this Bond, the nature, manner and extent of enforcement of such pledge and covenants, the rights, duties, immunities and obligations of the Issuer.

It is hereby certified and recited that all acts, conditions and things required to exist, to happen and to be performed precedent to and in the issuance of this Bond, exist, have happened and have been performed, in regular and due form and time as required by the laws and Constitution of the State of Florida applicable thereto, and that the issuance of the Bonds does not violate any constitutional or statutory limitations or provisions.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto

_____

Insert Social Security or Other Identifying Number of Assignee

_____

(Name and Address of Assignee)

_____

the within Bond and does hereby irrevocably constitute and appoint _____, as attorney to register the transfer of the said Bond on the books kept for registration thereof with full power of substitution in the premises.

Dated: _____

Signature guaranteed:

_____

NOTICE: Signature(s) must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

_____

NOTICE: The signature to this assignment must correspond with the name of the Registered Holder as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever and the Social Security or other identifying number of such assignee must be supplied.

The following abbreviations, when used in the inscription on the face of the within Bond, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM -- as tenants in common

TEN ENT -- as tenants by the entireties

JT TEN -- as joint tenants with right of survivorship and not as tenants in common

UNIF GIF MIN ACT -- _____
(Cust.)

Custodian for _____

under Uniform Gifts to Minors Act of _____
(State)

Additional abbreviations may also be used though not in list above.

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds of the Issue described in the within-mentioned Resolution.

DATE OF AUTHENTICATION:

_____ _____
Registrar

By:_____
Authorized Officer

ARTICLE III
REDEMPTION OF BONDS

SECTION 3.01. PRIVILEGE OF REDEMPTION. The terms of this Article III shall apply to redemption of Bonds other than Capital Appreciation Bonds or Variable Rate Bonds. The terms and provisions relating to redemption of Capital Appreciation Bonds and Variable Rate Bonds shall by provided by Supplemental Resolution. Bonds shall only be called for optional redemption to the extend funds are on deposit and available for such purpose on the date the call for redemption is made.

SECTION 3.02. SELECTION OF BONDS TO BE REDEEMED. The Bonds shall be redeemed only in the principal amount of $5,000 each and integral multiples thereof. The Issuer shall, at least sixty (60) days prior to the redemption date (unless a shorter time period shall be satisfactory to the Registrar) notify the Registrar of such redemption date and of the principal amount of Bonds to be redeemed. For purposes of any redemption of less than all of the Outstanding Bonds of a single maturity, the particular Bonds or portions of Bonds to be redeemed shall be selected not more than forty-five (45) days prior to the redemption date by the Registrar from the Outstanding Bonds of the maturity or maturities designated by the Issuer by such method as the Registrar shall deem fair and appropriate and which may provide for the selection for redemption of Bonds or portions of Bonds in principal amounts of $5,000 and integral multiples thereof.

The Registrar shall promptly notify the Issuer and Paying Agent (if the Registrar is not the Paying Agent for such Bonds) in writing of the Bonds or portions of Bonds selected for redemption and, in the case of any Bond selected for partial redemption, the principal amount thereof to be redeemed.

SECTION 3.03. NOTICE OF REDEMPTION. Notice of such redemption, which shall specify the Bond or Bonds (or portions thereof) to be redeemed and the date and place for redemption, shall be given by the Registrar on behalf of the Issuer, and (A) shall be filed with the Paying Agents of the Bonds and (B) shall be mailed first class, postage prepaid, at least thirty (30) days prior to the redemption date to all Holders of Bonds to be redeemed at their addresses as they appear on the registration books kept by the Registrar. Such notice shall further state that on such redemption date there shall become due and payable upon each Bond to be redeemed the Redemption Price thereof, or the Redemption Price of the specified portions of the principal thereof in the case of Bonds to be redeemed in part only, together with interest accrued thereon to the redemption date, and that from and after such date interest thereon shall cease to accrue and be payable. Failure to mail notice to the Holders of the Bonds to be redeemed, or any defect therein, shall not affect the proceedings of redemption of such Bonds.

SECTION 3.04. REDEMPTION OF PORTIONS OF BONDS. Any Bond which is to be redeemed only in part shall be surrendered at any place of payment specified in the notice of redemption (with due endorsement by, or written instrument of transfer in form satisfactory to the Registrar duly executed by, the Holder thereof or his attorney duly authorized in writing) and the Issuer shall execute and the Registrar shall authenticate and deliver to the Holder of such Bond, without service charge, a new Bond or Bonds, of any authorized denomination, as requested by such Holder in an aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Bonds so surrendered.

SECTION 3.05. PAYMENT OF REDEEMED BONDS. Notice of redemption having been given substantially as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the redemption date, become due and payable at the Redemption Price therein specified, and from and after such date (unless the Issuer shall default in the payment of the Redemption Price) such Bonds or portions of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds shall be paid by the Registrar and/or Paying Agent at the appropriate Redemption Price, plus accrued interest. All Bonds which have been redeemed shall be cancelled and destroyed by the Registrar and shall not be reissued.

ARTICLE IV
SECURITY, SPECIAL FUNDS AND APPLICATION THEREOF

SECTION 4.01. BONDS NOT TO BE INDEBTEDNESS OF ISSUER. The Bonds shall not be or constitute general obligations or indebtedness of the Issuer as "bonds" within the meaning of any constitutional or statutory provision, but shall be special obligations of the Issuer, payable solely from and secured by a lien upon and pledge of the Pledged Funds, in the manner and to the extent provided in this Resolution. No Holder of any Bond shall ever have the right to compel the exercise of any ad valorem taxing power to pay such Bond, or be entitled to payment of such Bond from any moneys of the Issuer or the County except from the Pledged Funds in the manner and to the extent provided herein.

The Pledged Funds shall immediately be subject to the lien of this pledge without any physical delivery thereof or further act, and the lien of this pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the Issuer.

SECTION 4.02. SECURITY FOR BONDS. The payment of the principal of or Redemption Price, if applicable, and interest on the Bonds shall be secured forthwith equally and ratably by a pledge of and lien upon the Pledged Funds; provided, however, a Series of Bonds may be further secured by a Credit Facility or insurance policy of an Insurer in addition to the security provided herein. The Issuer does hereby irrevocably pledge the Pledged Funds to the payment of the principal of or Redemption Price, if applicable, and interest on the Bonds, subject to the application thereof for the purposes and on the conditions permitted by the Resolution.

SECTION 4.03. CONSTRUCTION FUND. The Issuer covenants and agrees to establish a special fund in a bank, trust company or such other entity in the State, which is eligible under the laws of the State to be a depository for county funds, to be known as the "Water and Sewer System Construction Fund," which shall be used only for payment of the Cost of the Project. Moneys in the Construction Fund, until applied in payment of any item of the Cost of a Project in the manner hereinafter provided, shall be subject to a lien and charge in favor of the Holders of the Bonds and for the further security of such Holders.

There shall be paid into the Construction Fund the amounts required to be so paid by the provisions of this Resolution, and there may be paid into the Construction Fund, at the option of the Issuer, any moneys received for or in connection with a Project by the Issuer from any other source.

The Issuer shall establish within the Construction Fund a separate account for each Project, the Cost of which is to be paid in whole or in part out of the Construction Fund.

The Issuer hereby agrees to establish in the Construction Fund a separate account for the Initial Project.

The proceeds of insurance maintained pursuant to this Resolution against physical loss of or damage to a Project, or of contractors' performance bonds with respect thereto pertaining to the period of construction thereof, shall be deposited into the appropriate account of the Construction Fund.

Any moneys received by the Issuer from the State or from the United States of America or any agencies thereof for the purpose of financing part of the Cost of a Project shall be deposited into the appropriate account of the Construction Fund and used in the same manner as other Bond proceeds are used therein; provided that separate accounts or subaccounts may be established in the Construction Fund for moneys received pursuant to the provisions of this paragraph whenever required by Federal or State law.

The Issuer covenants that the acquisition, construction and installation of each Project will be completed without delay and in accordance with sound engineering practices. The Issuer shall make disbursements or payments from the Construction Fund to pay the Cost of a Project upon the filing with the Clerk of certificates signed by an Authorized Issuer Officer and by the Consulting Engineers, stating with respect to each disbursement or payment to be made: (A) the item number of the payment, (B) the name and address of the Person to whom payment is due, (C) the amount to be paid, (D) the Construction Fund account from which payment is to be made, (E) the purpose, by general classification, for which payment is to be made, and (F) that (i) each obligation, item of cost or expense mentioned therein has been properly incurred, is in payment of a part of the Cost of a Project and is a proper charge against the account of the Construction Fund from which payment is to be made and has not been the basis of any previous disbursement or payment, or (ii) each obligation, item of cost or expense mentioned therein has been paid by the Issuer, is a reimbursement of a part of the Cost of a Project, is a proper charge against the account of the Construction Fund from which payment is to be made, has not been theretofore reimbursed to the Issuer or otherwise been the basis of any previous disbursement or payment and the Issuer is entitled to reimbursement thereof. The Clerk shall retain all such certificates of the Authorized Issuer Officers and the Consulting Engineers for seven (7) years from the dates of such certificates. The Clerk shall make available the certificates at all reasonable times for inspection by any Holder of any of the Bonds or the agent or representative of any Holder of any of the Bonds.

Notwithstanding any of the other provisions of this Section 4.03, to the extent that other moneys are not available therefor, amounts in the Construction Fund shall be applied to the payment of principal and interest on Bonds when due.

The date of completion of a Project shall be determined by the Consulting Engineers which shall certify such fact in writing to the Governing Body. The

Consulting Engineers may perform such tests relating to the Project as they deem necessary in order to make such certification. Promptly after the date of the completion of a Project, and after paying or making provision for the payment of all unpaid items of the Cost of such Project, the Issuer shall deposit in the following order of priority any balance of moneys remaining in the Construction Fund in (1) another account of the Construction Fund for which the Consulting Engineers have stated that there are insufficient moneys present to pay the Cost of the related Project, (2) the Reserve Account, to the extent of a deficiency therein, (3) the Renewal and Replacement Fund, to the extent of a deficiency therein, and (4) the Surplus Fund.

SECTION 4.04. CREATION OF FUNDS AND ACCOUNTS. The Issuer covenants and agrees to establish with a bank, trust company or such other entity in the State, which is eligible under the laws of the State to be a depository for county funds the following funds and accounts:

(A) The "Water and Sewer System Revenue Fund."

(B) The "Water and Sewer System Operation and Maintenance Fund".

(C) The "Water and Sewer System Sinking Fund." The Issuer shall maintain four separate accounts in the Sinking Fund: the "Interest Account," the "Principal Account," the "Term Bonds Redemption Account" and the "Reserve Account."

(D) The "Water and Sewer System System Development Fees Fund."

(E) The "Water and Sewer System Special Assessments Fund."

(F) The "Water and Sewer System Renewal and Replacement Fund."

(G) The "Water and Sewer System Surplus Fund."

Moneys in the aforementioned funds and accounts, until applied in accordance with the provisions hereof, shall be subject to a lien and charge in favor of the Holders of the Bonds and for the further security of such Holders.

SECTION 4.05. DISPOSITION OF REVENUES.

(A) Into the Revenue Fund, the Issuer shall deposit promptly, as received, all Gross Revenues. Into the Special Assessments Fund, the Issuer shall deposit promptly, as received, all Special Assessment Proceeds.

Operation and Maintenance Fund. Moneys in Revenue Fund shall first be used each month to deposit in the Operation and Maintenance Fund such sums as are necessary to pay Operating Expenses for the ensuing month. Amounts in the Operation and Maintenance Fund shall be paid out from time to time by the Issuer for reasonable

and necessary Operating Expenses; provided, however, that no such payment shall be made unless the provisions of Section 5.03 hereof in regard to the current Annual Budget are complied with.

(B) All moneys at any time on deposit in the Special Assessments Fund and any deposits remaining in the Revenue Fund after the aforementioned transferrals to the Operation and Maintenance Fund shall be disposed of by the Issuer on or before the twenty-fifth (25th) day of each month, commencing in the month immediately following the delivery of any of the Bonds to the purchasers thereof, or such later date as hereinafter provided, first from the Special Assessments Fund and then from the Revenue Fund in the following manner and in the following order of priority:

(1) Interest Account. There shall be deposited to the Interest Account the sum which, together with the balance in said Account, shall equal the interest on all Bonds Outstanding (except as to Capital Appreciation Bonds) accrued and unpaid and to accrue to the end of the then current calendar month. Moneys in the Interest Account shall be applied by the Issuer for deposit with the Paying Agents the interest on the Bonds on or prior to the date the same shall become due.

(2) Principal Account. There shall be deposited to the Principal Account the sum which, together with the balance in said Account, shall equal the principal amounts on all Bonds Outstanding due and unpaid and that portion of the principal next due which would have accrued on such Bonds during the then current calendar month if such principal amounts were deemed to accrue during such period of time (assuming that a year consists of twelve (12) equivalent calendar months having thirty (30) days each) in equal amounts from the next preceding principal payment due date, or, if there be no such preceding payment due date from a date one year preceding the due date of such principal amount. Moneys in the Principal Account shall be applied by the Issuer for deposit with the Paying Agents the principal of the Bonds on or prior to the date the same shall mature. Serial Capital Appreciation Bonds shall be payable from the Principal Account in the Bond Years in which such Bonds mature and monthly payments into the Principal Account on account of such Bonds shall commence in the first month of the respective Bond Years in which such Bonds mature.

(3) Term Bonds Redemption Account. Commencing in the month which is one year prior to the first Sinking Fund Installment, there shall be deposited to the Term Bonds Redemption Account the sum which, together with the balance in such Account, shall equal the Sinking Fund Installments on all Bonds Outstanding due and unpaid and that portion of the Sinking Fund Installments of all Bonds Outstanding next due which would have accrued on such Bonds during the then current calendar month if such Sinking Fund Installments were deemed to accrue during such period of time (assuming that a year consists

of twelve (12) equivalent calendar months having thirty (30) days each) in equal amounts from the next preceding Sinking Fund Installment due date, or, if there be no such preceding Sinking Fund Installment due date, from a date one year preceding the due date of such Sinking Fund Installment. Moneys in the Term Bonds Redemption Account shall be applied by the Issuer for deposit with the Paying Agents the amount required to purchase or redeem the Sinking Fund Installments on or prior to the date the same shall be purchased or redeemed.

Amounts accumulated in the Term Bonds Redemption Account with respect to any Sinking Fund Installment (together with amounts accumulated in the Interest Account with respect to interest, if any, on the Term Bonds for which such Sinking Fund Installment was established) may be applied by the Issuer, on or prior to the sixtieth (60th) day preceding the due date of such Sinking Fund Installment, (a) to the purchase of Term Bonds of the Series and maturity for which such Sinking Fund Installment was established, or (b) to the redemption at the applicable Redemption Prices of such Term Bonds, if then redeemable by their terms. The applicable Redemption Price (or principal amount of maturing Term Bonds) of any Term Bonds so purchased or redeemed shall be deemed to constitute part of the Term Bonds Redemption Account until such Sinking Fund Installment date, for the purposes of calculating the amount of such Account. As soon as practicable after the 60th day preceding the due date of any such Sinking Fund Installment, the Issuer shall proceed to call for redemption on such due date, by causing notice to be given as provided in Section 3.03 hereof, Term Bonds of the Series and maturity for which such Sinking Fund Installment was established (except in the case of Term Bonds maturing on a Sinking Fund Installment date) in such amount as shall be necessary to complete the retirement of the unsatisfied balance of such Sinking Fund Installment. The Issuer shall pay out of the Term Bonds Redemption Account and the Interest Account to the appropriate Paying Agents, on or before the day preceding such redemption date (or maturity date), the amount required for the redemption (or for the payment of such Term Bonds then maturing), and such amount shall be applied by such Paying Agents to such redemption (or payment). All expenses in connection with the purchase or redemption of Term Bonds shall be paid by the Issuer from the Operation and Maintenance Fund.

(4) Reserve Account. There shall be deposited to the Reserve Account such sum, if any, as will be necessary to restore the funds on deposit therein to an amount equal to the Reserve Account Requirement. On or prior to each principal and interest payment date for the Bonds (in no event earlier than the twenty-fifth (25th) day of the month next preceding such payment date), moneys in the Reserve Account shall be applied by the Issuer to the payment into the Interest Account, the Principal Account and the Term Bonds Redemption Account, when the moneys therein shall be insufficient to pay the principal of and interest on the

Bonds coming due, but only to the extent the moneys transferred from the Surplus Fund and from the System Development Fees Fund for such purposes pursuant to Sections 4.05(B)(8) and 4.06, respectively, hereof shall be inadequate to fully provide for such insufficiency. Whenever there shall be surplus moneys in the Reserve Account by reason of a decrease in the Reserve Account Requirement, such surplus moneys shall be applied by the Issuer, at its discretion, either to the purchase or redemption of Outstanding Bonds or for deposit into the Renewal and Replacement Fund. The Issuer agrees that in the event of a deficiency in the Reserve Account, such deficiency shall be made up from the first available Pledged Revenues after the payments required by Sections 4.05(B)(1), (2) and (3) hereof; provided such deficiency must be made up within twenty-four (24) months.

Upon the issuance of any Additional Bonds under the terms, limitations and conditions as herein provided, the Issuer shall increase the sum required to be accumulated and maintained on deposit in the Reserve Account to be at least equal to the Reserve Account Requirement on all Outstanding Bonds and on the Additional Bonds becoming due in any ensuing Bond Year. Such required sum may be paid in full or in part from the proceeds of such Additional Bonds or may be accumulated in equal monthly payments to the Reserve Account over a period of months, not to exceed twenty-four (24) months, from the date of delivery of the issuance of the Additional Bonds, as determined by Supplemental Resolution. In the event moneys in the Reserve Account are accumulated as provided above, (i) the amount in said Reserve Account on the date of delivery of the Additional Bonds shall not be less than the Reserve Account Requirement on all Bonds Outstanding (excluding the Additional Bonds) on such date, and (ii) the incremental difference between the Reserve Account Requirement on all Bonds Outstanding (excluding the Additional Bonds) on the date of delivery of the Additional Bonds and the Reserve Account Requirement on all such Bonds and the Additional Bonds shall be 50% funded upon delivery of the Additional Bonds.

Notwithstanding the foregoing provisions, in lieu of the required deposits into the Reserve Account, the Issuer may cause to be deposited into the Reserve Account a Reserve Account Insurance Policy and/or Reserve Account Letter of Credit for the benefit of the Bondholders in an amount equal to the difference between the Reserve Account Requirement applicable thereto and the sums then on deposit in the Reserve Account, if any. Such Reserve Account Insurance Policy and/or Reserve Account Letter of Credit shall be payable to the Paying Agent (upon the giving of notice as required thereunder) on any principal payment date or Interest Date on which a deficiency exists which cannot be cured by moneys in any other fund or account held pursuant to this Resolution and available for such purpose. A Reserve Account Insurance Policy issued to the Paying Agent, as agent of the Bondholders, by a company licensed to issue an insurance

policy guaranteeing the timely payment of debt service on the Bonds (a "municipal bond insurer") may be deposited in the Reserve Account to meet the Reserve Account Requirement if the claims-paying ability of the issuer thereof shall be rated at least "AAA" by Standard & Poor's Corporation and at least "Aaa" by Moody's Investors Service. A Reserve Account Insurance Policy issued to the Paying Agent, as agent of the Bondholders, by an entity other than a municipal bond insurer, may be deposited in the Reserve Account to meet the Reserve Account Requirement if the form and substance of such Reserve Account Insurance Policy and the issuer thereof shall be approved by Financial Guaranty.

A Reserve Account Letter of Credit issued to the Paying Agent, as agent of the Bondholders, by a bank may be deposited in the Reserve Account to meet the Reserve Account Requirement if the issuer thereof is rated at least "AA" by Standard & Poor's Corporation and "Aa" by Moody's Investors Service. The Letter of Credit shall be payable in one or more draws upon presentation by the beneficiary of a sight draft accompanied by its certificate that it then holds insufficient funds to make a required payment of principal or interest on the Bonds. The draws shall be payable within two days of presentation of the sight draft. The Reserve Account Letter of Credit shall be for a term of not less than three years and shall be subject to an "evergreening" feature so as to provide the Issuer with at least 30 months notice of termination. The issuer of the Reserve Account Letter of Credit shall be required to notify the Issuer and the Paying Agent, not later than 30 months prior to the stated expiration date of the Reserve Account Letter of Credit, as to whether such expiration date shall be extended, and if so, shall indicate the new expiration date. If such notice indicates that the expiration date shall not be extended, the Issuer shall deposit in the Reserve Account an amount sufficient to cause the cash or Authorized Investments on deposit in the Reserve Account, together with any other Reserve Account Insurance Policies and Reserve Account Letters of Credit, to equal the Reserve Account Requirement on all Outstanding Bonds, such deposit to be paid in equal installments on at least a semiannual basis over the remaining term of the Reserve Account Letter of Credit, unless the Reserve Account Letter of Credit is replaced by a Reserve Account Insurance Policy and/or Reserve Account Letter of Credit meeting the requirements of this Section 4.05(B)(4). The Reserve Account Letter of Credit shall permit a draw in full prior to the expiration or termination of such Reserve Account Letter of Credit if the Reserve Account Letter of Credit has not been replaced or renewed. The Paying Agent shall draw upon the Reserve Account Letter of Credit prior to its expiration or termination unless an acceptable replacement is in place or the Reserve Account is fully funded in its required amount.

The use of any Reserve Account Insurance Policy or Reserve Account Letter of Credit pursuant to this Section 4.05(B)(4) shall be subject to receipt of an

opinion of counsel acceptable to Financial Guaranty in form and substance satisfactory to Financial Guaranty as to the due authorization, execution, delivery and enforceability of such instrument in accordance with its terms, subject to applicable laws affecting creditors' rights generally, and, in the event the issuer of such Reserve Account Insurance Policy or Reserve Account Letter of Credit is not a domestic entity, an opinion of foreign counsel in form and substance satisfactory to Financial Guaranty. In addition, the use of a Reserve Account Letter of Credit shall be subject to receipt of an opinion of counsel acceptable to Financial Guaranty in form and substance satisfactory to Financial Guaranty to the effect that payments under such Reserve Account Letter of Credit would not constitute avoidable preferences under Section 547 of the United States Bankruptcy Code or similar state laws with avoidable preference provisions in the event of the filing of a petition for relief under the United States Bankruptcy Code or similar state laws by or against the issuer of the Bonds (or any other account party under the Reserve Account Letter of Credit).

The obligation to reimburse the issuer of a Reserve Account Insurance Policy or Reserve Account Letter of Credit for any fees or expenses or claims or draws upon such Reserve Account Insurance Policy or Reserve Account Letter of Credit shall be subordinate to the payment of debt service on the Bonds. The right of the issuer of a Reserve Account Insurance Policy or Reserve Account Letter of Credit to payment or reimbursement of its fees and expenses shall be subordinated to cash replenishment of the Reserve Account, and, subject to the second succeeding sentence of this paragraph, its right to reimbursement for claims or draws shall be on a parity with the cash replenishment of the Reserve Account. Each Reserve Account Insurance Policy and Reserve Account Letter of Credit shall provide for a revolving feature under which the amount available thereunder will be reinstated to the extent of any reimbursement of draws or claims paid. If the revolving feature is suspended or terminated for any reason, the right of the issuer of the Reserve Account Insurance Policy or Reserve Account Letter of Credit to reimbursement will be further subordinated to cash replenishment of the Reserve Account to an amount equal to the difference between the full original amount available under the Reserve Account Insurance Policy or Reserve Account Letter of Credit and the amount then available for further draws or claims. In the event (a) the issuer of a Reserve Account Insurance Policy or Reserve Account Letter of Credit becomes insolvent, or (b) the issuer of a Reserve Account Insurance Policy or Reserve Account Letter of Credit defaults in its payment obligations thereunder, or (c) the claims-paying ability of the issuer of the Reserve Account Insurance Policy falls below "AAA" by Standard & Poor's Corporation or "Aaa" by Moody's Investors Service, or (d) the rating of the issuer of Reserve Account Letter of Credit falls below "AA" by Standard & Poor's Corporation or "Aa" by Moody's Investors Service, the obligation to reimburse the issuer of such

Reserve Account Insurance Policy or Reserve Account Letter of Credit shall be subordinate to the cash replenishment of the Reserve Account.

In the event (a) the revolving reinstatement feature described in the preceding paragraph is suspended or terminated, or (b) the rating of the claims-paying ability of the issuer of the Reserve Account Insurance Policy falls below "AAA" by Standard & Poor's Corporation or "Aaa" by Moody's Investors Service, or (c) the rating of the issuer of the Reserve Account Letter of Credit falls below "AA" by Standard & Poor's Corporation or "Aa" by Moody's Investors Service, the Issuer shall either (i) deposit into the Reserve Account an amount sufficient to cause the cash or Authorized Investments on deposit in the Reserve Account to equal the Reserve Account Requirement on all Outstanding Bonds, such amount to be paid over the ensuing five years in equal installments deposited at least semiannually or (ii) replace such Reserve Account Insurance Policy or Reserve Account Insurance Letter of Credit with a Reserve Account Insurance Policy or Reserve Account Letter of Credit meeting the requirements provided herein within six months of such occurrence. In the event (a) the rating of the claims-paying ability of the issuer of the Reserve Account Insurance Policy falls below "A", or (b) the rating of the issuer of the Reserve Account Letter of Credit falls below "A", or (c) the issuer of the Reserve Account Insurance Policy or Reserve Account Letter of Credit defaults in its payment obligations hereunder, or (d) the issuer of the Reserve Account Insurance Policy or Reserve Account Letter of Credit becomes insolvent, the Issuer shall either (i) deposit into the Reserve Account an amount sufficient to cause the cash or Authorized Investments on deposit in the Reserve Account to equal the Reserve Account Requirement on all Outstanding Bonds, such amount to be paid over the ensuing year in equal installments on at least a monthly basis, or (ii) replace such instrument with a Reserve Account Insurance Policy or Reserve Account Letter of Credit meeting the requirements provided herein within six months of such occurrence. The amount available for draws or claims under the Reserve Account Insurance Policy or Reserve Account Letter of Credit may be reduced by the amount of cash or Authorized Investments deposited in the Reserve Account.

Cash on deposit in the Reserve Account shall be used (or investments purchased with such cash shall be liquidated and the proceeds applied as required) prior to any drawing on any Reserve Account Insurance Policy or Reserve Account Letter of Credit. If and to the extent that more than one Reserve Account Insurance Policy or Reserve Account Letter of Credit is deposited in the Reserve Account, drawings thereunder and repayments of costs associated therewith shall be made on a pro rata basis, calculated by reference to the maximum amounts available thereunder.

If a disbursement is made from a Reserve Account Insurance Policy and/or Reserve Account Letter of Credit provided pursuant to this Section 4.05(B)(4), the Issuer shall reinstate the maximum limits of such Reserve Account Insurance Policy and/or Reserve Account Letter of Credit immediately following such disbursement from moneys in the Reserve Account by depositing funds in each month in an amount equal to not less than one-twelfth (1/12) of the amount necessary to restore the Reserve Account Insurance Policy and/or Reserve Account Letter of Credit to its maximum limits in one (1) year from the date of the drawdowns, together with interest thereon to the date of reimbursement at the rate set forth in such Reserve Account Insurance Policy or such Reserve Account Letter of Credit, but in no case greater than the maximum rate of interest permitted by law.

If fifteen (15) days prior to an interest payment or redemption date, the Issuer shall determine that a deficiency exists in the amount of moneys available to pay in accordance with the terms hereof interest and/or principal due on the Bonds on such date, the Issuer shall immediately notify (A) the issuer of the applicable Reserve Account Insurance Policy and/or the issuer of the Reserve Account Letter of Credit, (B) the Insurer, if any, of the amount of such deficiency and the date on which such payment is due, and (C) the Paying Agent or Paying Agents for the Bonds for which there is a deficiency, and shall take all action to cause such issuer or Insurer to provide moneys sufficient to pay all amounts due on such interest payment date.

The Issuer may evidence its obligation to reimburse the issuer of any Reserve Account Letter of Credit or Reserve Account Insurance Policy by executing and delivering to such issuer a promissory note therefor, provided, however, any such note shall be payable solely from the Pledged Funds in the manner provided herein.

If the Issuer chooses to deposit a Reserve Account Insurance Policy and/or Reserve Account Letter of Credit into the Reserve Account, any amounts owed by the Issuer to the issuer of such Reserve Account Insurance Policy or Reserve Account Letter of Credit as a result of a draw thereon or a claim thereunder, as appropriate, shall be included in any calculation of Annual Debt Service required to be made pursuant to the provisions hereof, including, without limitation, Sections 5.04 and 6.02 hereof.

Whenever the amount in the Reserve Account, together with the amount in the other accounts of the Sinking Fund, is sufficient to fully pay all Outstanding Bonds in accordance with their terms (including principal or applicable sinking fund Redemption Price and interest thereon), the funds on deposit in the Reserve Account shall be transferred to the other accounts of the Sinking Fund.

(5) Renewal and Replacement Fund. There shall be deposited to the Renewal and Replacement Fund such sums as shall be sufficient to pay one-twelfth (1/12) of five percent (5%) of the Gross Revenues derived from the System during the preceding Fiscal Year until the amount accumulated in such Fund is equal to the Renewal and Replacement Fund Requirement; provided, however, that (a) such Renewal and Replacement Fund Requirement may be increased or decreased as the Consulting Engineers shall certify to the Issuer is necessary for the purposes of the Renewal and Replacement Fund, and (b) in the event that the Consulting Engineers shall certify that the Renewal and Replacement Fund Requirement is excessive for the purposes of the Renewal and Replacement Fund such excess amount as may be on deposit therein may be transferred by the Issuer from the Renewal and Replacement Fund for deposit into the Surplus Fund. The moneys in the Renewal and Replacement Fund shall be applied by the Issuer for the purpose of paying the cost of major extensions, improvements or additions to, or the replacement or renewal of capital assets of, the System, or extraordinary repairs of the System; provided, however, that on or prior to each principal and interest payment date for the Bonds (in no event earlier than the twenty-fifth (25th) day of the month next preceding such payment date), moneys in the Renewal and Replacement Fund shall be applied for the payment into the Interest Account, the Principal Account, and the Term Bonds Redemption Account when the moneys therein are insufficient to pay the principal of and interest on the Bonds coming due, but only to the extent moneys transferred from the Surplus Fund, the System Development Fees Fund and the Reserve Account for such purpose pursuant to Sections 4.05(B)(4), 4.05(B)(8) and 4.06, respectively, hereof shall be inadequate to fully provide for such insufficiency.

In the event the Issuer receives a Government Grant, the terms of which require that the Issuer establish a revenue generation system as provided in Section 403.1838, Florida Statutes, and by applicable regulations promulgated thereunder, the Issuer shall establish a separate account within the Renewal and Replacement Fund, System Development Fees Fund or Surplus Fund into which sufficient moneys from such respective Fund shall be deposited annually by the Issuer to satisfy the conditions of said Government Grant. The use and withdrawal of moneys from such account shall be governed by the terms of the Government Grant and applicable law.

(6) Subordinated Indebtedness. Gross Revenues shall next be applied by the Issuer for the payment of any accrued debt service on Subordinated Indebtedness incurred by the Issuer in connection with the System and in accordance with the proceedings authorizing such Subordinated Indebtedness.

(7) Sinking Fund. There shall be deposited to the Interest Account, the Principal Account and the Term Bonds Redemption Account, in that order,

sufficient moneys such that the amounts on deposit therein shall equal, respectively, the interest, principal and Sinking Fund Installment next coming due on the Bonds outstanding; provided, however, no deposit need be made to the Principal Account or Term Bonds Redemption Account until a date one year preceding the due date of such principal amount or Sinking Fund Installment.

(8) Surplus Fund. The balance of any Gross Revenues remaining in said Revenue Fund shall be deposited in the Surplus Fund and applied to the payment, on or prior to each principal and interest payment date for the Bonds (in no event earlier than the twenty-fifth (25th) day of the month next preceding such payment date), into the Interest Account, the Principal Account and the Term Bonds Redemption Account when the moneys therein shall be insufficient to pay the principal of and interest on the Bonds coming due. Moneys not required to meet such a deficiency may be applied for any lawful purpose in connection with the System, including, but not limited to, purchase or redemption of Bonds, payment of Subordinated Indebtedness and improvements, renewals and replacements to the System; provided, however, that none of such revenues shall ever be used for the purposes provided in this paragraph (8) unless all payments required in paragraphs (1) through (6) above of this Section 4.05(B), including any deficiencies for prior payments, have been made in full to the date of such use.

(C) Whenever the amount in the Reserve Account, together with the other amounts in the Sinking Fund, is sufficient to fully pay all Outstanding Bonds in accordance with their terms (including principal or applicable Redemption Price and interest thereon), no further deposits to the Sinking Fund need be made.

If on any payment date the Gross Revenues are insufficient to deposit the required amount in any of the funds or accounts or for any of the purposes provided above, the deficiency shall be made up on the subsequent payment dates.

(D) In the event the Issuer shall issue a Series of Bonds secured by a Credit Facility, the Issuer may establish separate subaccounts in the Interest Account, the Principal Account and the Term Bonds Redemption Account to provide for payment of the principal of and interest on such Series; provided payment from the Pledged Funds of one Series of Bonds shall not have preference over payment of any other Series of Bonds. The Issuer may also deposit moneys in such subaccounts at such other times and in such other amounts from those provided in Section 4.05(B) as shall be necessary to pay the principal of and interest on such Bonds as the same shall become due, all as provided by the Supplemental Resolution authorizing such Bonds.

In the case of Bonds secured by a Credit Facility, amounts on deposit in the Sinking Fund may be applied as provided in the applicable Supplemental Resolution to reimburse the Credit Bank for amounts drawn under such Credit Facility to pay the principal of, premium, if any, and interest on such Bonds or to pay the purchase price of

any such Bonds which are tendered by the holders thereof for payment. The Issuer may also establish a separate subaccount in the Reserve Account for any Series of Bonds secured by a Credit Facility and provide a pledge of such subaccount to the payment of such Series of Bonds apart from the pledge provided herein.

(E) AFPI shall be deposited, as received, in a separate account of the Revenue Fund maintained by the Issuer. AFPI shall be utilized by the Issuer for lawful purposes related to the System including, but not limited to, acquisition and construction of improvements and additions to the System which provide capacity to new users and payment of debt service on obligations related thereto.

SECTION 4.06. SYSTEM DEVELOPMENT FEES FUND. The Issuer shall deposit into the System Development Fees Fund all System Development Fees as received and such System Development Fees shall be accumulated in the System Development Fees Fund and applied by the Issuer in the following manner and order of priority:

(A) For the payment on or prior to each principal and interest payment date (in no event earlier than the twenty-fifth (25th) day of the month next preceding such payment date) into the Interest Account, the Principal Account and the Term Bonds Redemption Account, when the moneys therein are insufficient to pay the principal of and interest on the Bonds coming due, but only to the extent moneys transferred from the Surplus Fund for such purpose pursuant to Section 4.05(B)(8) hereof shall be inadequate to fully provide for such insufficiency.

(B) To pay the cost of acquiring and/or constructing extensions, improvements or additions to the System in accordance with the plans and specifications provided by the Consulting Engineers and the requisitions for disbursement of moneys provided by the Issuer.

(C) To be used for any other lawful purpose relating to the System.

SECTION 4.07. INVESTMENTS. The moneys in the Construction Fund, the Revenue Fund, Operation and Maintenance Fund, the Special Assessments Fund the Principal Account, the Interest Account, the Term Bonds Redemption Account, the Renewal and Replacement Fund, the System Development Fees Fund and the Surplus Fund shall be invested and reinvested by the Issuer in Authorized Investments, maturing not later than the dates on which such moneys will be needed for the purposes of such fund or account; provided, however, Authorized Investments in the Renewal and Replacement Fund and the System Development Fees Fund shall mature no later than three (3) years from the date of investment. Moneys in the Reserve Account shall be invested in such obligations as provided in clauses (1), (2), (3), (4), and (5) of the definition of Authorized Investments, maturing no later than five (5) years from the date

of investment. All investments shall be valued at the lower of cost or market value, which valuation shall occur at least on a quarterly basis.

Any and all income received from the investment of moneys in the Surplus Fund, the Renewal and Replacement Fund (only to the extent such income and the other amounts in such Fund exceed the Renewal and Replacement Fund Requirement) and the Reserve Account (only to the extent such income and the other amounts in such Account exceed the Reserve Account Requirement), shall be deposited upon receipt thereof in the Revenue Fund. Any and all income received from the investment of moneys in the Special Assessments Fund shall be deposited upon receipt thereof into the Interest Account; provided, however, the Issuer may accumulate investment earnings in the special account established pursuant to Section 4.06 hereof. Any and all income received from the investment of moneys in the Revenue Fund, the Principal Account, the Interest Account, the Term Bonds Redemption Account, the Reserve Account (to the extent such income and the other amounts in such Account do not exceed the Reserve Account Requirement), the Renewal and Replacement Fund (to the extent such income and the other amounts in such Fund do not exceed the Renewal and Replacement Fund Requirement), the System Development Fees Fund and in each separate account of the Construction Fund shall be retained in such respective Fund or Account.

Nothing in this Resolution shall prevent any Authorized Investments acquired as investments of or security for funds held under this Resolution from being issued or held in book-entry form on the books of the Department of the Treasury of the United States.

SECTION 4.08. SEPARATE ACCOUNTS. The moneys required to be accounted for in each of the foregoing funds and accounts established herein may be deposited in a single bank account, and funds allocated to the various funds and accounts established herein may be invested in a common investment pool, provided that adequate accounting records are maintained to reflect and control the restricted allocation of the moneys on deposit therein and such investments for the various purposes of such funds and accounts as herein provided.

The designation and establishment of the various funds and accounts in and by this Resolution shall not be construed to require the establishment of any completely independent, self-balancing funds as such term is commonly defined and used in governmental accounting, but rather is intended solely to constitute an earmarking of certain revenues for certain purposes and to establish certain priorities for application of such revenues as herein provided.

ARTICLE V
COVENANTS

SECTION 5.01. GENERAL. The Issuer hereby makes the following covenants, in addition to all other covenants in this Resolution, with each and every successive Holder of any of the Bonds so long as any of said Bonds remain Outstanding.

SECTION 5.02. OPERATION AND MAINTENANCE. The Issuer will maintain or cause to be maintained the System and all portions thereof in good condition and will operate or cause to be operated the same in an efficient and economical manner, making or causing to be made such expenditures for equipment and for renewals, repairs and replacements as may be proper for the economical operation and maintenance thereof.

SECTION 5.03. ANNUAL BUDGET. The Issuer shall annually prepare and adopt, prior to the beginning of each Fiscal Year, an Annual Budget in accordance with applicable law. No expenditure for the operation and maintenance of the System shall be made in any Fiscal Year in excess of the amount provided therefor in the Annual Budget, (A) without a written finding and recommendation by an Authorized Issuer Officer, which finding and recommendation shall state in detail the purpose of and necessity for such increased expenditures, and (B) until the Governing Body shall have approved such finding and recommendation. No such increased expenditures which are cumulatively in excess of twenty percent (20%) of the amounts provided therefor in the Annual Budget shall in any event be made except upon the further certification of the Consulting Engineers that such increased expenditures are reasonable and necessary to the continued operation of the System.

If for any reason the Issuer shall not have adopted the Annual Budget before the first day of any Fiscal Year, other than the first Fiscal Year, the preliminary budget for such year, if it be approved by the Consulting Engineers, or otherwise the Annual Budget for the preceding Fiscal Year, shall be deemed to be in effect for such Fiscal Year until the Annual Budget for such Fiscal Year is adopted.

The Issuer shall mail copies of such Annual Budgets and amended Annual Budgets and all resolutions authorizing increased expenditures for operation and maintenance to any Holder or Holders of Bonds who shall file his address with the Clerk and request in writing that copies of all such Annual Budgets and resolutions be furnished to him and shall make available all such Annual Budgets and resolutions authorizing increased expenditures for operation and maintenance of the System at all reasonable times to any Holder or Holders of Bonds or to anyone acting for and on behalf of such Holder or Holders.

SECTION 5.04. RATES. Commencing with the Fiscal Year beginning on October 1, 1985, the Issuer shall fix, establish and maintain such rates and collect such fees, rates or other charges for the products, services and facilities of its System, and revise the same from time to time, whenever necessary, as will always provide in each Fiscal Year, (A) Net Revenues, System Development Fees and Special Assessment Proceeds adequate at all times to pay in each Fiscal Year at least one hundred twenty-five percent (125%) of the Annual Debt Service on all Outstanding Bonds becoming due in such Fiscal Year and (B) Net Revenues in each Fiscal Year adequate to pay at least one hundred percent (100%) of the Annual Debt Service on all Outstanding Bonds and any required deposits to the Reserve Account becoming due in such Fiscal Year. Such rates, fees or other charges shall not be so reduced so as to be insufficient to provide adequate Net Revenues, System Development Fees and Special Assessment Proceeds for the purposes provided therefor by this Resolution.

SECTION 5.05. BOOKS AND RECORDS. The Issuer shall keep books, records and accounts of the revenues and operations of the System, which shall be kept separate and apart from all other books, records and accounts of the Issuer, and the Holders of not less than five percent (5%) in aggregate principal amount of the Bonds Outstanding or the duly authorized representatives thereof and any Insurer of Bonds Outstanding shall have the right at all reasonable times to inspect all books, records and accounts of the Issuer relating thereto.

SECTION 5.06. ANNUAL AUDIT. The Issuer shall, immediately after the close of each Fiscal Year, cause the books, records and accounts relating to the System to be properly audited by a recognized independent firm of certified public accountants, and shall require such accountants to complete their report of such Annual Audit in accordance with applicable law. Such Annual Audits shall additionally provide a schedule of the number and classification of users and services of the System and rates associated with such services, a statement of insurance coverage, any other statements as required by law or accounting convention, a schedule of cash receipts and disbursements for restricted funds and accounts, and a certificate by such accountants disclosing any material default on the part of the Issuer of any covenant or agreement herein. Each Annual Audit shall be in conformity with generally accepted accounting principles. A copy of each Annual Audit shall regularly be furnished to any Insurer and to any Holder of a Bond who shall have furnished his address to the Clerk and requested in writing that the same be furnished to him.

SECTION 5.07. NO MORTGAGE OR SALE OF THE SYSTEM. The Issuer irrevocably covenants, binds and obligates itself not to sell, lease, encumber or in any manner dispose of the System as a whole or any substantial part thereof (except as provided below) until all of the Bonds and all interest thereon shall have been paid in full or provision for payment has been made in accordance with Section 9.0l hereof.

The foregoing provision notwithstanding, the Issuer shall have and hereby reserves the right to sell, lease or otherwise dispose of any of the property comprising a part of the System in the following manner, if any one of the following conditions exist: (A) such property is not necessary for the operation of the System, (B) such property is not useful in the operation of the System, (C) such property is not profitable in the operation of the System, or (D) in the case of a lease of such property, will be advantageous to the System and will not adversely affect the security for the Bondholders.

Prior to any such sale, lease or other disposition of said property: (1) if the amount to be received therefor is not in excess of one-fourth (1/4) of one percent (1%) of the value of the gross plant of the System at original cost, the Utilities Administrator or other Authorized Issuer Officer shall make a finding in writing determining that one or more of the conditions for sale, lease or disposition of property provided for in the second paragraph of this Section 5.07 have been met; or (2) if the amount to be received from such sale, lease or other disposition of said property shall be in excess of one-fourth (1/4) of one percent (1%) of the value of the gross plant of the System at original cost, the Utilities Administrator or other Authorized Issuer Officer and the Consulting Engineers shall each first make a finding in writing determining that one or more of the conditions for sale, lease or other disposition of property provided for in the second paragraph of this Section 5.07 have been met, and the Issuer shall, by resolution, duly adopt, approve and concur in the finding of the Utilities Administrator or other Authorized Issuer Officer and the Consulting Engineers.

The proceeds from such sale, lease or other disposition shall be deposited, first, into the Renewal and Replacement Fund to the extent necessary to make the amount therein equal to the Renewal and Replacement Fund Requirement, and, second, into the Surplus Fund.

The transfer of the System as a whole from the control of the Governing Body to some other board or authority which may hereafter be created for such purpose and which constitutes a governmental entity, obligations issued by which are exempt from Federal income taxation under Section 103(a) of the Code, shall not be deemed prohibited by this Section 5.07 and such successor board or authority shall fall within the definition of "Issuer" in Section 1.01 hereof.

Notwithstanding the foregoing provisions of this Section 5.07, the Issuer shall have the authority to sell for fair and reasonable consideration any land comprising a part of the System which is no longer necessary or useful in the operation of the System and the proceeds derived from the sale of such land shall be disposed of in accordance with the provisions of the fourth paragraph of this Section 5.07.

The Issuer may make contracts or grant licenses for the operation of, or grant easements or other rights with respect to, any part of the System if such contract, license,

easement or right does not, in the opinion of the Consulting Engineers, as evidenced by a certificate to that effect filed with the Issuer, impede or restrict the operation by the Issuer of the System, but any payments to the Issuer under or in connection with any such contract, license, easement or right in respect of the System or any part thereof shall constitute Gross Revenues.

SECTION 5.08. INSURANCE. The Issuer will carry such insurance as is ordinarily carried by private or public corporations owning and operating utilities similar to the System with a reputable insurance carrier or carriers, including public and product liability insurance in such amounts as the Issuer shall determine to be sufficient and such other insurance against loss or damage by fire, explosion (including underground explosion), hurricane, tornado or other hazards and risks, and said property loss or damage insurance shall at all times be in an amount or amounts equal to the fair appraisal value of the buildings, properties, furniture, fixtures and equipment of the System, or such other amount or amounts as the Consulting Engineers shall approve as sufficient.

The Issuer may establish certain minimum levels of insurance for which the Issuer may self-insure. Such minimum levels of insurance shall be in amounts as recommended in writing by an insurance consultant who has a favorable reputation and experience and is qualified to survey risks and to recommend insurance coverage for Persons engaged in operations similar to the System.

The proceeds of any such insurance (except for proceeds of any use and occupancy insurance) shall be held in the Construction Fund and applied in accordance with the requisition procedure provided in Section 4.03 hereof to the necessary costs involved in such repair and replacement and, to the extent not so applied, shall (together with proceeds of any such use and occupancy insurance) be deposited into the Revenue Fund as Gross Revenues.

SECTION 5.09. NO FREE SERVICE. The Issuer will not render, or cause to be rendered, any free services of any nature by its System or any part thereof, nor will any preferential rates be established for users of the same class, and in the event the Issuer or the County, or any department, agency, instrumentality, officer or employee thereof, shall avail itself of the System or services provided by said System or any part thereof, the same rates, fees or charges applicable to other customers receiving like services under similar circumstances shall be charged the Issuer, the County and any such department, agency, instrumentality, officer or employee. The revenues so received shall be deemed to be Gross Revenues derived from the operation of the System, and shall be deposited and accounted for in the same manner as other Gross Revenues.

SECTION 5.10. NO IMPAIRMENT OF RIGHTS. The Issuer will not enter into any contract or contracts, nor take any action, the results of which might impair the rights of the Holders of the Bonds and will not permit the operation of any competing water or sewer service facilities in the District; provided, however, the Issuer reserves the

right to permit the ownership and operation of water or sewer service facilities or both by itself or by others in any territory which is not in any service area now or hereafter served by the System.

SECTION 5.11. COMPULSORY WATER AND SEWER CONNECTIONS. In order better to secure the prompt payment of principal and interest on the Bonds, as well as for the purpose of protecting the health and welfare of the inhabitants of the District, and acting under authority of the general laws of Florida, the Issuer will require (A) every owner of each lot in the Issuer which abuts upon any street or public way containing a sewer line forming a part of the sewer facilities of the System and upon which lot a building shall subsequently be constructed for residential, commercial or industrial use, to connect such building to such sewer facilities and to cease to use any other method for the disposal of sewage waste or other polluting matter, and (B) every owner of each lot in the Issuer which abuts upon any street or public way containing a water line forming a part of the water facilities of the System and upon which lot a building shall subsequently be constructed for residential, commercial or industrial use, to connect such building to such water facilities.

SECTION 5.12. ENFORCEMENT OF CHARGES. The Issuer shall compel the prompt payment of rates, fees and charges imposed for service rendered on every lot or parcel connected with the System, and to that end will vigorously enforce all of the provisions of any ordinance or resolution of the Issuer having to do with sewer and water connections and charges, and all of the rights and remedies permitted the Issuer under law, including the requirement for the making of a reasonable deposit by each user, the requirement for disconnection of all premises delinquent in the payment, and the securing of injunction against the disposition of sewage or industrial waste into the sewer facilities of the System by any premises delinquent in the payment of such charges.

SECTION 5.13. UNIT WATER AND SEWER BILLS. In every instance in which a building or structure on a lot is connected to the sewer facilities of the System, which building or structure is also connected to the water facilities of the System and receives water therefrom, the Issuer shall submit to the owner or occupant of such lot a single bill for both water and sewer service and shall refuse to accept payment for either the water charge alone or sewer charge alone without payment of the other.

SECTION 5.14. COLLECTION OF SPECIAL ASSESSMENTS. The Issuer shall proceed diligently to perform legally and effectively all steps required in the imposition and collection of the Special Assessments. The Issuer shall diligently proceed to collect such Special Assessments and shall exercise all legally available remedies now or hereafter available under State law, including foreclosure, to enforce such collections.

SECTION 5.15. RE-ASSESSMENTS. If any Special Assessment shall be either in whole or in part annulled, vacated or set aside by the judgment of any court, or if the Governing Body shall be satisfied that any such Special Assessment is so irregular or

defective that the same cannot be enforced or collected, or if the Governing Body shall have omitted to make such Special Assessment when it might have done so, the Governing Body shall take all necessary steps to cause a new Special Assessment to be made for the whole or any part of said improvement or against any property benefited by said improvement, and in case such second Special Assessment shall be annulled, said Governing Body shall obtain and make other Special Assessments until a valid Special Assessment shall be made.

SECTION 5.16. COLLECTION OF SYSTEM DEVELOPMENT FEES. The Issuer shall proceed diligently to perform legally and effectively all steps required in the imposition and collection of the System Development Fees. Upon the due date of any such System Development Fees, the Issuer shall diligently proceed to collect the same and shall exercise all legally available remedies to enforce such collections now or hereafter available under State law.

SECTION 5.17. CONSULTING ENGINEERS. The Issuer shall at all times employ Consulting Engineers, whose duties shall be to make any certificates and perform any other acts required or permitted of the Consulting Engineers under this Resolution, and also to review the construction and operation of the System, to make an inspection of the System at least once a year, and, not more than sixty (60) or less than forty-five (45) days before the end of each Fiscal Year, to submit to the Issuer a report with recommendations as to the proper maintenance, repair and operation of the System during the ensuing Fiscal Year, including recommendations for expansion and additions to the System to meet anticipated service demands, and an estimate of the amount of money necessary for such purposes. Copies of such reports, recommendations and estimates made as hereinabove provided shall be filed with the Issuer for inspection by Bondholders, if such inspection is requested.

SECTION 5.18. ARBITRAGE. The Issuer at all times will comply with the requirements of Section 103(c) of the Code and any applicable rules and regulations promulgated thereunder. The Issuer agrees to take no action which may render the interest on any of the Bonds subject to Federal income taxation.

SECTION 5.19. COVENANTS WITH CREDIT BANKS AND INSURERS. The Issuer may make such covenants as it may in its sole discretion determine to be appropriate with any Insurer, Credit Bank or other financial institution that shall agree to insure or to provide for Bonds of any one or more Series credit or liquidity support that shall enhance the security or the value of such Bonds. Such covenants may be set forth in the applicable Supplemental Resolution and shall be binding on the Issuer, the Registrar, the Paying Agent and all the Holders of Bonds the same as if such covenants were set forth in full in this Resolution.

SECTION 5.20. FEDERAL INCOME TAX COVENANTS; TAXABLE BONDS. (A) The Issuer covenants with the Holders of each Series of Bonds (other than

Taxable Bonds), that it shall not use the proceeds of such Series of Bonds in any manner which would cause the interest on such Series of Bonds to be or become subject to federal income taxation.

(B) The Issuer covenants with the Holders of each Series of Bonds (other than Taxable Bonds) that neither the Issuer nor any Person under its control or direction will make any use of the proceeds of such Series of Bonds (or amounts deemed to be proceeds under the 1986 Code) in any manner which would cause such Series of Bonds to be "arbitrage bonds" within the meaning of the 1986 Code and neither the Issuer nor any other Person shall do any act or fail to do any act which would cause the interest on such Series of Bonds to become subject to federal income taxation.

(C) The Issuer hereby covenants with the Holders of each Series of Bonds (other than Taxable Bonds) that it will comply with all provisions of the 1986 Code necessary to maintain the exclusion of interest on the Bonds from gross income for purposes of federal income taxation, including, in particular, the payment of any amount required to be rebated to the U.S. Treasury pursuant to the 1986 Code.

(D) The Issuer may, if it so elects, issue one or more Series of Taxable Bonds the interest on which is (or may be) includible in the gross income of the Holder thereof for federal income taxation purposes, so long as each Bond of such Series states in the body thereof that interest payable thereon is (or may be) subject to federal income taxation and provided that the issuance thereof will not cause the interest on any other Bonds theretofore issued hereunder to be or become subject to federal income taxation. The covenants set forth in paragraphs (A), (B) and (C) above shall not apply to any Taxable Bonds.

SECTION 5.21. REBATE FUND. The Issuer covenants and agrees to establish with a bank or trust company in the State, which is eligible under the laws of the State to receive county funds, a fund to be known as the "Water and Sewer System Rebate Fund" (the "Rebate Fund"). Amounts on deposit in the Rebate Fund shall be held in trust by the Issuer and used solely to make required rebates to the United States (except to the extent that same may be transferred to the Issuer) and the Bondholders shall have no right to have the same applied for debt service on the Bonds. For any Series of Bonds for which the rebate requirements of Section 148(f) of the 1986 Code are applicable, the Issuer agrees to undertake all actions required of it in its arbitrage certificate related to such Series of Bonds, including, but not limited to:

(A) making a determination in accordance with the 1986 Code of the amount required to be deposited in the Rebate Fund;

(B) depositing the amount determined in clause (A) above into the Rebate Fund;

(C) paying on the dates and in the manner required by the 1986 Code to the United States Treasury from the Rebate Fund and any other legally available moneys of the Issuer such amounts as shall be required by the 1986 Code to be rebated to the United States Treasury; and

(D) keeping such records of the determination made pursuant to this Section as shall be required by the 1986 Code, as well as evidence of the fair market value of any investments purchased with the proceeds of the Bonds.

The provisions of the above-described arbitrage certificate may be amended from time to time as shall be necessary, in the opinion of nationally recognized bond counsel, to comply with the provisions of the 1986 Code.

ARTICLE VI
SUBORDINATED INDEBTEDNESS AND ADDITIONAL BONDS

SECTION 6.01. SUBORDINATED INDEBTEDNESS. The Issuer will not issue any other obligations, except under the conditions and in the manner provided herein, payable from the Pledged Funds or the Gross Revenues or voluntarily create or cause to be created any debt, lien, pledge, assignment, encumbrance or other charge having priority to or being on a parity with the lien thereon in favor of the Bonds and the interest thereon. The Issuer may at any time or from time to time issue evidences of indebtedness payable in whole or in part out of Pledged Funds and which may be secured by a pledge of Pledged Funds; provided, however, that such pledge shall be, and shall be expressed to be, subordinated in all respects to the pledge of the Pledged Funds created by this Resolution. The Issuer agrees to pay promptly any Subordinated Indebtedness as the same shall become due.

SECTION 6.02. ISSUANCE OF ADDITIONAL BONDS. No Additional Bonds, payable pari passu with the Bonds then Outstanding pursuant to this Resolution, shall be issued except upon the conditions and in the manner herein provided. The Issuer may issue one or more Series of Additional Bonds for any one or more of the following purposes: (A) financing the Cost of completion of the Initial Project, (B) financing the Cost of an Additional Project, or the completion thereof, or (C) refunding any or all Outstanding Bonds or of any Subordinated Indebtedness of the Issuer.

No such Additional Bonds shall be issued unless the following conditions are complied with:

(1) Except in the case of Additional Bonds issued for the purpose of refunding Outstanding Bonds, the Issuer shall certify that it is current in all deposits into the various funds and accounts established hereby and all payments theretofore required to have been deposited or made by it under the provisions of this Resolution and have complied with the covenants and agreements of this Resolution.

(2) An independent certified public accountant shall certify to the Issuer that the amount of the Net Revenues received during the immediate preceding Fiscal Year or any twelve (12) consecutive months selected by the Issuer of the twenty-four (24) months immediately preceding the issuance of said Additional Bonds, adjusted as hereinafter provided, will (a) be equal to at least one hundred percent (100%) of the Maximum Annual Debt Service of the Outstanding Bonds and the Additional Bonds then proposed to be issued, and (b) when added to the System Development Fees and Special Assessment Proceeds, adjusted as hereinafter provided, received by the Issuer during such 12-month period, be equal to at least one hundred twenty-five percent (125%) of the

Maximum Annual Debt Service of the Outstanding Bonds and the Additional Bonds then proposed to be issued.

For the purpose of determining the Maximum Annual Debt Service under this Section 6.02, the interest rate on pari passu additional Variable Rate Bonds then proposed to be issued shall be deemed to be the Maximum Interest Rate applicable thereto.

For the purpose of this Section 6.02, the phrase "immediately preceding Fiscal Year or the twelve (12) consecutive months of the twenty-four (24) months immediately preceding the issuance of said Additional Bonds" shall be sometimes referred to as "twelve (12) consecutive months."

The Net Revenues, the System Development Fees and the Special Assessment Proceeds calculated pursuant to the foregoing paragraph (2) of this Section 6.02 may be adjusted by the independent certified public accountant upon the written advice of the Consulting Engineers, at the option of the Issuer, as follows:

(A) If the Issuer, prior to the issuance of the proposed Additional Bonds, shall have increased the rates, fees or other charges for the product, services or facilities of the System, the Net Revenues and the System Development Fees for the twelve (12) consecutive months immediately preceding the issuance of said Additional Bonds shall be adjusted to show the Net Revenues and the System Development Fees which would have been derived from the System in such twelve (12) consecutive months as if such increased rates, fees or other charges for the product, services or facilities of the System had been in effect during all of such twelve (12) consecutive months.

(B) If the Issuer shall have acquired or has contracted to acquire any privately or publicly owned existing water and/or sewer system, the cost of which shall be paid from all or part of the proceeds of the issuance of the proposed Additional Bonds, then the Net Revenues derived from the System during the twelve (12) consecutive months immediately preceding the issuance of said Additional Bonds shall be increased by adding to the Net Revenues for said twelve (12) consecutive months the Net Revenues which would have been derived from said existing water and/or sewer system as if such existing water and/or sewer system had been a part of the System during such twelve (12) consecutive months. For the purposes of this paragraph, the Net Revenues derived from said existing water and/or sewer system during such twelve (12) consecutive months shall be adjusted to determine such Net Revenues by deducting the cost of operation and maintenance of said existing water and/or sewer system from the gross revenues of said system.

(C) If the Issuer, in connection with the issuance of Additional Bonds, shall enter into a contract (with a duration not less than the final maturity of such Additional Bonds) with any public or private entity whereby the Issuer agrees to furnish services in connection with any water and/or sewer system, then the Net Revenues of the System

during the twelve (12) consecutive months immediately preceding the issuance of said Additional Bonds shall be increased by the least amount which said public or private entity shall guarantee to pay in any one year for the furnishing of said services by the Issuer, after deducting therefrom the proportion of operating expenses and repair, renewal and replacement cost attributable in such year to such services.

(D) If the Issuer covenants to levy Special Assessments against property to be benefited by the improvements, the cost of which shall be paid from the proceeds of the proposed Additional Bonds, then the Special Assessment Proceeds derived from the System during the twelve (12) consecutive months shall be increased by an amount equal to fifty percent (50%) of the least amount which the Consulting Engineers estimate will be received in any one year from the levy of said Special Assessments, said amount to be the total received from the installment payments on the Special Assessments plus the interest paid on the unpaid portion of the Special Assessments. The estimate of the Consulting Engineers shall be based upon the preliminary assessment roll filed with the Issuer prior to the construction of such improvements.

(E) In the event the Issuer shall be constructing or acquiring additions, extensions or improvements to the System from the proceeds of such Additional Bonds and shall have established fees, rates or charges to be charged and collected from users of such facilities when service is rendered, such Net Revenues and System Development Fees may be adjusted by adding thereto the Net Revenues and System Development Fees estimated by the Consulting Engineers to be derived during the first twelve (12) months of operation after completion of the construction or acquisition of said additions, extensions and improvements from the "proposed users" of the facilities to be financed by Additional Bonds together with other funds on hand or lawfully obtained for such purpose. Proposed users shall be those users who are located in the service area of such facilities at the time such adjustment is made by the Consulting Engineers and who shall be required to utilize the services of such facilities subsequent to the acquisition or construction thereof.

Additional Bonds shall be deemed to have been issued pursuant to this Resolution the same as the Outstanding Bonds, and all of the other covenants and other provisions of this Resolution (except as to details of such Additional Bonds inconsistent therewith) shall be for the equal benefit, protection and security of the Holders of all Bonds issued pursuant to this Resolution. All Bonds, regardless of the time or times of their issuance, shall rank equally with respect to their lien on the Pledged Funds and their sources and security for payment therefrom without preference of any Bonds over any other.

In the event any Additional Bonds are issued for the purpose of refunding any Bonds then Outstanding, the conditions of paragraph (2) of this Section 6.02 shall not apply, provided that the issuance of such Additional Bonds shall not result in an increase in the aggregate amount of principal of and interest on the Outstanding Bonds becoming

due in the current Bond Year and all subsequent Bond Years. The conditions of paragraph (2) of this Section 6.02 shall apply to Additional Bonds issued to refund Subordinated Indebtedness.

In the event that the total amount of Series 1985 Bonds herein authorized to be issued are not issued simultaneously, such Series 1985 Bonds which are subsequently issued shall be subject to the conditions of paragraph (2) of this Section 6.02.

If at any time the Issuer shall enter into an agreement or contract for an ownership interest in any public or privately owned water and/or sewer system or for the reservation of capacity therein whereby the Issuer has agreed as part of the cost thereof to pay part of the debt service on the obligations of such public or privately owned water and/or sewer system issued in connection therewith, such payments to be made by the Issuer shall be junior, inferior and subordinate in all respects to the Bonds issued hereunder, unless such obligations (when treated as Additional Bonds) shall meet the conditions of paragraph (2) of this Section 6.02, in which case such obligations shall rank on parity as to lien on the Pledged Funds with the Bonds.

SECTION 6.03. BOND ANTICIPATION NOTES. The Issuer may issue notes in anticipation of the issuance of Bonds which shall have such terms and details and be secured in such manner, not inconsistent with this Resolution, as shall be provided by Supplemental Resolution of the Issuer.

ARTICLE VII
DEFAULTS AND REMEDIES

SECTION 7.01. EVENTS OF DEFAULT. The following events shall each constitute an "Event of Default":

(A) Default shall be made in the payment of the principal of Sinking Fund Installment, redemption premium or interest on any Bond or Subordinated Indebtedness when due.

(B) There shall occur the dissolution or liquidation of the Issuer, or the filing by the Issuer of a voluntary petition in bankruptcy, or the commission by the Issuer of any act of bankruptcy, or adjudication of the Issuer as a bankrupt, or assignment by the Issuer for the benefit of its creditors, or appointment of a receiver for the Issuer, or the entry by the Issuer into an agreement of composition with its creditors, or the approval by a court of competent jurisdiction of a petition applicable to the Issuer in any proceeding for its reorganization instituted under the provisions of the Federal Bankruptcy Act, as amended, or under any similar act in any jurisdiction which may now be in effect or hereafter enacted.

(C) The Issuer shall default in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the Bonds or in this Resolution on the part of the Issuer to be performed, and such default shall continue for a period of thirty (30) days after written notice of such default shall have been received from the Holders of not less than twenty-five percent (25%) of the aggregate principal amount of Bonds Outstanding or the Insurer of such amount of Bonds.

SECTION 7.02. REMEDIES. Any Holder of Bonds issued under the provisions of this Resolution or any trustee or receiver acting for such Bondholders may either at law or in equity, by suit, action, mandamus or other proceedings in any court of competent jurisdiction, protect and enforce any and all rights under the Laws of the State of Florida, or granted and contained in this Resolution, and may enforce and compel the performance of all duties required by this Resolution or by any applicable statutes to be performed by the Issuer or by any officer thereof.

The Holder or Holders of Bonds in an aggregate principal amount of not less than twenty-five per centum (25%) of the Bonds then Outstanding may by a duly executed certificate in writing appoint a trustee for Holders of Bonds issued pursuant to this Resolution with authority to represent such Bondholders in any legal proceedings for the enforcement and protection of the rights of such Bondholders in any legal proceedings for the enforcement and protection of the rights of such Bondholders and such certificate shall be executed by such Bondholders or their duly authorized attorneys or representatives, and shall be filed in the office of the Clerk.

SECTION 7.03. REMEDIES CUMULATIVE. No remedy herein conferred upon or reserved to the Bondholders is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative, and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute.

SECTION 7.04. WAIVER OF DEFAULT. No delay or omission of any Bondholder to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default, or an acquiescence therein; and every power and remedy given by Section 7.02 to the Bondholders may be exercised from time to time, and as often as may be deemed expedient.

SECTION 7.05. APPLICATION OF MONEYS AFTER DEFAULT. If an Event of Default shall happen and shall not have been remedied, the Issuer or a trustee or receiver appointed for the purpose shall apply all Pledged Funds as follows and in the following order:

A. To the payment of the reasonable and proper charges, expenses and liabilities of the trustee or receiver and Registrar hereunder;

B. To the payment of the amounts required for reasonable and necessary Operating Expenses, and for the reasonable renewals, repairs and replacements of the System necessary to prevent loss of Gross Revenues, as certified by the Consulting Engineer;

C. To the payment of the interest and principal or Redemption Price, if applicable, then due on the Bonds, as follows:

(1) Unless the principal of all the Bonds shall have become due and payable, all such moneys shall be applied:

FIRST: to the payment to the Persons entitled thereto of all installments of interest then due, in the order of the maturity of such installments, and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the Persons entitled thereto, without any discrimination or preference;

SECOND: to the payment to the Persons entitled thereto of the unpaid principal of any of the Bonds which shall have become due at maturity or upon mandatory redemption prior to maturity (other than Bonds called for redemption for the payment of which moneys are held pursuant to the provisions of Section 9.01 of this Resolution), in the order of their

due dates, with interest upon such Bonds from the respective dates upon which they became due, and, if the amount available shall not be sufficient to pay in full Bonds due on any particular date, together with such interest, then to the payment first of such interest, ratably according to the amount of such interest due on such date, and then to the payment of such principal, ratably according to the amount of such principal due on such date, to the Persons entitled thereto without any discrimination or preference; and

THIRD: to the payment of the Redemption Price of any Bonds called for optional redemption pursuant to the provisions of this Resolution.

(2) If the principal of all the Bonds shall have become due and payable, all such moneys shall be applied to the payment of the principal and interest then due and unpaid upon the Bonds, with interest thereon as aforesaid, without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal and interest, to the Persons entitled thereto without any discrimination or preference.

SECTION 7.06. INSURER. The Issuer shall provide each Insurer notice of any Event of Default within 30 days of knowledge of such occurrence. The Issuer shall also provide each Insurer with written notice of the resignation or removal of the Paying Agent and the appointment of a successor thereto. The term "Insurer" as used herein shall be deemed to include AMBAC Indemnity Corporation with respect to the Issuer's Series 1985 Bonds and Financial Guaranty Insurance Company with respect to the Issuer's Water and Sewer Revenue Project Bond, Series 1987. Such Insurers may exercise all rights and privileges granted thereto pursuant to this Resolution. The Issuer agrees to provide each of the aforementioned Insurers access to its books and records pursuant tot Section 5.05 hereof and to supply each such Insurer with its Annual Audit pursuant to Section 5.06 hereof.

ARTICLE VIII
SUPPLEMENTAL RESOLUTIONS

SECTION 8.01. SUPPLEMENTAL RESOLUTION WITHOUT BONDHOLDERS' CONSENT. The Issuer, from time to time and at any time, may adopt such Supplemental Resolutions without the consent of the Bondholders (which Supplemental Resolution shall thereafter form a part hereof) for any of the following purposes:

(A) To cure any ambiguity or formal defect or omission or to correct any inconsistent provisions in this Resolution or to clarify any matters or questions arising hereunder.

(B) To grant to or confer upon the Bondholders any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the Bondholders.

(C) To add to the conditions, limitations and restrictions on the issuance of Bonds under the provisions of this Resolution other conditions, limitations and restrictions thereafter to be observed.

(D) To add to the covenants and agreements of the Issuer in this Resolution other covenants and agreements thereafter to be observed by the Issuer or to surrender any right or power herein reserved to or conferred upon the Issuer.

(E) To specify and determine the matters and things referred to in Sections 2.01, 2.02 or 2.09 hereof, and also any other matters and things relative to such Bonds which are not contrary to or inconsistent with this Resolution as theretofore in effect, or to amend, modify or rescind any such authorization, specification or determination at any time prior to the first delivery of such Bonds.

(F) To authorize Additional Projects or to change or modify the description of any Project.

(G) To specify and determine matters necessary or desirable for the issuance of Variable Rate Bonds or Capital Appreciation Bonds.

SECTION 8.02. SUPPLEMENTAL RESOLUTION WITH BONDHOLDERS' AND INSURER'S CONSENT. Subject to the terms and provisions contained in this Section 8.02 and Section 8.01 hereof, the Holder or Holders of not less than a majority in aggregate principal amount of the Bonds then Outstanding shall have the right, from time to time, anything contained in this Resolution to the contrary notwithstanding, to consent to and approve the adoption of such Supplemental Resolution or Resolutions hereto as shall be deemed necessary or desirable by the Issuer for the

purpose of supplementing, modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in this Resolution; provided, however, that if such modification or amendment will, by its terms, not take effect so long as any Bonds of any specified Series or maturity remain Outstanding, the consent of the Holders of such Bonds shall not be required and such Bonds shall not be deemed to be Outstanding for the purpose of any calculation of Outstanding Bonds under this Section 8.02. Any Supplemental Resolution which is adopted in accordance with the provisions of this Section 8.02 shall also require the written consent of the Insurer of any Bonds which are Outstanding at the time such Supplemental Resolution shall take effect. No Supplemental Resolution may be approved or adopted which shall permit or require (A) an extension of the maturity of the principal of or the payment of the interest on any Bond issued hereunder, (B) reduction in the principal amount of any Bond or the Redemption Price or the rate of interest thereon, (C) the creation of a lien upon or a pledge of other than the lien and pledge created by this Resolution which adversely affects any Bondholders, (D) a preference or priority of any Bond or Bonds over any other Bond or Bonds, or (E) a reduction in the aggregate principal amount of the Bonds required for consent to such Supplemental Resolution. Nothing herein contained, however, shall be construed as making necessary the approval by Bondholders or the Insurer of the adoption of any Supplemental Resolution as authorized in Section 8.01 hereof.

If at any time the Issuer shall determine that it is necessary or desirable to adopt any Supplemental Resolution pursuant to this Section 8.02, the Clerk shall cause the Registrar to give notice of the proposed adoption of such Supplemental Resolution and the form of consent to such adoption to be mailed, postage prepaid, to all Bondholders at their addresses as they appear on the registration books and to all Insurers of Bonds Outstanding. Such notice shall briefly set forth the nature of the proposed Supplemental Resolution and shall state that copies thereof are on file at the offices of the Clerk and the Registrar for inspection by all Bondholders and Insurers. The Issuer shall not, however, be subject to any liability to any Bondholder or Insurer by reason of its failure to cause the notice required by this Section 8.02 to be mailed and any such failure shall not affect the validity of such Supplemental Resolution when consented to and approved as provided in this Section 8.02.

Whenever the Issuer shall deliver to the Clerk an instrument or instruments in writing purporting to be executed by the Holders of not less than a majority in aggregate principal amount of the Bonds then Outstanding and each Insurer of Bonds Outstanding, which instrument or instruments shall refer to the proposed Supplemental Resolution described in such notice and shall specifically consent to and approve the adoption thereof in substantially the form of the copy thereof referred to in such notice, thereupon, but not otherwise, the Issuer may adopt such Supplemental Resolution in substantially such form, without liability or responsibility to any Holder of any Bond, whether or not such Holder shall have consented thereto.

If the Holders of not less than a majority in aggregate principal amount of the Bonds Outstanding at the time of the adoption of such Supplemental Resolution shall have consented to and approved the adoption thereof as herein provided, no Holder of any Bond shall have any right to object to the adoption of such Supplemental Resolution, or to object to any of the terms and provisions contained therein or the operation thereof, or in any manner to question the propriety of the adoption thereof, or to enjoin or restrain the Issuer from adopting the same or from taking any action pursuant to the provisions thereof.

Upon the adoption of any Supplemental Resolution pursuant to the provisions of this Section 8.02, this Resolution shall be deemed to be modified and amended in accordance therewith, and the respective rights, duties and obligations under this Resolution of the Issuer and all Holders of Bonds then Outstanding shall thereafter be determined, exercised and enforced in all respects under the provisions of this Resolution as so modified and amended.

SECTION 8.03. CONSENT OF INSURER WHERE BONDHOLDER CONSENT REQUIRED. Each Insurer shall be deemed to be the Holder of the Bonds insured by such Insurer: (A) at all times for the purpose of any amendment, change or modification of the Resolution or the initiation by Bondholders of any action to be undertaken by a trustee at the Bondholder's request and (B) following an Event of Default for all other purposes.

ARTICLE IX
MISCELLANEOUS

SECTION 9.01. DEFEASANCE. If the Issuer shall pay or cause to be paid or there shall otherwise be paid to the Holders of all Bonds the principal or Redemption Price, if applicable, and interest due or to become due thereon, at the times and in the manner stipulated therein and in this Resolution, then the pledge of the Pledged Funds, and all covenants, agreements and other obligations of the Issuer to the Bondholders, shall thereupon cease, terminate and become void and be discharged and satisfied. In such event, the Paying Agents shall pay over or deliver to the Issuer all money or securities held by them pursuant to the Resolution which are not required for the payment or redemption of Bonds not theretofore surrendered for such payment or redemption.

Any Bonds or interest installments appertaining thereto, whether at or prior to the maturity or redemption date of such Bonds, shall be deemed to have been paid within the meaning of this Section 9.01 if (A) in case any such Bonds are to be redeemed prior to the maturity thereof, there shall have been taken all action necessary to call such Bonds for redemption and notice of such redemption shall have been duly given or provision shall have been made for the giving of such notice, and (B) there shall have been deposited in irrevocable trust with a banking institution or trust company by or on behalf of the Issuer either moneys in an amount which shall be sufficient, or Refunding Securities the principal of and the interest on which when due will provide moneys which, together with the moneys, if any, deposited with such bank or trust company at the same time shall be sufficient, to pay the principal of or Redemption Price, if applicable, and interest due and to become due on said Bonds on and prior to the redemption date or maturity date thereof, as the case may be. Except as hereafter provided, neither the Refunding Securities nor any moneys so deposited with such bank or trust company nor any moneys received by such bank or trust company on account of principal of or Redemption Price, if applicable, or interest on said Refunding Securities shall be withdrawn or used for any purpose other than, and all such moneys shall be held in trust for and be applied to, the payment, when due, of the principal of or Redemption Price, if applicable, of the Bonds for the payment or redemption of which they were deposited and the interest accruing thereon to the date of maturity or redemption.

For purposes of determining whether Variable Rate Bonds shall be deemed to have been paid prior to the maturity or the redemption date thereof, as the case may be, by the deposit of moneys, or specified Refunding Securities and moneys, if any, in accordance with this Section 9.01, the interest to come due on such Variable Rate Bonds on or prior to the maturity or redemption date thereof, as the case may be, shall be calculated at the Maximum Interest Rate; provided, however, that if on any date, as a result of such Variable Rate Bonds having borne interest at less than the Maximum Interest Rate for any period, the total amount of moneys and specified Refunding

Securities on deposit for the payment of interest on such Variable Rate Bonds is in excess of the total amount which would have been required to be deposited on such date in respect of such Variable Rate Bonds is in order to satisfy this Section 9.01, such excess shall be paid to the Issuer free and clear of any trust, lien, pledge or assignment securing the Bonds or otherwise existing under this Resolution.

In the event the Bonds for which moneys are to be deposited for the payment thereof in accordance with this Section 9.01 are not by their terms subject to redemption within the next succeeding sixty (60) days, the Issuer shall cause the Registrar to mail a notice to the Holders of such Bonds that the deposit required by this Section 9.01 of moneys or Refunding Securities has been made and said Bonds are deemed to be paid in accordance with the provisions of this Section 9.01 and stating such maturity or redemption date upon which moneys are to be available for the payment of the principal of or Redemption Price, if applicable, and interest on said Bonds.

Nothing herein shall be deemed to require the Issuer to call any of the Outstanding Bonds for redemption prior to maturity pursuant to any applicable optional redemption provisions, or to impair the discretion of the Issuer in determining whether to exercise any such option for early redemption.

In the event that the principal of or Redemption Price, if applicable, and interest due on the Bonds shall be paid by an Insurer or Insurers, the pledge of the Pledged Funds and all covenants, agreements and other obligations of the Issuer to the Bondholders shall continue to exist and such Insurer or Insurers shall be subrogated to the rights of such Bondholders.

For purposes of defeasing the Issuer's Water and Sewer Revenue Project Bond, Series 1987, in accordance with this Section 9.01, the term "Refunding Securities" shall be deemed to include only direct, noncallable obligations of the United States of America.

SECTION 9.02. CAPITAL APPRECIATION BONDS. For the purposes of (A) receiving payment of the Redemption Price if a Capital Appreciation Bond is redeemed prior to maturity, or (B) receiving payment of a Capital Appreciation Bond if the principal of all Bonds becomes due and payable under the provisions of this Resolution, or (C) computing the amount of Bonds held by the Holder of a Capital Appreciation Bond in giving to the Issuer or any trustee or receiver appointed to represent the Bondholders any notice, consent, request or demand pursuant to this Resolution for any purpose whatsoever, the principal amount of a Capital Appreciation Bond shall be deemed to be its Accreted Value.

SECTION 9.03. SALE OF BONDS. The Bonds shall be issued and sold at public or private sale at one time or in installments from time to time and at such price or

prices as shall be consistent with the provisions of the Act, the requirements of this Resolution and other applicable provisions of law.

SECTION 9.04. VALIDATION AUTHORIZED. Burt L. Saunders, Esquire, Counsel for the Issuer, is hereby authorized and directed to institute appropriate proceedings for the validation of the Series 1985 Bonds in the Circuit Court for Collier County, and the proper officers of the Issuer are hereby authorized to verify on behalf of the Issuer any pleadings in such proceedings.

SECTION 9.05. SEVERABILITY OF INVALID PROVISIONS. If any one or more of the covenants, agreements or provisions of this Resolution shall be held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements and provisions of this Resolution and shall in no way affect the validity of any of the other covenants, agreements or provisions hereof or of the Bonds issued hereunder.

SECTION 9.06. REPEAL OF INCONSISTENT RESOLUTIONS. All ordinances, resolutions or parts thereof in conflict herewith are hereby superseded and repealed to the extent of such conflict.

SECTION 9.07. EFFECTIVE DATE. This Resolution shall take effect immediately upon its adoption.

SECTION 4. FULL FORCE AND EFFECT. The remaining portions of the Original Resolution shall remain in full force and effect.

SECTION 5. SEVERABILITY OF INVALID PROVISIONS. If any one or more of the provisions herein contained shall be held contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such provisions shall be null and void and shall be deemed separately from the remaining provisions and shall in no way affect the validity of any other provisions hereof.

SECTION 6. REPEALING CLAUSE. All resolutions, ordinances or parts thereof in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

SECTION 7. EFFECTIVE DATE. This First Amended and Restated Resolution shall take effect immediately upon its adoption.

APPENDIX C

COLLIER COUNTY COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR FISCAL YEAR ENDED SEPTEMBER 30, 2018

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Collier County, Florida

Comprehensive Annual Financial Report



Year Ended

September 30, 2018

On the cover: Lake Avalon at Sugden Regional Park

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR FISCAL YEAR ENDED
SEPTEMBER 30, 2018

COLLIER COUNTY, FLORIDA

BOARD OF COUNTY COMMISSIONERS

ANDY SOLIS, ESQ., CHAIRMAN – DISTRICT 2
WILLIAM L. MCDANIEL, JR. VICE-CHAIRMAN – DISTRICT 5
DONNA FIALA – DISTRICT 1
BURT SAUNDERS, ESQ. – DISTRICT 3
PENNY TAYLOR – DISTRICT 4

COUNTY MANAGER
LEO E. OCHS, Jr.

COUNTY ATTORNEY
JEFFREY A. KLATZKOW

CLERK OF THE CIRCUIT COURT AND COMPTROLLER
CHIEF FINANCIAL OFFICER
CRYSTAL K. KINZEL

DIRECTOR OF FINANCE AND ACCOUNTING
DEREK M. JOHNSSEN, CPA

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

COLLIER COUNTY, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED SEPTEMBER 30, 2018
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COLLIER COUNTY, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED SEPTEMBER 30, 2018
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County of Collier
CLERK OF THE CIRCUIT COURT
COLLIER COUNTY COURTHOUSE
Crystal K. Kinzel - Clerk of Circuit Court

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

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

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

February 26, 2019

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

It is with extreme pleasure that we present to you, the citizens of Collier County and members of the Board of County Commissioners, the Comprehensive Annual Financial Report (CAFR) for the fiscal year ended September 30, 2018. Responsibility for the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the Board of County Commissioners and County management.

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

Chapter 218.39 of the Florida Statutes requires an independent certified public accountant's financial audit of counties in the State. For the fiscal year ended September 30, 2018 the independent auditor, CliftonLarsonAllen LLP, issued an unmodified opinion on the financial statements. Their report is included in the Financial Section of this report. In addition to meeting the requirements set forth in State statutes, the audit was also designed to meet the requirements of the *Government Auditing Standards*, the Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and the Rules of the Auditor General, Chapter 10.550 *Local Governmental Entity Audits*. Information relating to the Single Audits, including the schedule of expenditures of federal awards and state financial assistance and the independent auditors' report on compliance and internal control over compliance with requirements applicable to each major federal program and state project, are included in the Federal and State Single Audit Section of this report.

Phone- (239) 252-2646 Fax- (239) 252-2755
Website- www.collierclerk.com Email- collierclerk@collierclerk.com

Governmental accounting and auditing principles require that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and the two should be read in concert. Collier County's MD&A can be found in the Financial Section immediately following the independent auditors' report.

PROFILE OF THE GOVERNMENT

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

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

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

ECONOMIC CONDITION AND OUTLOOK

Collier County, the state's second largest county at 2,026 square miles, is on the southwest coast of Florida, directly west of Miami. With a 2018 population of 368,534 (a 10.7 percent increase over the last ten years), Collier County has been considered to be one of the fastest growing counties in the state over the last ten years. The resident population includes Unincorporated County (pop. 329,421) and three municipalities: the Cities of Naples (pop. 21,279), Marco Island (pop. 17,561) and Everglades (pop. 273). The County's economic base is concentrated in tourism, agriculture, fishing, construction, ranching and forestry with a growing services economy and an emerging technology sector. Gulf of Mexico beaches and the Everglades National Park are important attractions to this area.

Taxable property market valuation for fiscal year 2018 totaled $88.3 billion, or a very high $239,561 per capita. The County's millage for General Fund operations in fiscal year 2018 remained at only 36% of the statutory 10 mill limit, or $3.56 per thousand dollars of taxable value. Unemployment levels in recent years approximate, or are slightly below, the statewide average. The 2018 annual County unemployment rate stood at 3.3%, while the statewide average is 3.4%. Income levels are high, with a per capita personal income of $87,829.

LONG TERM FINANCIAL PLANNING

The County annually performs a three-year budget projection of primary ad valorem supported funds (General Fund and the Unincorporated Area Municipal Services Taxing District Fund) prior to developing annual budget policy. On an annual basis the County is required to prepare and present to the Board of County Commissioners an Annual Update and Inventory Report (AUIR) and adopt a five-year Capital Improvement Element (CIE). Both of these processes focus on the schedule of capital improvements for the County. The AUIR is an annual status report on public facilities and the CIE is a planning document that identifies public facilities that will be required during the next five or more years. The Capital Improvement Element is the foundation of Collier County's annual Capital Improvement Program (CIP). The total CIP projects planned for fiscal years 2019-2023 is $1.1 billion. Included in the County's current CIP for fiscal years 2019-2023 are approximately $354.3 million in water and wastewater projects, $300.4 million in transportation projects, $64.4 million in stormwater projects and $118.2 million in government facilities projects. In addition, parks and recreation projects of approximately $53.7 million are planned, as well as $61.9 million for tourist development funded projects, $33.9 million in solid waste projects, $50.7 million in public safety projects and miscellaneous projects totaling $15.3 million. Approximately $368.5 million of the fiscal year 2019 – 2023 Capital Improvement Program is currently planned to be funded by bond or loan proceeds. In addition, the County has developed a Master Mobility Plan (MMP) to address the transportation mobility needs of Collier County. The MMP is specifically focused on demand management and coordination to reduce the need for transportation infrastructure.

RELEVANT FINANCIAL POLICIES

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

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

Consistent with Collier County's Debt Management Policy, outstanding debt is continually monitored in relation to existing conditions in the debt market. When sufficient cost savings can be realized debt will be refinanced. During fiscal year 2018, Collier County partially refunded its Series 2010 Special Obligation Revenue Bonds. This refinancing achieved a net present value savings of over 5% and is described in more detail in Note 6 to the financial statements.

The Clerk of the Circuit Court's Finance and Accounting Department monitors the daily cash needs of the County and invests the County's funds in accordance with the Collier County Investment Policy. The primary objective of the investment policy is the preservation of capital and the protection of investment principal. Authorized investments include certificates of

deposit, the Local Government Funds Surplus Trust Fund (Florida PRIME), U.S. treasury securities, U.S. agency securities, commercial paper and bankers' acceptances. The par weighted average maturity of the total managed portfolio, to first call or maturity, was .85 years as of September 30, 2018. The total return for fiscal year 2018 was 1.07%, a reflection of overall market interest rate increases in fiscal year 2018. Changes in the fair value of investments are recorded as part of interest income in the financial statements.

AWARDS

GFOA Certificate of Achievement:

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Collier County, Florida for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended September 30, 2017. The Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for preparation of state and local government financial reports.

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

A Certificate of Achievement is valid for a period of one year only. Collier County has received this award for the past thirty-two years, from fiscal year 1986 to 2017. We believe our current report conforms to the Certificate of Achievement program requirements, and we are submitting it to the GFOA for consideration for an award again this year.

Distinguished Budget Presentation Awards:

The Government Finance Officers Association of the United States and Canada presented an award for Distinguished Presentation to Collier County for its annual budget for the fiscal year beginning October 1, 2017. In order to receive this award, a government unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device. The Distinguished Budget Presentation Award is valid for a period of one year only. Collier County has received this award for the last thirty-two consecutive years.

The Government Finance Officers Association of the United States and Canada presented an award for Distinguished Presentation to the Office of the Collier County Clerk of the Circuit Court and Comptroller for its annual budget for the fiscal year beginning October 1, 2017. In order to receive this award, a government unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device. The Distinguished Budget Presentation Award is valid for a period of one year only. The Clerk's Office has received this award for the last sixteen consecutive years.

ACKNOWLEDGEMENTS

The preparation and publication of this Comprehensive Annual Financial Report represents a significant effort by the Finance and Accounting Department as well as numerous County personnel who contribute to its production. In particular, we would like to express our appreciation to Edith Manuel, Finance Manager, Leslie Miller, Operations Manager, Raymond Milum, Jr., Accounting Manager and all of the staff of the Finance and Accounting Department.

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

We hope you find this report informative, accurate and easily readable. If you should have any questions related to this report or if additional information is desired, do not hesitate to contact Derek M. Johnssen, Director of Finance and Accounting, at (239) 252-7863.

Respectfully,



Crystal K. Kinzel
Clerk of the Circuit Court and Comptroller



Derek M. Johnssen, CPA
Deputy Clerk
Director of Finance and Accounting



Kelly Jones, CGFO
Deputy Clerk
Assistant Director of Finance and Accounting

Certificate of Achievement for Excellence in Financial Reporting

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Collier County, Florida for its comprehensive annual financial report for the fiscal year ended September 30, 2017. This was the thirty-second consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Collier County
Clerk of the Circuit Court
Florida

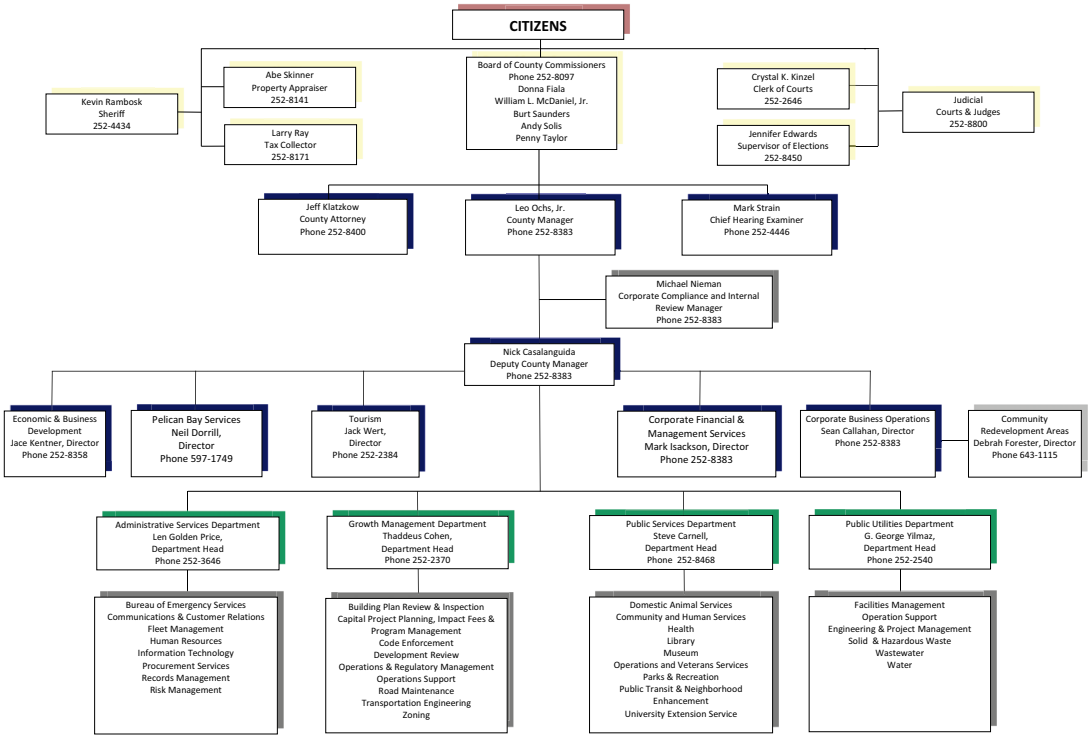
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2017

Christopher P. Morrill

Executive Director/CEO

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FINANCIAL SECTION

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INDEPENDENT AUDITORS' REPORT

Honorable Board of County Commissioners
Collier County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Collier County, Florida (County), as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the entity's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

A member of Nexia International

Honorable Board of County Commissioners
Collier County, Florida

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County as of September 30, 2018, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparison for the General Fund, the Bayshore Gateway Redevelopment Agency special revenue fund, and the Immokalee Redevelopment Agency special revenue fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis (MD&A) on pages 4 - 15, the schedules of the county's proportionate share of the net pension liability and of county contributions on pages 84 and 85, and the schedules of other postemployment benefits total OPEB liability and related ratios for the retiree health plans on page 86 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual nonmajor fund financial statements and other supplemental information, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and Chapter 10.550, *Local Governmental Entity Audits,* Rules of the Auditor General of the State of Florida, is also presented for purposes of additional analysis and is not a required part of the basic financial statements.

Other Matters (Continued)

Other Information (Continued)

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 15, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Naples, Florida
February 15, 2019

MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)

As Clerk of the Circuit Court and Comptroller of Collier County, Florida, I present the readers of the County's financial statements this narrative overview and analysis of the financial activities of Collier County for the fiscal year ended September 30, 2018. Readers are encouraged to consider the information presented in this narrative in conjunction with additional information offered in the letter of transmittal, found on pages i-v of this report.

Financial Highlights

- Collier County's assets and deferred outflows exceeded its liabilities and deferred inflows as of September 30, 2018 by $2,558,340,147. Of this amount, $113,870,089 represents unrestricted net position and may be used to meet future County obligations. Unrestricted net position decreased by $30,720,662 from the previous year.
- The County's total net position increased by $44,611,546 when compared to fiscal year 2017, with a $49,305,713 increase from governmental activities and a $4,694,167 decrease resulting from business-type activities.
- As of September 30, 2018, Collier County's governmental fund financial statements showed combined ending fund balances of $500,349,542, an increase of $40,707,208 over the previous fiscal year. Of the total combined ending governmental fund balance, $77,091,330 is reported as unassigned.
- The General Fund reported an unassigned fund balance of $77,341,766 at September 30, 2018, an increase in unassigned General Fund balance of $22,536,663 when compared to September 30, 2017.
- Total bonded debt, notes, outstanding loans and capital leases owed by Collier County increased by $10,705,394 during fiscal year 2018, with a decrease in governmental activities debt of $9,211,190 and an increase in the business-type activities debt of $19,916,584. In December of 2017, the County issued the Series 2017 Special Obligation Refunding Revenue Note to current refund the District's outstanding Special Obligation Revenue Bonds, Series 2010. In February 2018, the County Water and Sewer District issued the Series 2018 Collier County Water and Sewer Revenue Bond to acquire the Golden Gate Utility System. In April 2018, the County issued a $12,000,000 commercial paper loan to acquire land for the County's regional tournament caliber sports complex. Additional information on debt activity can be found in Note 6 to the financial statements beginning on page 55.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction and explanation of Collier County's basic financial statements. Collier County's basic financial statements include government-wide and fund financial statements, as well as notes to the basic financial statements.

Government-Wide Financial Statements

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

The Statement of Net Position shows the financial position of Collier County as of September 30, 2018. The statement shows the County's assets plus deferred outflows of resources less its liabilities plus deferred inflows of resources, with the difference being reported as net position. Changes in net position are useful indicators of financial condition.

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

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

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

Fund Financial Statements

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

Governmental funds

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

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

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

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

Proprietary funds

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

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

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

Fiduciary funds

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

Notes to the Financial Statements

The notes provide additional information essential to a full understanding of the data provided in both the government-wide and fund financial statements. The notes appear on pages 35 to 82 of this report.

Other Information

The combining and individual nonmajor fund financial statements and schedules mentioned above present more detailed views of nonmajor governmental and enterprise funds and begin on page 89. This section contains combining balance sheets and statements of revenues, expenditures and changes in fund balance for governmental funds, including budgetary comparisons, and combining statements of net position and statements of revenues, expenses and changes in fund net position for enterprise funds. Also included are combining financial statements for internal service and agency funds.

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

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. Assets and deferred outflows exceeded liabilities and deferred inflows by $2,558,340,147 as of the fiscal year ending September 30, 2018 for Collier County. Positive balances were reported in all categories of net position in the governmental and business-type activities for fiscal year 2018 with the exception of a negative unrestricted net position for governmental activities. The negative unrestricted net position for governmental activities is primarily a result of reporting the long-term net pension liability associated with the County and should not be considered, solely, as evidence of financial difficulties.

Collier County's net position at September 30, 2018 decreased by $30,720,662 for unrestricted net position and increased $24,485,648 for restricted net position. Restricted net position consists of resources subject to external restriction on how they may be used while unrestricted net position may be used to meet the County's ongoing obligations. Increases in restricted net position were mainly due to a 9.5% increase in restricted net position related to growth related capital expansion.

Collier County's investment in capital assets such as land, roads, buildings, parks and machinery and equipment, net of depreciation or any outstanding debt related to the asset, amounts to 80.1% of net position as of September 30, 2018, compared to 79.5% as of September 30, 2017. During fiscal year 2018, the County's net investment in capital assets increased by $50,846,560. Capital assets are used to provide services to the citizens and consequently do not represent spendable resources and cannot be used to liquidate the debt incurred to purchase or construct capital assets.

The following are Collier County's net position and changes in net position for the fiscal years ended September 30, 2017 and 2018, shown in condensed form:

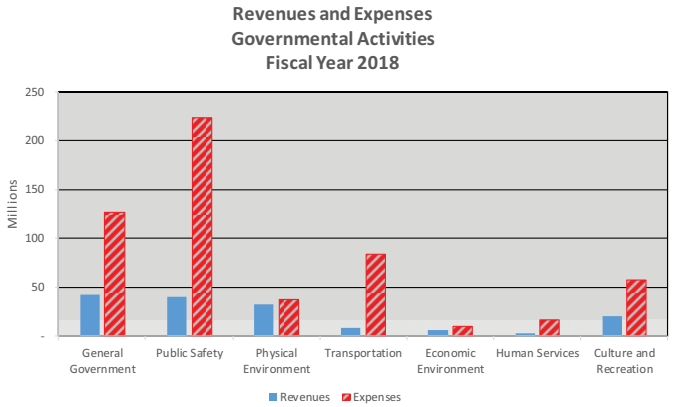
Collier County's Schedule of Net Position
(in millions)

	Governmental Activities		Business-type Activities		Total		Total Percentage Change
	2018	2017	2018	2017	2018	2017	2017-2018
Current and other assets	$ 626.8	$ 572.0	$ 233.4	$ 261.8	$ 860.2	$ 833.8	3.2%
Capital assets, net	1,589.0	1,574.6	955.9	912.5	2,544.9	2,487.1	2.3%
Total assets	2,215.8	2,146.6	1,189.3	1,174.3	3,405.1	3,320.9	2.5%
Deferred outflows of resources	123.4	121.6	26.3	26.3	149.7	147.9	1.2%
Long-term liabilities	591.3	591.5	230.8	210.7	822.1	802.2	2.5%
Current liabilities	102.5	92.5	41.6	44.5	144.1	137.0	5.2%
Total liabilities	693.8	684.0	272.4	255.2	966.2	939.2	2.9%
Deferred inflows of resources	25.5	13.6	4.8	2.3	30.3	15.9	89.3%
Net position:							
Net investment in capital assets	1,287.2	1,257.7	763.2	741.9	2,050.4	1,999.6	2.5%
Restricted	362.0	336.9	32.0	32.6	394.0	369.5	6.6%
Unrestricted (deficit)	(29.3)	(24.0)	143.2	168.6	113.9	144.6	(21.2%)
Total net position	$ 1,619.9	$ 1,570.6	$ 938.4	$ 943.1	$ 2,558.3	$ 2,513.7	1.8%

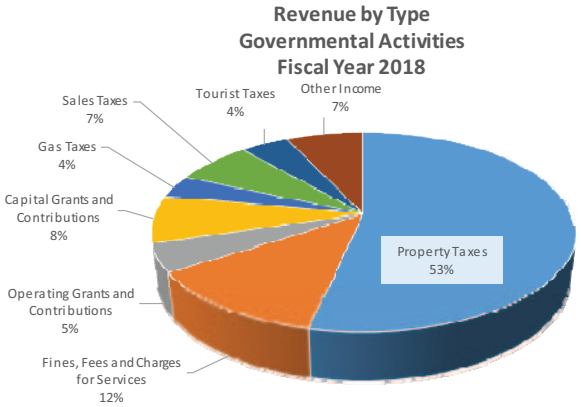
Collier County's Schedule of Changes in Net Position
(in millions)

	Governmental Activities		Business-type Activities		Total		Total Percentage Change
	2018	2017	2018	2017	2018	2017	2017-2018
Revenues							
Program revenues:							
Fines, fees and charges for services	$ 78.0	$ 69.3	$ 214.1	$ 197.1	$ 292.1	$ 266.4	9.6%
Operating grants and contributions	29.6	26.6	16.4	5.0	46.0	31.6	45.6%
Capital grants and contributions	47.6	38.1	38.7	27.0	86.3	65.1	32.6%
General revenues:							
Property taxes	337.4	312.6	-	-	337.4	312.6	7.9%
Other taxes and shared revenues	114.3	104.6	-	-	114.3	104.6	9.3%
Interest income	6.9	3.6	2.6	1.4	9.5	5.0	90.0%
Miscellaneous	18.1	9.7	8.4	0.1	26.5	9.8	170.4%
Total revenues	631.9	564.5	280.2	230.6	912.1	795.1	14.7%
Expenses							
General government	126.9	108.4	-	-	126.9	108.4	17.1%
Public safety	223.2	225.3	-	-	223.2	225.3	(0.9%)
Physical environment	37.8	17.9	-	-	37.8	17.9	111.2%
Transportation	83.4	75.6	-	-	83.4	75.6	10.3%
Economic environment	10.4	8.5	-	-	10.4	8.5	22.4%
Human services	16.6	15.5	-	-	16.6	15.5	7.1%
Culture and recreation	58.1	51.9	-	-	58.1	51.9	11.9%
Interest on long-term debt	9.7	11.3	-	-	9.7	11.3	(14.2%)
Water and sewer	-	-	144.1	144.8	144.1	144.8	(0.5%)
Solid waste	-	-	106.8	43.7	106.8	43.7	144.4%
Emergency medical services	-	-	32.3	28.6	32.3	28.6	12.9%
Airport authority	-	-	5.5	4.9	5.5	4.9	12.2%
Mass transit	-	-	12.7	11.4	12.7	11.4	11.4%
Total expenses	566.1	514.4	301.4	233.4	867.5	747.8	16.0%
Increase (decrease) in net position before net transfers	65.8	50.1	(21.2)	(2.8)	44.6	47.3	(5.7%)
Transfers, net	(16.5)	(14.8)	16.5	14.8	-	-	-
Change in net position	49.3	35.3	(4.7)	12.0	44.6	47.3	(5.7%)
Net position – beginning	1,570.6	1,556.0	943.1	928.1	2,513.7	2,484.1	1.2%
Restatement of net position, net	-	(20.7)	-	3.0	-	(17.7)	(100%)
Net position – ending	$ 1,619.9	$ 1,570.6	$ 938.4	$ 943.1	$ 2,558.3	$ 2,513.7	1.8%

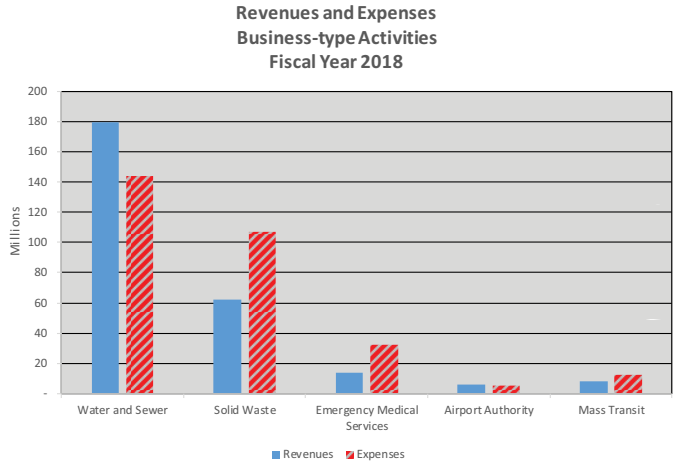
Expenses and revenues, in the form of fees, fines, grants and contributions, for governmental activities are shown graphically by function. General revenues, such as property taxes, must be used to the extent that the fee, fines, grants and contributions do not cover the cost of the governmental function.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



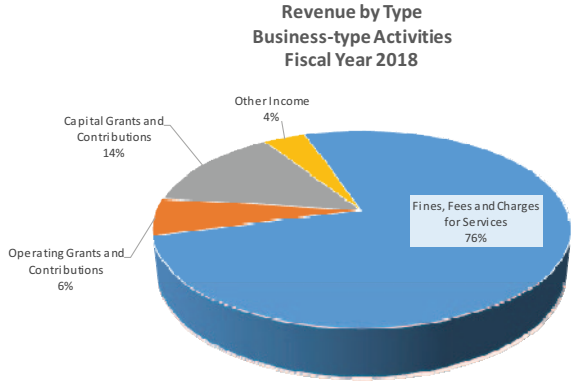
Revenues for governmental activities are shown graphically by type. The largest type of revenue for governmental activities is property taxes followed by fines, fees and charges for services.



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



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



Governmental Activities

The current year increase in the net position of governmental activities amounted to $49,307,188, an increase of 3.1% when compared to the previous year's net position. The previous fiscal years' increase in net position was 2.3%. The current years' increase is mainly due to the following:

- Overall, revenues related to governmental activities increased by 11.9%, or $67,353,008 while expenses increased by 10.0%, or $51,664,218.

- Governmental activities revenues increased primarily due to an increase in total ad valorem taxes collected in fiscal year 2018 of $24,814,551 when compared to fiscal year 2017. The increase in ad valorem revenues was due to an 8.4% increase in county wide taxable value. In addition, Sales Tax and Gas Tax collections increased a combined 5.1% over fiscal year 2017, or $3,243,896.

- Governmental activities expenses increased significantly due to hurricane related repairs. General government expense increased $18,531,640 primarily due to Hurricane Irma. Physical environment expenses increased $19,948,777 related to Hurricane Irma, including a $5,191,707 waterway debris cleanup effort. Transportation expenses increased $7,796,897 due to both Hurricane Irma as well as a $1,608,759 increase in depreciation expense as a result of capitalizing $48,712,267 in various road and bridge projects during the year. Culture and recreation also experienced an increase in expenditures of $6,152,425 due to the hurricane.

Business-type Activities

The decrease in net position related to business-type activities amounted to $4,694,167 in the aggregate, representing a 0.5% decrease over the previous year's net position. The previous fiscal year's increase in net position was 1.3%. The current year's decrease is mainly due to the following:

- Collier County Water and Sewer District (District) saw an increase of $39,566,463 in net position. The increase in the District's net position is largely due to a 2.9% rate increase that went in to effect October 1, 2017 as well as an increase in the number of active customers brought on by new construction and the acquisition of the Golden Gate Utility system. In addition, water and sewer capital grants and contributions increased by 37.9%, largely due to increases in developer infrastructure contributions.

- Solid Waste Disposal experienced a decrease in net position of $44,150,971. This decrease is primarily due to a $58,552,728 increase in operating expenses related to Hurricane Irma debris removal. This was offset by a $5,349,598 increase in charges for services due to a rate increase of approximately 9.0% for residential assessment fees and a 2.9% increase in tipping fees.

Fund Financial Statement Analysis

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

Governmental Funds

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

As of September 30, 2018, Collier County governmental funds reported combined fund balances of $500,349,542, an increase of $40,707,208 when compared to prior year combined fund balances. The governmental funds had non-spendable fund balances of $10,779,220 consisting of inventory, prepaid items, notes receivable and advances to other funds. The restricted fund balance was $354,820,430 and consists of monies whose expenditure is externally constrained by grantors, creditors, binding law or enabling legislation. Of the remaining $134,749,892 in fund balance, $34,792,876 is classified as committed, $22,865,686 is recorded as assigned and $77,091,330 is recorded as unassigned.

The following were noteworthy activities and changes relating to the major governmental funds for fiscal year 2018:

- The General Fund is the primary operating fund of Collier County. At September 30, 2018, total fund balance in the General Fund was $82,028,797, of which $77,341,766 was unassigned. As a percentage of total general fund expenditures and net transfers, the unassigned portion is 21.9%. The total fund balance increased by $19,799,346 or 31.8%, compared to the September 30, 2017 total fund balance.

- The Bayshore Gateway Community Redevelopment Agency was created to benefit blighted areas in the Bayshore Gateway Triangle. During fiscal year 2018, the Bayshore Gateway Community Redevelopment Agency collected $1,562,600 in tax increment revenues and was reimbursed $526,632 for fire suppression system improvements. In addition, the agency received $131,192 in miscellaneous revenues for rents. Operating expenditures of $1,168,361, mainly personal services and the fire suppression improvements, were associated with the Bayshore Gateway Triangle Community Redevelopment Agency. In addition, capital expenditures of $379,882 were made for stormwater improvements.

- The Immokalee Community Redevelopment Agency was created to benefit blighted areas in Immokalee. During fiscal year 2018, the Immokalee Community Redevelopment Agency collected $628,800 in tax increment revenues. Operating expenditures of $347,941, mainly personal services, were associated with the Immokalee Community Redevelopment Agency. In addition, capital expenditures of $662,255 were made for computer equipment and sidewalk projects in the district.

Proprietary Funds

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

At September 30, 2018, total net position amounted to $939,595,210 for enterprise funds, as compared to $941,459,899, as of September 30, 2017, a decrease of $1,864,689. Net position changes as a result of operations, non-operating revenues and expenses, capital contributions and grants and donations. The Collier County Water and Sewer District's activities represent the largest share of the increase in the business-type net position.

For the year ended September 30, 2018, the Collier County Water and Sewer District (District) reported capital grants and contributions of $33,751,741, which consists of water and sewer impact fees of $14,087,562, $19,350,530 in developer infrastructure contributions and other capital contributions of $313,649.

Net Operating Income/(Loss)

	2018	2017
County Water and Sewer	$ 9,585,177	$ (6,160,677)
Solid Waste Disposal	(55,790,046)	1,064,295
Emergency Medical Services	(18,835,777)	(16,629,468)
Non-major enterprise funds	(12,838,906)	(11,314,788)
Total	$ (77,879,552)	$ (33,040,638)

The Collier County Water and Sewer District's net operating income increased by $15,745,854 when compared to fiscal year 2017. The increase in net operating income was primarily the result of a 2.9% rate increase effective October 2017 in addition to a 3.6% decrease in total operating expenses, including depreciation and amortization. The District also added 3,713 customers with the acquisition of the Golden Gate Utility system in March 2018. County Water and Sewer payments in lieu of taxes paid to the General Fund of $6,482,800 were reclassified from operating expense to transfers in for financial statement purposes. These payments are reclassified pursuant to generally accepted accounting principles as the amount charged is not an approximation of services rendered.

The Solid Waste Disposal fund's net operating income decreased by $56,854,341 when compared to fiscal year 2017. The decrease in net operating income was primarily the result of a 140.7% increase in total operating expenses, including

depreciation and amortization. Of this increase in operating expenses, $58,552,728 was related to Hurricane Irma debris removal. The Solid Waste Disposal payments in lieu of taxes paid to the General Fund of $320,300 were reclassified from operating expense to transfers in for financial statement purposes. These payments are reclassified pursuant to generally accepted accounting principles as the amount charged is not an approximation of services rendered.

The Emergency Medical Services fund's net operating income decreased by $2,206,309 when compared to fiscal year 2017. The decrease in net operating income was the result of an 11.4% increase in total operating costs, coupled with a $1,024,667 increase in charges for services. Operating expenses increased mainly due to increased personal services costs, including pension expense. Charges for services increased due to an increase in the collection efforts on receivables.

Capital Assets

Collier County's financial statements present capital assets in two distinct groups, those that are depreciated and those not subject to depreciation. Buildings and equipment are examples of assets that are depreciated and land and construction in progress are examples of assets not depreciated. Collier County's investment in capital assets for the governmental and business-type activities amounted to $2,544,943,669, net of accumulated depreciation. This investment in capital assets, both purchased and donated, includes land, buildings and improvements, water and wastewater plants, machinery and equipment, parks, roads, beach renourishment and drainage structures. Investment in capital assets for the current fiscal year, net of depreciation, increased by $57,886,738 when compared to the previous year. There was an increase in the governmental activities net capital assets of $14,475,849, or .9%, while the business-type activities capital assets increased by $43,410,889, or 4.8%. The major capital asset activities during the current and previous fiscal years are as follows:

- Capitalization as construction in process of $46,302,699 for governmental activity related costs including $2,041,532 related to county wide 800 MHz system upgrades, $6,169,699 for the Eagle Lakes Community Pool, $3,232,092 to convert the North Collier Regional Park facilities to artificial turf and $7,481,113 for various bridge improvement projects. The remaining $27,378,263 is related to $12,098,925 in other transportation projects, $5,213,457 in other physical environment projects, $6,533,991 in culture and recreation projects and $3,531,890 in other capital projects.

- The business-type activities capitalized $43,832,879 of construction in process during fiscal year 2018 including $2,933,428 for utility force main transmission system improvements, $8,584,792 for master pump systems improvements, $4,985,563 for Vanderbilt Drive utility improvements and $5,026,945 for Naples Park basin improvements. In addition, $5,992,247 was related to the Solid Waste Northeast recycling drop-off center, $1,019,696 for the Marco Airport Apron and Terminal Upgrades and $1,018,376 for the Immokalee Airport Taxiway improvements. The remaining $14,271,832 was made up of $10,765,382 in other County Water and Sewer projects, $938,342 in other solid waste projects and $2,568,108 in various Mass Transit projects.

- During fiscal year 2018, the County Water and Sewer District acquired the Golden Gate Utility. As a result of this acquisition, water and wastewater utility non-depreciable assets of $4,868,672 and depreciable capital assets of $24,409,284 were recorded in the business-type activities.

- Developer donated water and wastewater infrastructure in fiscal year 2018 amounted to $19,350,530 and $11,641,549 in fiscal year 2017. Subdivisions are required to meet County standards when installing water and wastewater services. Once completed, these assets are donated to and accepted by the County.

- Total purchases of land and non-depreciable assets were $16,579,584 for fiscal year 2018, compared to $3,191,231 for fiscal year 2017. Fiscal year 2018 land purchases were primarily related to the acquisition of land for the amateur sports complex and various transportation projects.

Additional information regarding Collier County's capital assets can be found in Note 5 beginning on page 54 of this report.

Debt Administration

At September 30, 2018, Collier County had total bonded debt, notes, loans and capital leases, of $493,453,831, an increase of $10,705,394 from the previous year. The following table illustrates the balances of all bonds, notes, loans and capital leases for the fiscal years ended September 30, 2018 and 2017:

Outstanding Debt

	2018	2017
Limited General Obligation Bonds	$ 2,037,028	$ 2,499,190
Revenue Bonds	396,199,714	386,477,952
Notes and Loans Payable	94,459,755	92,590,646
Capital Leases	757,334	1,180,649
Total	$ 493,453,831	$ 482,748,437

On December 28, 2017, Collier County issued the Series 2017 Special Obligation Refunding Revenue Note (Bank Term Loan) in the par amount of $43,713,000. These bonds were issued for the purpose of advance refunding portions of the County's outstanding Special Obligation Revenue Bonds, Series 2010.

On February 28, 2018 the Series 2018 Collier County Water and Sewer Revenue Bond (Bank Term Loan) was issued in the par amount of $35,965,000 for purposes of acquiring the Golden Gate Utility System and paying associated costs of issuance. Effective as of the transfer date the Golden Gate Utility System was included in the Collier County Water-Sewer District service area.

On April 30, 2018, Collier County issued a $12,000,000 commercial paper loan through the Florida Local Government Finance Commission's Pooled Commercial Paper Program. The loan was issued for purposes of acquiring land for the construction of the County's regional tournament caliber amateur sports complex.

Collier County's Special Obligation Revenue Bonds carry ratings of Aa2, AAA and AA by Moody's, Standard and Poor's and Fitch Ratings, Inc., respectively. The Series 2017 Special Obligation Refunding Revenue Note (Bank Term Loan) was issued as a direct placement with a commercial bank and therefore carries an implied rating of Aa2, AAA and AA by Moody's, Standard and Poor's and Fitch Ratings, Inc., respectively. The County's Series 2012 Gas Tax Revenue Bonds carry ratings of A2, A+ and AA- by Moody's, Standard and Poor's and Fitch Ratings, Inc., respectively. The Series 2014 Gas Tax Revenue Bond (Bank Term Loan) was issued as a direct placement with a commercial bank and therefore carries an implied rating of A2, A+ and AA- by Moody's, Standard and Poor's and Fitch Ratings, Inc., respectively. Collier County's Water and Sewer Revenue Bonds carry ratings of Aa1 and AAA, respectively, by Moody's and Fitch Ratings, Inc. The Series 2013, 2015 and 2018 County Water and Sewer Revenue Bonds issued as direct placements with commercial banks and, as such, carry an implied rating of Aa1 and AAA by Moody's and Fitch Ratings, Inc., respectively.

The Constitution of the State of Florida, Florida Statute 200.181 and Collier County set no legal debt limit. Further information regarding Collier County's long-term debt can be found in Note 6 beginning on page 55 of this report.

General Fund Budgetary Highlights

During the current fiscal year, the General Fund expenditure appropriations increased by $3,912,600. Significant variances between the original budget and the final amended budget are listed below:

- $395,654 decrease in other general administrative operating to provide funding in other areas for computer purchases and debt service payments.

- $290,000 decrease in facilities management personal services and a $1,181,550 increase in facilities management operating for a preventative maintenance initiative in addition to hurricane Irma repairs.

- $1,733,000 increase in Sheriff's personal services related to special detail duties and $396,217 in Sheriff's operating to provide funds for education and training programs.

- $546,988 increase in Emergency Management Administration operating due to hurricane Irma and unplanned computer purchases.
- $412,350 increase in Mental Health operating due to re-budgeting of lapsed appropriations from the previous fiscal year.

Significant variances between actual results and final budget amounts in the General Fund occurred during fiscal year 2018. Tax revenues were under budget by $10,653,664 primarily due to the early payment discount allowed for property taxes. The discount ranges from a maximum 4% to 1%, depending on the date of payment. Intergovernmental revenues were $12,613,629 over the amount budgeted primarily due to an increase in the amount of state revenue sharing and sales tax.

Economic Factors and Year 2019 Budgets and Rates

The following factors were taken into account in preparing the fiscal year 2019 budget:

- A 6% increase in countywide taxable property values.
- Millage neutral General Fund tax rate.
- Expected year on year increases in sales tax and state shared revenues of 2.6% and 10%, respectively.
- A 2.9% general wage adjustment along with a .6% market based pay plan maintenance component.
- Maintain health care program contributions at 80% employer and 20% employee across all agencies (excluding Sheriff and Tax Collector).

During fiscal year 2018, the General Fund unassigned fund balance increased by $22,536,663 to $77,341,766. As of January 24, 2019, $60,057,613 of the fiscal year 2018 unassigned fund balance has been appropriated as carryforward for fiscal year 2018, with $42,510,470 budgeted in reserves.

Contact Information

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

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

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

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

	Primary Government			
	Governmental Activities	Business-type Activities	Total	Component Units
ASSETS				
Current assets:				
Cash and investments	$ 221,357,576	$ 169,362,166	$ 390,719,742	$ 264,511
Cash with fiscal agent	11,790,009	-	11,790,009	-
Trade receivables, net	835,923	16,331,512	17,167,435	-
Impact fee receivable	219,543	-	219,543	-
Special assessments receivable	-	98,376	98,376	-
Interest receivable	474,085	474,744	948,829	-
Due from other governments	9,462,459	2,620,114	12,082,573	-
Internal balances	842,181	(842,181)	-	-
Deposits	6,253	2,000	8,253	-
Inventory	1,711,494	6,510,267	8,221,761	-
Prepaid costs	89,881	22,643	112,524	-
Restricted assets:				
Cash and investments	22,956,540	5,692,736	28,649,276	-
Trade receivables, net	1,334,413	9,066	1,343,479	-
Notes receivable	54,612	-	54,612	-
Interest receivable	702,544	43,512	746,056	-
Due from other governments	9,183,678	3,326,267	12,509,945	-
Deposits	1,875	-	1,875	-
Inventory for resale	9,796,692	-	9,796,692	-
Total current assets	290,819,758	203,651,222	494,470,980	264,511
Noncurrent assets:				
Restricted assets:				
Cash and investments	328,779,479	29,534,515	358,313,994	-
Notes receivable	375,672	-	375,672	-
Impact fee receivable	5,228,917	-	5,228,917	-
Special assessments receivable	1,405	252,855	254,260	-
Notes receivable	1,567,791	-	1,567,791	-
Unamortized bond insurance	8,097	-	8,097	-
Capital assets:				
Land and non-depreciable capital assets	481,003,646	104,292,241	585,295,887	-
Depreciable capital assets, net	1,108,054,211	851,593,571	1,959,647,782	-
Total noncurrent assets	1,925,019,218	985,673,182	2,910,692,400	-
Total assets	2,215,838,976	1,189,324,404	3,405,163,380	264,511
DEFERRED OUTFLOWS OF RESOURCES				
Deferred charges on debt refundings	13,030,836	3,981,935	17,012,771	-
Deferred outflows of resources related to OPEB	2,048,462	-	2,048,462	-
Deferred outflows of resources related to pensions	108,307,202	22,311,036	130,618,238	-
Total deferred outflows of resources	$ 123,386,500	$ 26,292,971	$ 149,679,471	$ -

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

	Primary Government			
	Governmental Activities	Business-type Activities	Total	Component Units
LIABILITIES				
Current liabilities:				
Accounts payable	$ 17,941,498	$ 15,709,906	$ 33,651,404	$ -
Wages payable	9,007,016	1,879,270	10,886,286	-
Retainage payable	1,346,210	2,293,846	3,640,056	-
Due to other governments	3,389,287	10,592	3,399,879	-
Self-insurance claims payable	8,111,260	-	8,111,260	-
Compensated absences	9,993,806	2,521,534	12,515,340	-
Capital lease obligations	83,164	347,776	430,940	-
Notes payable	473,424	6,977,250	7,450,674	-
Unearned revenue	107,482	40,517	147,999	-
Net pension liability	1,609,089	299,194	1,908,283	-
Interest payable	4,241,749	-	4,241,749	-
Bonds and loans payable	22,570,000	4,696,110	27,266,110	-
Liabilities payable from restricted assets:				
Accounts payable	14,682,988	1,233,622	15,916,610	-
Wages payable	1,354,774	136	1,354,910	-
Retainage payable	1,811,119	16,269	1,827,388	-
Refundable deposits	879,839	130,592	1,010,431	-
Interest payable	-	1,229,810	1,229,810	-
Due to other governments	4,921,684	69,022	4,990,706	-
Unearned revenue	-	129,516	129,516	-
Notes payable	-	2,391,307	2,391,307	-
Bonds and loans payable	-	1,565,370	1,565,370	-
Total current liabilities	102,524,389	41,541,639	144,066,028	-
Noncurrent liabilities:				
Self-insurance claims payable	4,024,813	-	4,024,813	-
Compensated absences	19,635,831	630,385	20,266,216	-
Capital lease obligations	153,269	173,125	326,394	-
Landfill post-closure liability	-	1,750,180	1,750,180	-
Total OPEB liability	25,762,960	2,460,259	28,223,219	-
Net pension liability	259,987,593	53,511,635	313,499,228	-
Notes payable	4,141,774	68,576,000	72,717,774	-
Bonds and loans payable, net	277,556,473	103,748,789	381,305,262	-
Total noncurrent liabilities	591,262,713	230,850,373	822,113,086	-
Total liabilities	693,787,102	272,392,012	966,179,114	-
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources related to OPEB	1,140,188	58,678	1,198,866	-
Deferred inflows of resources related to pensions	24,396,701	4,728,023	29,124,724	-
Total deferred inflows of resources	25,536,889	4,786,701	30,323,590	-
NET POSITION				
Net investment in capital assets	1,287,184,579	763,258,712	2,050,443,291	-
Restricted for:				
Growth related capital expansion	111,165,092	19,503,905	130,668,997	-
Transportation capital projects	46,721,315	-	46,721,315	-
Community development	46,589,583	-	46,589,583	-
Tourist development	71,202,163	-	71,202,163	-
Conservation Collier	32,778,883	-	32,778,883	-
Community redevelopment	12,067,560	-	12,067,560	-
Grants	11,707,199	2,395,045	14,102,244	-
Debt service	4,985,475	9,782,838	14,768,313	-
Court programs	11,647,142	-	11,647,142	-
Public safety	7,089,936	-	7,089,936	-
Nonexpendable purposes - other	1,582,800	-	1,582,800	-
Special revenues - other	4,507,831	-	4,507,831	-
Renewal and replacement	-	300,000	300,000	-
Unrestricted	(29,328,073)	143,198,162	113,870,089	264,511
Total net position	$ 1,619,901,485	$ 938,438,662	$ 2,558,340,147	$ 264,511

COLLIER COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018

FUNCTIONS/PROGRAMS	Expenses	Program Revenues: Fees, Fines and Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Primary Government: Governmental Activities	Primary Government: Business-type Activities	Primary Government: Total	Component Units
Primary Government:								
Governmental Activities:								
General government	$ 126,919,917	$ 37,703,116	$ 1,678,021	$ 3,087,390	$ (84,451,390)	$ -	$ (84,451,390)	$ -
Public safety	223,177,415	28,039,804	8,200,112	4,316,622	(182,620,877)	-	(182,620,877)	-
Physical environment	37,841,630	668,861	5,495,873	26,954,238	(4,722,658)	-	(4,722,658)	-
Transportation	83,385,602	2,110,950	5,616,730	1,212,457	(74,445,465)	-	(74,445,465)	-
Economic environment	10,374,348	1,076,812	5,487,999	8,940	(3,800,597)	-	(3,800,597)	-
Human services	16,606,308	489,902	2,810,173	3,995	(13,302,238)	-	(13,302,238)	-
Culture and recreation	58,041,633	7,885,810	260,061	12,061,362	(37,834,400)	-	(37,834,400)	-
Interest and fiscal charges	9,736,602	-	-	-	(9,736,602)	-	(9,736,602)	-
Total governmental activities	566,083,455	77,975,255	29,548,969	47,645,004	(410,914,227)	-	(410,914,227)	-
Business-type Activities:								
Water and sewer	144,113,339	145,757,365	28,669	33,751,741	-	35,424,436	35,424,436	-
Solid waste	106,822,777	50,448,802	11,265,513	289,785	-	(44,818,677)	(44,818,677)	-
Emergency medical services	32,275,014	12,835,588	654,593	61,353	-	(18,723,480)	(18,723,480)	-
Airport authority	5,532,858	3,950,463	-	1,861,193	-	278,798	278,798	-
Mass transit	12,679,380	1,128,953	4,477,478	2,706,382	-	(4,366,567)	(4,366,567)	-
Total business-type activities	301,423,368	214,121,171	16,426,253	38,670,454	-	(32,205,490)	(32,205,490)	-
Total primary government	867,506,823	292,096,426	45,975,222	86,315,458	(410,914,227)	(32,205,490)	(443,119,717)	-
Component Units:								
Industrial Development Authority	$ 17,016	$ 20,763	$ -	$ -				$ 3,747
Health Facilities Authority	2,687	55,438	-	-				52,751
Housing Finance Authority	3,547	-	-	-				(3,547)
Educational Facilities Authority	16,015	14,584	-	-				(1,431)
Total component units	$ 39,265	$ 90,785	$ -	$ -				$ 51,520
General revenues:								
Property taxes					337,447,141	-	337,447,141	-
Gas taxes					22,748,568	-	22,748,568	-
Sales tax					44,092,859	-	44,092,859	-
Tourist taxes					27,962,471	-	27,962,471	-
Communications services tax					4,498,036	-	4,498,036	-
State revenue sharing					12,564,156	-	12,564,156	-
Other taxes					2,416,475	-	2,416,475	-
Interest income					6,856,561	2,601,695	9,458,256	275
Miscellaneous					18,120,600	8,422,701	26,543,301	-
Transfers, net					(16,486,927)	16,486,927	-	-
Total general revenues and transfers					460,219,940	27,511,323	487,731,263	275
Change in net position					49,305,713	(4,694,167)	44,611,546	51,795
Net position - beginning					1,570,595,772	943,132,829	2,513,728,601	212,716
Net position - ending					$ 1,619,901,485	$ 938,438,662	$ 2,558,340,147	$ 264,511

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

COLLIER COUNTY, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2018

	General Fund	Bayshore Gateway Community Redevelopment Agency	Immokalee Community Redevelopment Agency	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash and investments	$ 91,426,674	$ 2,142,613	$ 712,670	$ 414,210,757	$ 508,492,714
Cash with fiscal agent	-	-	-	11,790,009	11,790,009
Receivables:					
Interest	179,024	5,085	1,558	846,821	1,032,488
Trade, net	560,909	-	-	1,589,634	2,150,543
Notes	1,567,791	-	-	430,284	1,998,075
Impact Fee	-	-	-	5,448,460	5,448,460
Special assessments	-	-	-	1,405	1,405
Due from other funds	639,087	-	-	12,263,324	12,902,411
Due from other governments	8,713,412	8,270	13,755	9,607,884	18,343,321
Deposits	6,253	-	625	1,250	8,128
Inventory for resale	-	9,566,959	-	229,733	9,796,692
Inventory	453,582	-	-	882,664	1,336,246
Advances to other funds	589,875	-	-	5,658,893	6,248,768
Prepaid costs	33,215	-	-	10,400	43,615
Total assets	$ 104,169,822	$ 11,722,927	$ 728,608	$ 462,971,518	$ 579,592,875
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts payable	$ 8,175,631	$ 49,273	$ 9,574	$ 23,119,824	$ 31,354,302
Wages payable	8,023,477	10,702	5,538	2,057,510	10,097,227
Due to other funds	1,743,049	63,735	67,116	11,909,113	13,783,013
Due to other governments	3,385,962	210	-	4,924,764	8,310,936
Unearned revenues	400	-	-	8,189	8,589
Refundable deposits	812,506	1,500	-	65,833	879,839
Retainage payable	-	-	-	3,157,329	3,157,329
Advances from other funds	-	-	178,901	6,019,739	6,198,640
Total liabilities	22,141,025	125,420	261,129	51,262,301	73,789,875
Deferred inflows of resources:					
Unavailable revenue	-	-	-	5,453,458	5,453,458
Fund balances:					
Nonspendable	2,644,463	-	-	8,134,757	10,779,220
Restricted	306,146	11,597,507	467,479	342,449,298	354,820,430
Committed	-	-	-	34,792,876	34,792,876
Assigned	1,736,422	-	-	21,129,264	22,865,686
Unassigned	77,341,766	-	-	(250,436)	77,091,330
Total fund balances	82,028,797	11,597,507	467,479	406,255,759	500,349,542
Total liabilities, deferred inflows of resources and fund balances	$ 104,169,822	$ 11,722,927	$ 728,608	$ 462,971,518	$ 579,592,875

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

COLLIER COUNTY, FLORIDA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2018

Differences in amounts reported for governmental activities in the statement of net position on pages 16-17:		
Fund balances - total governmental funds		$ 500,349,542
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. Those assets consist of:		
Land and other non-depreciable assets	$ 436,764,337	
Construction in progress	44,239,309	
Depreciable assets, net of $1,011,957,391 in accumulated depreciation	1,088,907,646	1,569,911,292
Certain long-term assets are not financial resources and therefore are not reported in the governmental funds - unamortized bond insurance premium.		8,097
Certain revenues will be collected after year-end, but are not available to pay for the current period's expenditures, and therefore are reported as deferred inflows in the funds.		5,453,458
Certain liabilities applicable to the County's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. Interest on long-term debt is not accrued in the governmental funds, but is recognized as an expenditure when due. All liabilities are reported in the statement of net position. Balances at September 30, 2018 are:		
Accrued interest on bonds	$ (4,241,749)	
Bonds and notes payable	(292,820,198)	
Capital lease obligations	(236,433)	
Compensated absences	(29,083,549)	
Total OPEB liability	(25,433,197)	
Pension liability	(256,265,828)	
Unamortized premium	(11,921,473)	(620,002,427)
Unamortized deferred charges on refunding		13,030,836
OPEB deferred outflows		2,048,462
Pension deferred outflows		106,190,144
OPEB deferred inflows		(1,132,324)
Pension deferred inflows		(23,918,546)
Internal service funds are used by the County to charge self-insurance, fleet management, motor pool capital recovery and information technology services to individual funds. The assets, deferred outflows, liabilities and deferred inflows of the internal service funds are included in governmental activities in the statement of net position. Internal service fund net position is:		67,962,951
Total net position - governmental activities		$ 1,619,901,485

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

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

	General Fund	Bayshore Gateway Community Redevelopment Agency	Immokalee Community Redevelopment Agency	Other Governmental Funds	Total Governmental Funds
Revenues:					
Taxes	$ 285,593,995	$ 1,562,600	$ 628,800	$ 99,028,839	$ 386,814,234
Licenses, permits and impact fees	215,860	-	-	74,886,350	75,102,210
Intergovernmental	64,190,464	198,552	13,754	27,803,775	92,206,545
Charges for services	17,870,088	526,632	529,648	18,054,532	36,980,900
Fines and forfeitures	440,773	-	-	1,934,145	2,374,918
Interest income	1,655,421	27,080	8,282	4,441,850	6,132,633
Special assessments	-	-	-	4,789,426	4,789,426
Miscellaneous	1,892,028	131,192	-	2,503,337	4,526,557
Total revenues	371,858,629	2,446,056	1,180,484	233,442,254	608,927,423
Expenditures:					
Current:					
General government	66,354,762	-	-	34,843,687	101,198,449
Public safety	167,021,759	-	-	31,074,841	198,096,600
Physical environment	683,887	-	-	31,310,051	31,993,938
Transportation	343,564	-	-	45,560,971	45,904,535
Economic environment	2,238,182	1,168,361	347,941	6,187,171	9,941,655
Human services	11,844,305	-	-	4,004,540	15,848,845
Culture and recreation	16,573,290	-	-	31,098,147	47,671,437
Debt service					
Principal	55,478	-	-	21,808,781	21,864,259
Interest	7,707	-	-	10,156,840	10,164,547
Fiscal charges	-	-	-	127,540	127,540
Capital outlay	15,470,157	379,882	662,255	66,358,999	82,871,293
Total expenditures	280,593,091	1,548,243	1,010,196	282,531,568	565,683,098
Excess (deficit) of revenues over (under) expenditures	91,265,538	897,813	170,288	(49,089,314)	43,244,325
Other financing sources (uses):					
Loans issued	-	-	-	55,713,000	55,713,000
Sale of capital assets	952,480	-	-	112,750	1,065,230
Insurance proceeds	210,429	-	-	3,552,168	3,762,597
Payment to refunding escrow	-	-	-	(44,525,435)	(44,525,435)
Transfers in	12,351,959	214,800	85,000	101,705,828	114,357,587
Transfers out	(84,981,060)	(634,700)	(81,600)	(47,212,736)	(132,910,096)
Total other financing sources (uses)	(71,466,192)	(419,900)	3,400	69,345,575	(2,537,117)
Net change in fund balances	19,799,346	477,913	173,688	20,256,261	40,707,208
Fund balances at beginning of year	62,229,451	11,119,594	293,791	385,999,498	459,642,334
Fund balances at end of year	$ 82,028,797	$ 11,597,507	$ 467,479	$ 406,255,759	$ 500,349,542

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

COLLIER COUNTY, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018

Differences in amounts reported for governmental activities in the statement of activities on pages 18-19:		
Net change in fund balances - total governmental funds		$ 40,707,208
Governmental funds report capital outlays as expenditures. However, in the statement of net position the cost of these assets is allocated over their estimate useful lives and reported as depreciation expense.		
Capital outlay	$ 82,871,293	
Depreciation expense	(70,024,109)	12,847,184
Donations of capital assets are not financial resources to governmental funds, but receiving donated assets increases net position in the statement of net position.		669,515
Capital assets transferred to and from proprietary funds are not recorded in the governmental funds as there is no flow of current financial resources.		(4,426)
In the statement of net position, the gain or loss on the sale of capital assets is reported. However, in the governmental funds the proceeds from the sale of capital assets increase financial resources. The change in net position differs from the change in fund balances by the net book value of assets disposed.		(63,855)
Certain revenues not considered available are not recognized in the governmental funds but are included in the statement of activities.		(455,919)
Debt proceeds provide current financial resources for governemntal funds, but issuing debt increases liabilities in the statement of net position. Repayment of principal on long-term debt is an expenditure in governmental funds, but a reduction of long-term liabilities in the statement of net position.		
Debt proceeds	$ (55,713,000)	
Transfer to refunding escrow agent	41,110,000	
Bond and loan principal payments	21,784,891	
Payments on capital lease obligations	79,368	7,261,259
Certain amounts reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.		
Compensated absences	$ (1,119,590)	
OPEB expense	(284,503)	
Pension expense	(18,614,260)	
Accrued interest on bonds and loans	341,687	
Amortization of bond insurance premium	(2,491)	
Amortization of deferred charges on refunding	1,681,793	
Amortization of premium	1,949,931	(16,047,433)
The net revenues of internal service funds are reported with governmental activities.		4,392,180
Change in net position - governmental activities		$ 49,305,713

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

COLLIER COUNTY, FLORIDA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018

	Original Budget	Final Budget	Actual	Variance
Revenues:				
Taxes	$ 296,259,900	$ 296,259,900	$ 285,606,236	$ (10,653,664)
Licenses, permits and impact fees	317,300	317,300	215,860	(101,440)
Intergovernmental	50,753,000	50,753,000	63,366,629	12,613,629
Charges for services	20,917,326	22,907,368	17,870,088	(5,037,280)
Fines and forfeitures	401,000	401,000	440,773	39,773
Interest income	893,000	893,000	2,061,525	1,168,525
Miscellaneous	8,505,000	8,527,600	9,907,816	1,380,216
Total revenues	378,046,526	380,059,168	379,468,927	(590,241)
Expenditures:				
Current:				
General government				
Board of County Commissioners personal services	1,129,500	1,136,800	1,135,169	1,631
Board of County Commissioners operating	98,400	102,400	77,725	24,675
County manager administrative personal services	1,017,500	1,017,500	999,431	18,069
County manager administrative operating	63,300	63,300	40,064	23,236
Corporate planning and improvement personal services	608,100	608,100	602,577	5,523
Corporate planning and improvement operating	39,900	39,900	16,619	23,281
Budget and management personal services	701,600	701,600	669,007	32,593
Budget and management operating	91,700	91,700	48,826	42,874
Budget and management capital outlay	1,500	1,500	1,287	213
Administrative services personal services	2,806,800	2,736,057	2,630,241	105,816
Administrative services operating	313,100	412,800	383,354	29,446
Administrative services capital outlay	-	4,043	4,043	-
Human resources administration personal services	1,535,600	1,535,600	1,495,980	39,620
Human resources administration operating	606,100	613,800	409,406	204,394
Human resources administration capital outlay	10,100	10,100	7,903	2,197
Clerk of the Circuit Court personal services	7,940,600	7,470,000	7,442,409	27,591
Clerk of the Circuit Court operating	2,115,300	2,463,300	2,232,897	230,403
Clerk of the Circuit Court capital outlay	205,300	387,900	386,830	1,070
Property Appraiser personal services	5,808,618	5,808,618	5,625,748	182,870
Property Appraiser operating	1,841,900	1,841,900	2,220,699	(378,799)
Property Appraiser capital outlay	25,000	25,000	45,813	(20,813)
Tax Collector personal services	11,374,486	11,390,778	10,684,424	706,354
Tax Collector operating	3,696,411	3,694,419	3,569,258	125,161
Tax Collector capital outlay	627,587	627,587	623,619	3,968
County attorney personal services	2,370,900	2,370,900	2,335,966	34,934
County attorney operating	396,800	539,846	200,753	339,093
County attorney capital outlay	5,000	5,000	4,390	610
Natural resource planning operating	109,800	109,800	105,060	4,740
Circuit court operating	38,700	39,500	38,133	1,367
County court operating	27,200	27,200	23,866	3,334
State Attorney operating	345,800	345,800	317,436	28,364
Public Defender operating	303,400	303,400	150,377	153,023
Other general administrative personal services	200,000	92,700	12,234	80,466
Other general administrative operating	7,775,300	7,379,646	6,614,833	764,813
Facilities management personal services	5,487,200	5,197,200	5,021,619	175,581
Facilities management operating	8,745,900	9,927,450	10,067,298	(139,848)
Facilities management capital outlay	76,000	76,000	49,351	26,649
Sheriff personal services	4,137,400	4,137,400	4,355,279	(217,879)
Sheriff operating	177,700	177,700	71,545	106,155
Sheriff capital	-	-	3,787	(3,787)

COLLIER COUNTY, FLORIDA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018

	Original Budget	Final Budget	Actual	Variance
Supervisor of Elections personal services	$ 2,204,200	$ 2,204,200	$ 2,035,267	$ 168,933
Supervisor of Elections operating	1,542,900	1,510,216	1,484,868	25,348
Supervisor of Elections capital outlay	20,000	48,005	40,839	7,166
Public services operations personal services	479,500	527,700	526,469	1,231
Public services operations operating	66,600	57,578	54,628	2,950
Public services operations capital outlay	2,000	1,099	1,099	-
Real property management personal services	660,900	660,900	659,400	1,500
Real property management operating	42,000	42,000	32,342	9,658
Total general government	77,873,602	78,565,942	75,560,168	3,005,774
Public safety				
Sheriff personal services	137,171,100	138,904,100	135,904,291	2,999,809
Sheriff operating	29,636,600	30,032,817	27,962,431	2,070,386
Sheriff capital outlay	7,016,800	7,016,800	11,195,231	(4,178,431)
Emergency management administration personal services	919,900	919,900	897,174	22,726
Emergency management administration operating	719,200	1,266,188	887,462	378,726
Helicopter operations operating	39,000	39,000	29,333	9,667
Medical examiner services operating	1,345,300	1,345,650	1,341,068	4,582
Medical examiner services capital outlay	-	18,000	18,000	-
Total public safety	176,847,900	179,542,455	178,234,990	1,307,465
Physical environment				
Conservation and resource management personal services	754,900	555,500	534,646	20,854
Conservation and resource management operating	175,200	196,500	131,889	64,611
Conservation and resource management capital outlay	3,000	4,600	1,378	3,222
Immokalee cemetery operating	25,100	25,100	17,352	7,748
Total physical environment	958,200	781,700	685,265	96,435
Transportation				
Alternative transportation modes personal services	322,500	324,250	324,169	81
Alternative transportation modes operating	25,300	23,550	19,395	4,155
Total transportation	347,800	347,800	343,564	4,236
Economic environment				
Veterans services personal services	348,100	361,100	358,639	2,461
Veterans services operating	39,700	39,700	29,830	9,870
Economic development personal services	447,800	447,800	403,361	44,439
Economic development operating	1,972,000	1,982,036	1,446,352	535,684
Economic development capital outlay	1,500	5,878	5,238	640
Total economic environment	2,809,100	2,836,514	2,243,420	593,094
Human services				
Health Care Responsibility Act operating	46,100	46,100	-	46,100
Domestic animal services personal services	2,280,800	2,226,598	1,961,190	265,408
Domestic animal services operating	1,083,800	1,058,570	898,625	159,945
Domestic animal services capital outlay	7,000	158,922	46,988	111,934
Health department operating	1,815,600	1,954,660	1,781,248	173,412
Mental health operating	1,949,400	2,361,750	1,949,400	412,350
Client assistance personal services	845,800	850,500	817,372	33,128
Client assistance operating	4,573,700	4,502,011	4,175,649	326,362
Client assistance capital outlay	1,300	12,400	5,147	7,253

(continued)

COLLIER COUNTY, FLORIDA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018

	Original Budget	Final Budget	Actual	Variance
Public services division office personal services	$ 329,100	$ 272,600	$ 272,572	$ 28
Public services division office operating	36,300	29,226	22,538	6,688
Public services division office capital outlay	3,100	3,100	2,713	387
Total human services	12,972,000	13,476,437	11,933,442	1,542,995
Culture and recreation				
Library administration personal services	5,795,600	5,795,600	5,368,257	427,343
Library administration operating	2,316,800	2,334,577	2,196,065	138,512
Library administration capital outlay	61,000	61,000	60,578	422
Beach and water park operations personal services	3,518,900	3,491,600	3,309,411	182,189
Beach and water park operations operating	2,691,000	2,667,637	2,204,435	463,202
Beach and water park operations capital outlay	-	84,424	84,694	(270)
Parks maintenance personal service	1,342,700	1,342,700	1,323,259	19,441
Parks maintenance operating	2,382,800	2,364,414	2,179,104	185,310
Parks maintenance capital outlay	200,000	337,202	341,577	(4,375)
Total culture and recreation	18,308,800	18,479,154	17,067,380	1,411,774
Total expenditures	290,117,402	294,030,002	286,068,229	7,961,773
Excess of revenues over expenditures	87,929,124	86,029,166	93,400,698	7,371,532
Other financing sources (uses):				
Sale of capital assets	-	-	52,793	52,793
Insurance proceeds	-	-	3,588	3,588
Transfers in	5,556,976	5,468,634	12,673,733	7,205,099
Transfers out	(86,785,700)	(101,987,689)	(84,051,945)	17,935,744
Total other financing sources (uses)	(81,228,724)	(96,519,055)	(71,321,831)	25,197,224
Net change in fund balance	6,700,400	(10,489,889)	22,078,867	32,568,756
Fund balance at beginning of year	53,646,900	57,684,932	57,684,932	-
Fund balance at end of year	$ 60,347,300	$ 47,195,043	$ 79,763,799	$ 32,568,756

Reconciliation:	
Net change in fund balance, budgetary basis	$ 22,078,867
Ad valorem tax refunds not budgeted	(12,241)
Net change in fair value of investments	(406,104)
Miscellaneous revenue related to indirect cost	(8,053,100)
Miscellaneous revenue related to Sheriff assets not budgeted	37,312
Public safety grant revenue not budgeted	823,835
Change in inventory	24,875
General government expenditures related to indirect cost	8,053,100
Public safety expenditures for multi-period projects not budgeted	(967,364)
Public safety capital outlay funded by outside sources not budgeted	(1,635,473)
Insurance proceeds related to Sheriff assets not budgeted	206,841
Proceeds from sale of Sheriff assets not budgeted	899,687
Advances budgeted as transfers	(321,774)
Transfer helicopter operations inventory to EMS	(929,115)
Net change in fund balance, GAAP basis	$ 19,799,346

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

COLLIER COUNTY, FLORIDA
BAYSHORE GATEWAY COMMUNITY REDEVELOPMENT AGENCY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018

	Original Budget	Final Budget	Actual	Variance
Revenues:				
Taxes	$ 1,562,600	$ 1,562,600	$ 1,562,600	$ -
Intergovernmental	414,040	414,040	198,552	(215,488)
Charges for services	903,105	903,105	526,632	(376,473)
Interest income	15,300	15,300	34,959	19,659
Miscellaneous	15,000	15,000	131,192	116,192
Total revenues	2,910,045	2,910,045	2,453,935	(456,110)
Expenditures:				
Economic environment				
Personal services	491,600	491,600	339,054	152,546
Operating	524,600	524,600	829,307	(304,707)
Capital outlay	1,635,745	1,635,745	379,882	1,255,863
Total expenditures	2,651,945	2,651,945	1,548,243	1,103,702
Excess of revenues over expenditures	258,100	258,100	905,692	647,592
Other financing sources (uses):				
Transfers in	214,800	214,800	214,800	-
Transfers out	(634,700)	(634,700)	(634,700)	-
Total other financing sources (uses)	(419,900)	(419,900)	(419,900)	-
Net change in fund balances	(161,800)	(161,800)	485,792	647,592
Fund balances at beginning of year	1,518,200	1,518,200	1,518,200	-
Fund balances at end of year	$ 1,356,400	$ 1,356,400	$ 2,003,992	$ 647,592

Reconciliation:	
Net change in fund balance, budgetary basis	$ 485,792
Net change in fair value of investments	(7,879)
Net change in fund balance, GAAP basis	$ 477,913

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

COLLIER COUNTY, FLORIDA
IMMOKALEE COMMUNITY REDEVELOPMENT AGENCY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018

	Original Budget	Final Budget	Actual	Variance
Revenues:				
Taxes	$ 628,800	$ 628,800	$ 628,800	$ -
Intergovernmental	3,500	-	13,754	13,754
Charges for services	-	797,998	529,648	(268,350)
Interest income	-	3,500	10,664	7,164
Total revenues	632,300	1,430,298	1,182,866	(247,432)
Expenditures:				
Economic environment				
Personal services	304,600	304,600	194,136	110,464
Operating	275,700	405,700	153,805	251,895
Capital outlay	-	925,998	662,255	263,743
Total expenditures	580,300	1,636,298	1,010,196	626,102
Excess (deficit) of revenues over (under) expenditures	52,000	(206,000)	172,670	378,670
Other financing sources (uses):				
Transfers in	85,000	185,000	85,000	(100,000)
Transfers out	(111,600)	(211,600)	(111,600)	100,000
Total other financing sources (uses)	(26,600)	(26,600)	(26,600)	-
Net change in fund balances	25,400	(232,600)	146,070	378,670
Fund balances at beginning of year	396,500	396,500	396,500	-
Fund balances at end of year	$ 421,900	$ 163,900	$ 542,570	$ 378,670
Reconciliation:				
Net change in fund balance, budgetary basis			$ 146,070	
Net change in fair value of investments			(2,382)	
Advances budgeted as transfers			30,000	
Net change in fund balance, GAAP basis			$ 173,688	

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

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

	Business-type Activities Enterprise Funds					Governmental Activities - Internal Service Funds
	County Water and Sewer	Solid Waste Disposal	Emergency Medical Services	Other Funds	Total	
ASSETS						
Current assets:						
Cash and investments	$ 132,791,761	$ 17,217,761	$ 17,248,375	$ 2,104,269	$ 169,362,166	$ 64,600,881
Receivables:						
Trade, net	13,176,122	1,654,929	1,425,473	74,988	16,331,512	19,793
Special assessments	98,376	-	-	-	98,376	-
Interest	284,421	146,282	38,453	5,588	474,744	144,141
Due from other funds	-	365,580	-	12,013	377,593	516,107
Due from other governments	1,031,282	1,321,111	267,721	-	2,620,114	302,816
Deposits	2,000	-	-	-	2,000	-
Inventory	5,360,008	-	1,019,892	130,367	6,510,267	375,248
Prepaid costs	10,381	-	12,262	-	22,643	46,266
Restricted assets:						
Cash and investments	5,309,506	123,671	156,300	103,259	5,692,736	-
Trade, net	9,066	-	-	-	9,066	-
Interest receivable	43,163	-	349	-	43,512	-
Due from other governments	-	-	-	3,326,267	3,326,267	-
Total current assets	158,116,086	20,829,334	20,168,825	5,756,751	204,870,996	66,005,252
Noncurrent assets:						
Restricted assets:						
Cash and investments	29,534,515	-	-	-	29,534,515	-
Receivables:						
Special assessments	252,855	-	-	-	252,855	-
Advances to other funds	41,091,750	-	-	-	41,091,750	-
Capital assets:						
Land and nondepreciable capital assets	76,497,271	17,392,231	-	10,402,739	104,292,241	-
Depreciable capital assets, net	773,001,222	21,805,412	7,399,332	49,387,605	851,593,571	19,146,565
Total noncurrent assets	920,377,613	39,197,643	7,399,332	59,790,344	1,026,764,932	19,146,565
Total assets	1,078,493,699	60,026,977	27,568,157	65,547,095	1,231,635,928	85,151,817
DEFERRED OUTFLOWS OF RESOURCES						
Deferred charges on debt refundings	3,981,935	-	-	-	3,981,935	-
Deferred outflows of resources related to pensions	8,573,977	987,739	12,408,323	340,997	22,311,036	2,117,058
Total deferred outflows of resources	12,555,912	987,739	12,408,323	340,997	26,292,971	2,117,058

(Continued)

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

	Business-type Activities Enterprise Funds					Governmental Activities - Internal Service Funds
	County Water and Sewer	Solid Waste Disposal	Emergency Medical Services	Other Funds	Total	
LIABILITIES						
Current liabilities:						
Accounts payable	$ 10,418,292	$ 4,084,241	$ 366,605	$ 840,768	$ 15,709,906	$ 1,270,184
Wages payable	1,022,151	105,823	712,587	38,709	1,879,270	264,563
Retainage payable	1,894,179	363,367	-	36,300	2,293,846	-
Due to other funds	853	-	11,036	1,209	13,098	-
Due to other governments	7,502	69	-	3,021	10,592	35
Unearned revenues	-	-	-	40,517	40,517	98,893
Self-insurance claims payable	-	-	-	-	-	8,111,260
Compensated absences	1,672,967	172,994	631,325	44,248	2,521,534	436,870
Capital lease obligations	-	-	347,776	-	347,776	-
Net pension liability	182,178	18,814	89,483	8,719	299,194	39,923
Notes payable	6,977,250	-	-	-	6,977,250	-
Bonds and loans payable	4,696,110	-	-	-	4,696,110	-
Liabilities payable from restricted assets:						
Accounts payable	2,253	-	11,247	1,220,122	1,233,622	-
Wages payable	-	-	-	136	136	-
Retainage payable	-	-	-	16,269	16,269	-
Due to other governments	-	-	-	69,022	69,022	-
Refundable deposits	120,766	-	-	9,826	130,592	-
Unearned revenue	-	123,671	-	5,845	129,516	-
Interest payable	1,229,810	-	-	-	1,229,810	-
Notes payable	2,391,307	-	-	-	2,391,307	-
Bonds and loans payable	1,565,370	-	-	-	1,565,370	-
Total current liabilities	32,180,988	4,868,979	2,170,059	2,334,711	41,554,737	10,221,728
Noncurrent liabilities:						
Self-insurance claims payable	-	-	-	-	-	4,024,813
Advance from other funds	50,128	41,091,750	-	-	41,141,878	-
Compensated absences	418,242	43,249	157,831	11,063	630,385	109,218
Capital lease obligations	-	-	173,125	-	173,125	-
Total OPEB liability	1,489,494	155,619	741,042	74,104	2,460,259	329,763
Net pension liability	21,808,962	2,471,832	28,335,153	895,688	53,511,635	5,290,931
Landfill post-closure liability	-	1,750,180	-	-	1,750,180	-
Notes payable	68,576,000	-	-	-	68,576,000	-
Bonds and loans payable, net	103,748,789	-	-	-	103,748,789	-
Total noncurrent liabilities	196,091,615	45,512,630	29,407,151	980,855	271,992,251	9,754,725
Total liabilities	228,272,603	50,381,609	31,577,210	3,315,566	313,546,988	19,976,453
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows of resources related to OPEB	35,566	3,685	17,661	1,766	58,678	7,864
Deferred inflows of resources related to pensions	1,989,221	223,546	2,432,230	83,026	4,728,023	478,155
Total deferred inflows of resources	2,024,787	227,231	2,449,891	84,792	4,786,701	486,019
NET POSITION						
Net investment in capital assets	659,500,098	37,669,074	6,878,431	59,211,109	763,258,712	19,108,660
Restricted for grants and other purposes	-	-	145,402	2,249,643	2,395,045	-
Restricted for growth related capital expansion	19,503,905	-	-	-	19,503,905	-
Restricted for renewal and replacement	300,000	-	-	-	300,000	-
Restricted for debt service	9,782,838	-	-	-	9,782,838	-
Unrestricted	171,665,380	(27,263,198)	(1,074,454)	1,026,982	144,354,710	47,697,743
Total net position	$ 860,752,221	$ 10,405,876	$ 5,949,379	$ 62,487,734	939,595,210	$ 66,806,403
Cumulative consolidation adjustment for internal service fund activities related to enterprise funds					(1,156,548)	
Net position of Business-type Activities					$ 938,438,662	

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

COLLIER COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018

	Business-type Activities Enterprise Funds					Governmental Activities - Internal Service Funds
	County Water and Sewer	Solid Waste Disposal	Emergency Medical Services	Other Funds	Total	
Operating revenues:						
Charges for services	$ 145,436,218	$ 50,276,682	$ 12,746,940	$ 5,011,244	$ 213,471,084	$ 95,540,601
Miscellaneous	321,147	172,120	88,648	68,172	650,087	39,289
Total operating revenues	145,757,365	50,448,802	12,835,588	5,079,416	214,121,171	95,579,890
Operating expenses:						
Personal services	33,695,443	4,238,608	25,323,021	1,436,417	64,693,489	8,541,864
Operating	56,812,458	100,492,128	4,701,721	13,051,969	175,058,276	95,914,291
Depreciation and amortization	45,664,287	1,508,112	1,646,623	3,429,936	52,248,958	3,050,700
Total operating expenses	136,172,188	106,238,848	31,671,365	17,918,322	292,000,723	107,506,855
Operating income (loss)	9,585,177	(55,790,046)	(18,835,777)	(12,838,906)	(77,879,552)	(11,926,965)
Non-operating revenues (expenses):						
Operating grants and contributions	28,669	11,265,513	654,593	4,477,478	16,426,253	240,299
Interest income	2,137,412	250,481	188,007	25,795	2,601,695	723,928
Insurance reimbursement	8,185,614	26,116	11,085	199,886	8,422,701	9,869,190
Interest expense	(4,801,746)	(384,050)	(9,189)	-	(5,194,985)	-
Gain (loss) on disposal of capital assets	(1,239,104)	(4,800)	11,412	(165,690)	(1,398,182)	586,242
Total non-operating revenues	4,310,845	11,153,260	855,908	4,537,469	20,857,482	11,419,659
Income (loss) before contributions and transfers	13,896,022	(44,636,786)	(17,979,869)	(8,301,437)	(57,022,070)	(507,306)
Capital grants and contributions	33,751,741	289,785	61,353	4,572,001	38,674,880	-
Transfers in	13,600	1,020,935	19,884,997	4,495,174	25,414,706	3,958,900
Transfers out	(8,094,900)	(824,905)	(12,400)	-	(8,932,205)	(1,888,892)
Total transfers and contributions	25,670,441	485,815	19,933,950	9,067,175	55,157,381	2,070,008
Change in net position	39,566,463	(44,150,971)	1,954,081	765,738	(1,864,689)	1,562,702
Net position - beginning	821,185,758	54,556,847	3,995,298	61,721,996		65,243,701
Net position - ending	$ 860,752,221	$ 10,405,876	$ 5,949,379	$ 62,487,734		$ 66,806,403
Consolidation adjustment for internal service fund activities related to enterprise funds					(2,829,478)	
Change in net position of Business-type Activities					$ (4,694,167)	

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

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

	Business-type Activities Enterprise Funds					Governmental Activities - Internal Service Funds
	County Water and Sewer	Solid Waste Disposal	Emergency Medical Services	Other Funds	Total	
Cash flows from operating activities:						
Cash received for services	$ 144,930,441	$ 50,043,122	$ 13,126,326	$ 5,142,972	$ 213,242,861	$ -
Cash received from other funds for services	-	-	-	-	-	86,164,112
Cash received from employees for services	-	-	-	-	-	6,900,778
Cash received from other governments for services	-	-	-	-	-	460,077
Cash received from refundable deposits	114,000	-	-	-	114,000	-
Cash received from retirees for services	-	-	-	-	-	1,725,389
Cash payments on behalf of retirees	-	-	-	-	-	(1,358,288)
Cash payments for goods and services	(54,612,619)	(99,987,024)	(3,025,029)	(9,607,244)	(167,231,916)	(90,554,901)
Cash payments to employees	(32,618,640)	(3,656,555)	(22,743,661)	(1,360,721)	(60,379,577)	(8,109,715)
Cash payments for interfund services	(8,723,550)	(2,458,710)	(1,636,391)	(3,083,481)	(15,902,132)	(626,268)
Cash payments on refundable deposits	(83,000)	-	-	-	(83,000)	-
Net cash provided by (used for) operating activities	49,006,632	(56,059,167)	(14,278,755)	(8,908,474)	(30,239,764)	(5,398,816)
Cash flows from non-capital financing activities:						
Cash received from operating grants	-	9,975,700	482,016	3,015,148	13,472,864	-
Cash transfers from other funds	574,625	61,528,160	18,959,538	6,166,686	87,229,009	4,471,500
Cash transfers to other funds	(48,802,600)	(20,417,530)	(12,400)	(1,659,345)	(70,891,875)	(2,401,492)
Net cash provided by (used for) non-capital financing activities	(48,227,975)	51,086,330	19,429,154	7,522,489	29,809,998	2,070,008
Cash flows from capital and related financing activities:						
System development charges	14,107,445	-	-	-	14,107,445	-
Special assessment collections	5,330	-	-	-	5,330	-
Receipts from insurance reimbursements	8,211,484	26,116	11,085	160,343	8,409,028	9,854,822
Receipts from utility acquisition	5,913,372	-	-	-	5,913,372	-
Proceeds from loans	35,965,000	-	-	-	35,965,000	-
Proceeds from disposal of capital assets	204,197	85,200	63,550	30,700	383,647	581,317
Proceeds from capital grants	-	-	-	3,795,471	3,795,471	-
Payments for capital acquisitions	(33,404,699)	(6,758,241)	(1,588,271)	(4,554,449)	(46,305,660)	(4,594,022)
Principal payments on notes	(9,574,000)	-	-	-	(9,574,000)	-
Principal payments on state revolving loans	(1,560,000)	-	-	-	(1,560,000)	-
Principal payments on bonds	(3,968,061)	-	-	-	(3,968,061)	-
Payments to escrow agents	(35,805,989)	-	-	-	(35,805,989)	-
Principal payments on leases	-	-	(343,947)	-	(343,947)	-
Interest and fiscal agent fees paid	(4,750,811)	-	(9,189)	-	(4,760,000)	-
Net cash provided by (used for) capital and related financing activities	(24,656,732)	(6,646,925)	(1,866,772)	(567,935)	(33,738,364)	5,842,117
Cash flows from investing activities:						
Interest on investments	1,819,498	277,449	182,798	27,103	2,306,848	703,037
Net cash provided by investing activities	1,819,498	277,449	182,798	27,103	2,306,848	703,037
Net increase (decrease) in cash and investments	(22,058,577)	(11,342,313)	3,466,425	(1,926,817)	(31,861,282)	3,216,346
Cash and investments, October 1, 2017	189,694,359	28,683,745	13,938,250	4,134,345	236,450,699	61,384,535
Cash and investments, September 30, 2018	$ 167,635,782	$ 17,341,432	$ 17,404,675	$ 2,207,528	$ 204,589,417	$ 64,600,881
Current cash and investments	$ 132,791,761	$ 17,217,761	$ 17,248,375	$ 2,104,269	169,362,166	$ 64,600,881
Current cash and investments-restricted	5,309,506	123,671	156,300	103,259	5,692,736	-
Noncurrent cash and investments-restricted	29,534,515	-	-	-	29,534,515	-
Cash and investments, September 30, 2018	$ 167,635,782	$ 17,341,432	$ 17,404,675	$ 2,207,528	$ 204,589,417	$ 64,600,881

(Continued)

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

	Business-type Activities Enterprise Funds					Governmental Activities - Internal Service Funds
	County Water and Sewer	Solid Waste Disposal	Emergency Medical Services	Other Funds	Total	
Operating income (loss)	$ 9,585,177	$ (55,790,046)	$ (18,835,777)	$ (12,838,906)	$ (77,879,552)	$ (11,926,965)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:						
Depreciation expense	45,664,287	1,508,112	1,646,623	3,429,936	52,248,958	3,050,700
Net changes in assets and liabilities:						
Trade receivable	(403,853)	(368,600)	255,235	92,397	(424,821)	(320)
Due from other funds	-	(445)	-	-	(445)	(450,671)
Due from other governments	(556,099)	(204)	(1,774)	-	(558,077)	31,848
Inventory	(724,783)	-	(70,384)	(40,026)	(835,193)	(42,999)
Prepaid costs	2,500	-	49,050	-	51,550	(1,266)
Accounts payable	(4,921,126)	(1,739,751)	101,484	407,203	(6,152,190)	(184,310)
Retainage payable	(679,882)	-	-	-	(679,882)	-
Wages payable	(249,989)	(31,257)	73,025	(3,550)	(211,771)	8,253
Due to other funds	(31,262)	(213,431)	(1,500)	(5,938)	(252,131)	(47,940)
Due to other governments	(36,130)	(424)	-	(601)	(37,155)	642
Compensated absences	92,553	23,441	89,989	4,199	210,182	40,274
Refundable deposits	31,000	-	-	-	31,000	-
Unearned revenue	-	(9,292)	-	(28,235)	(37,527)	89,609
Self-insurance claims payable	-	-	-	-	-	3,651,314
Total OPEB liability	(44,524)	30,316	15,801	1,960	3,553	3,215
Deferred inflows of resources related to OPEB	34,241	3,577	17,035	1,704	56,557	7,582
Net pension liability	317,819	694,578	1,221,334	49,250	2,282,981	163,214
Deferred outflows of resources related to pensions	46,056	(270,821)	(176,060)	(14,331)	(415,156)	(14,700)
Deferred inflows of resources related to pensions	880,647	132,219	1,337,164	36,464	2,386,494	223,704
Landfill post closure liability	-	(27,139)	-	-	(27,139)	-
Total adjustments	39,421,455	(269,121)	4,557,022	3,930,432	47,639,788	6,528,149
Net cash provided by (used for) operating activities	$ 49,006,632	$ (56,059,167)	$ (14,278,755)	$ (8,908,474)	$ (30,239,764)	$ (5,398,816)
Non-cash investing, capital and financing activities:						
Change in fair value of investments	$ (505,162)	$ (73,941)	$ (52,956)	$ (2,299)	$ (634,358)	$ (196,775)
Developer infrastructure contributions	19,340,867	-	-	-	19,340,867	-
Contributed capital assets	18,612	289,785	25,562	307,891	641,850	-
Change in capital related grant receivable	-	-	-	468,639	468,639	-
Change in special assessment receivable	308,320	-	-	-	308,320	-
Capital related accounts payable	4,309,798	1,165,202	-	526,666	6,001,666	37,905
Assets received from utility acquisition	29,277,956	-	-	-	29,277,956	-

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

COLLIER COUNTY, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION
AGENCY FUNDS
SEPTEMBER 30, 2018

	Agency Funds
ASSETS	
Cash and investments	$ 36,850,700
Receivables:	
Interest	14,252
Other	59,737
Total assets	$ 36,924,689
LIABILITIES	
Due to other governments	$ 7,506,907
Due to individuals	637,665
Refundable deposits	27,812,997
Due to special assessment holders	967,120
Total liabilities	$ 36,924,689

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

COLLIER COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

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NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

THE REPORTING ENTITY

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

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

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

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

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

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

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

COLLIER COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

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

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

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

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

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

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

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

Administrative Offices

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

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

Bayshore Gateway Community Redevelopment Agency
4069 Bayshore Drive, #1
Naples, Florida 34112

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

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

Collier County Health Facilities Authority
Collier County Housing Finance Authority
Collier County Industrial Development Authority
Collier County Educational Facilities Authority
5150 Tamiami Trail North, #502
Naples, Florida 34103

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

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

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

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

BASIS OF PRESENTATION

The following are reported as major governmental funds:

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

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

COLLIER COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

The following are reported as major enterprise funds:

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

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

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

Collier County also maintains the following nonmajor fund types:

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

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

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

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

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

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

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

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

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

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

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

BUDGETS AND BUDGETARY DATA

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

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

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

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

COLLIER COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

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

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

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

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

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

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

Budgets are adopted for all governmental departments except as described in the previous paragraph. These budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) except for certain non-budgeted revenues and expenditures and mark to market activity on investments. All unencumbered appropriations lapse at the end of the current year. For further information regarding encumbrances, refer to Note 16 on page 81.

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

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

CASH AND INVESTMENTS

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

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

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

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

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

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

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

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

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

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

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

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

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

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

COLLIER COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

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

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

Florida PRIME is considered a qualifying external investment pool that meets all of the necessary criteria to elect to measure all of the investments at amortized cost. Therefore, the fair value of the County's position in the pool is the same as the value of the pool shares. The Florida PRIME investments are not categorized because they are not evidenced by securities that exist in physical or book entry form. Throughout the year, and as of September 30, 2018, Florida PRIME contained certain floating and adjustable rate securities. These investments represented 33.5% of Florida PRIME's portfolio at September 30, 2018.

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

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

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

As of September 30, 2018, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100 percent of their account value.

RECEIVABLES

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

INVENTORIES AND PREPAID COSTS

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

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

CAPITAL ASSETS

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

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

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

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

CAPITAL LEASE OBLIGATIONS

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

DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

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

COLLIER COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

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

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

BOND PREMIUMS, LOSS ON DEFEASANCE AND ISSUANCE COSTS

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

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

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

PROPERTY TAXES

Property taxes become due and payable on November 1st of each year and become delinquent on April 1st of the following year. Property taxes receivable and a corresponding allowance for uncollectible property taxes are not included in the financial statements, as delinquent taxes as of September 30, 2018 are not significant. Discounts on property taxes are allowed for payments made prior to the April 1st delinquent date as follows: November - 4%, December - 3%, January - 2%, and February - 1%. Tax certificates for the full amount of any unpaid taxes must be sold no later than June 1st of each year.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

No accrual for the property tax levy becoming due in November 2018 is included in the accompanying financial statements, since such taxes are collected to finance expenditures of the subsequent period.

Key dates in the property tax cycle for the fiscal year ended September 30, 2018 are as follows:

Property Tax Cycle	Date
Assessment roll compiled	January 1, 2017
Assessment roll certified	July 1, 2017
Millage resolution approved	Within 35 days of the certification of the assessment roll
Beginning of fiscal year for tax levy	October 1, 2017
Taxes due and payable (levy date)	November 1, 2017
Collection dates	By November 30: 4% discount
	By December 31: 3% discount
	By January 31: 2% discount
	By February 29: 1% discount
Due date	March 31, 2018
Delinquent (lien date)	April 1, 2018
Tax certificates sold	Prior to June 1, 2018

ACCOUNTING ESTIMATES

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

UNEARNED REVENUE

In instances where assets have been received by the County for services to be rendered in future periods, asset balances are offset by an unearned revenue liability account in the financial statements. Unearned revenues of the County as of September 30, 2018 are gift certificates issued and prepayments on accounts.

ACCRUED COMPENSATED ABSENCES

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

It is the Board of County Commissioners' policy to allow employees of record on August 2, 1996 a sick leave payment upon termination for any service period earned prior to August 2, 1996 and a payout of unused vacation up to 440 hours for all employees. The Sheriff's policy allows for a percentage of unused sick leave payout based upon years of service, not to exceed 2,000 hours, and up to 500 hours of unused vacation time. As of September 15, 2017, the Sheriff authorized unused vacation balances to be temporarily raised to 600 hours, effective through December 31, 2018. This change was made as a result of Hurricane Irma which prevented most members from taking any vacation time prior to, during, and for a period after the hurricane because of required work schedules during the declared state of emergency.

COLLIER COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Both the Clerk of the Circuit Court and Comptroller's and Tax Collector's policies allow for a percentage of unused sick leave payout based upon years of service, and up to 240 hours of unused vacation hours. The Property Appraiser's policy allows for a percentage of unused sick leave payout based upon years of service, not to exceed 1,040 hours, and up to 200 hours of unused vacation hours. The Supervisor of Election's policy allows for a percentage of unused sick leave payout based upon years of service, and up to 440 hours of unused vacation.

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

PENSIONS

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

OTHER POST EMPLOYMENT BENEFITS (OPEB)

In the government-wide and proprietary funds statements of net position, liabilities are recognized for the County's total OPEB liability as determined by an actuarial review of the healthcare coverage purchased by retirees to continue participation in the County's self-insured health plan. The County is responsible for covering the excess of retiree claims over premium payments made by retirees to the County, which creates an other post employment benefit. OPEB expense is recognized immediately for changes in the OPEB liability resulting from current year service cost, interest on the total OPEB liability and changes of benefit terms or actuarial assumptions.

ADOPTION OF NEW ACCOUNTING PRONOUNCEMENTS

For the year ended September 30, 2018, the financial statements include the impact of the adoption of GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction* Period. The primary objectives of this Statement are to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and the simplification of accounting for interest cost incurred before the end of a construction period. This Statement replaces the requirements of GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements.*

The statements also include the impact of the adoption of GASB Statement No. 82, *Pension Issues,* and GASB Statement No. 85, *Omnibus 2017.* GASB Statement No. 82 addresses issues regarding the presentation of payroll related measures in required supplementary information, the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes and the classification of payments made by employers to satisfy employee contribution requirements. GASB Statement No. 85 establishes accounting and financial reporting requirements for blending component units, goodwill, fair value measurement and application and postemployment benefits. Lastly, the statements include the impact of the adoption of GASB Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements.* The objective of GASB Statement No. 88 is to improve consistency in the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements, and to provide financial statement users with additional essential information about debt.

NOTE 2 – CASH AND INVESTMENTS

As of September 30, 2018, the County had the following cash and investments:

Investment	Final Maturities	Fair Value	First Call Date	Call Frequency	Rating *
Cash on hand	N/A	$ 101,953	N/A	N/A	N/A
Demand deposits	N/A	98,928,905	N/A	N/A	N/A
Cash with fiscal agent	N/A	11,790,009	N/A	N/A	N/A
Money market / CD	N/A	51,394,242	N/A	N/A	N/A
State Board of Administration Pool:					
Florida PRIME	N/A	40,394,448	N/A	N/A	AAAm
US Treasury Note	9/30/18	499,775	N/A	N/A	AA+
US Treasury Note	10/31/18	24,973,425	none	N/A	AA+
Federal Farm Credit Bank	11/19/18	249,565	N/A	N/A	AA+
Federal Farm Credit Bank	12/19/18	9,977,360	none	N/A	AA+
Federal Farm Credit Bank	12/21/18	24,945,700	12/21/16	continuously	AA+
Federal Farm Credit Bank	12/27/18	23,985,186	12/27/17	continuously	AA+
US Treasury Note	12/31/18	498,940	N/A	N/A	AA+
US Treasury Note	2/15/19	432,399	N/A	N/A	AA+
Federal Home Loan Bank	2/26/19	497,900	N/A	N/A	AA+
US Treasury Bill	2/28/19	24,762,500	none	N/A	AA+
US Treasury Bill	2/28/19	24,762,500	none	N/A	AA+
Federal Home Loan Bank	3/18/19	14,931,645	none	N/A	AA+
US Treasury Note	3/31/19	497,070	N/A	N/A	AA+
Federal Home Loan Bank	4/4/19	9,986,130	none	N/A	AA+
US Treasury Bill	4/25/19	49,329,800	none	N/A	AA+
US Treasury Note	6/30/19	495,235	N/A	N/A	AA+
Federal Farm Credit Bank	7/1/19	39,570,160	none	N/A	AA+
Federal National Mortgage Association	7/12/19	24,709,675	1/12/17	quarterly	AA+
Federal Farm Credit Bank	7/12/19	494,375	N/A	N/A	AA+
US Treasury Bill	7/18/19	19,605,680	none	N/A	AA+
US Treasury Bill	7/18/19	19,605,680	none	N/A	AA+
Federal Home Loan Bank	8/5/19	24,640,550	none	N/A	AA+
US Treasury Bill	8/15/19	48,903,000	none	N/A	AA+
Federal Home Loan Mortgage Corporation	8/28/19	24,702,875	11/28/16	quarterly	AA+
Federal National Mortgage Association	8/28/19	14,783,805	none	N/A	AA+
Federal Home Loan Bank	8/28/19	247,652	N/A	N/A	AA+
US Treasury Note	9/30/19	485,975	N/A	N/A	AA+
US Treasury Note	10/15/19	24,573,250	none	N/A	AA+
US Treasury Note	10/31/19	246,845	N/A	N/A	AA+
Federal Home Loan Bank	12/13/19	492,130	N/A	N/A	AA+
Federal National Mortgage Association	2/5/20	487,444	N/A	N/A	AA+
Federal Farm Credit Bank	2/20/20	494,650	N/A	N/A	AA+
Federal National Mortgage Association	7/27/20	24,268,625	1/27/17	quarterly	AA+
Federal Home Loan Mortgage Corp.	9/29/20	246,038	N/A	N/A	AA+
Federal Home Loan Bank	10/19/20	490,970	N/A	N/A	AA+
US Treasury Note	10/31/20	244,523	N/A	N/A	AA+
Federal Farm Credit Bank	2/8/21	24,708,275	8/8/18	continuously	AA+
Federal Home Loan Bank	2/12/21	247,930	N/A	N/A	AA+
Federal Home Loan Mortgage Corp.	5/25/21	537,312	N/A	N/A	AA+
Federal Farm Credit Bank	8/16/21	143,923	N/A	N/A	AA+
Federal Farm Credit Bank	9/1/21	9,919,180	6/1/18	monthly	AA+
Federal Home Loan Bank	9/27/21	24,077,725	12/27/16	continuously	AA+
Federal National Mortgage Association	9/30/21	23,792,600	3/30/17	quarterly	AA+
Federal Home Loan Bank	11/28/22	24,186,025	11/28/18	quarterly	AA+
Federal Home Loan Mortgage Corporation	12/7/22	24,170,550	12/7/18	quarterly	AA+
Federal Home Loan Mortgage Corporation	3/8/23	11,811,612	6/8/18	quarterly	AA+
		$ 826,323,721			

** Standard and Poor's rating*

COLLIER COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

NOTE 2 – CASH AND INVESTMENTS – CONTINUED

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

CREDIT RISK

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The County's investment policy limits credit risk by restricting authorized investments to the Florida Local Government Surplus Trust Fund (Florida PRIME), direct obligations of, or obligations backed by the full faith and credit of the United States Government, U.S. government sponsored Corporation/Instrumentalities (except for Student Loan Marketing Association), certificates of deposit collateralized by U.S. Government Securities or Agencies, fixed income mutual funds collateralized by U.S. Government Securities or Agencies, domestic bankers' acceptances rated "AA" or higher, prime commercial paper rated "A-1" and "P-1", tax-exempt obligations rated "AA" or higher and issued by state or local governments, NOW accounts fully collateralized in accordance with Chapter 280, Florida Statutes and qualifying repurchase agreements. The policy requires that each firm involved in a repurchase agreement must execute the County's master repurchase agreement, a third party custodian must hold collateral for all repurchase agreements with a term of more than one day and the market value of the collateral shall maintain a minimum price of 101 percent on U.S. Government securities and 104 percent on Agencies and Instrumentalities with a term over five (5) years, and must be marked to market at least weekly. Florida PRIME is an investment pool administered by the State Board of Administration (SBA), under the regulatory oversight of the State of Florida. At September 30, 2018, the County had $40,394,448 invested in the State Board of Administration's Local Government Surplus Funds Trust Fund Investment Pool. All of these funds are held in the Florida PRIME pool. Florida PRIME is rated "AAAm" by Standard & Poor's Ratings Services.

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

CUSTODIAL CREDIT RISK

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. At September 30, 2018, the County had demand deposits of $98,928,905. All balances in excess of the Federal Depository Insurance Corporation (FDIC) insurance for these demand deposits are fully collateralized by the multiple financial institutions' collateral pool in accordance with Florida Statutes Section 280. The discretely presented component unit demand deposits of $264,511 are secured by the FDIC as individual entity balances do not exceed $250,000. Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of the investment or collateral securities that are in the possession of an outside party. The County's investment policy requires execution of a third-party custodial safekeeping agreement for purchased securities and collateral, and requires that securities be held in the County's name.

INTEREST RATE RISK

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

NOTE 2 – CASH AND INVESTMENTS – CONTINUED

The dollar weighted average days to maturity (WAM) of Florida PRIME at September 30, 2018, was 33 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, was 72 days.

The portion of the County's cash and investments invested in U.S. Government Agencies is detailed as follows, at September 30, 2018:

Issuer	% of Portfolio
Federal Home Loan Bank	12.08%
Federal Farm Credit Bank	16.28%
Federal Home Loan Mortgage Corporation	7.44%
Federal National Mortgage Association	10.65%
Total U.S. Government Agencies	46.45%

Reconciliation of cash and investments to the basic financial statements:

Primary government:	
Cash and investments	$ 390,719,742
Cash with Fiscal Agent	11,790,009
Restricted cash and investments - current	28,649,276
Restricted cash and investments - noncurrent	358,313,994
Agency funds:	
Cash and investments	36,850,700
Total	$ 826,323,721

FAIR VALUE MEASUREMENTS

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

The three levels of the fair value hierarchy under GASB Statement No. 72 are described as follows:

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

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

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

COLLIER COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

NOTE 2 – CASH AND INVESTMENTS – CONTINUED

The County has the following recurring fair value measurements as of September 30, 2018:

US Treasury Notes and Bills classified as Level 1 of the fair value hierarchy were valued using prices quoted in active markets for those securities. As of September 30, 2018, the fair value of the County's US Treasury Notes and Bills was $239,916,597.

US Agency obligations classified as Level 2 of the fair value hierarchy were valued using quoted prices for similar assets in active markets for those securities. As of September 30, 2018, the fair value of the County's US Agency obligations was $383,797,567.

NOTE 3 - TRADE RECEIVABLES

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

	Trade Receivables	Less Allowance for Doubtful Accounts	Net Trade Receivables
General Fund	$ 1,268,744	$ 707,835	$ 560,909
Bayshore Gateway Community Redevelopment Agency	12,720	12,720	-
Nonmajor Governmental Funds	2,015,584	425,950	1,589,634
Total receivables reported in Governmental Funds	3,297,048	1,146,505	2,150,543
Total receivables reported in Internal Service Funds	34,312	14,519	19,793
Total Governmental Activities trade receivables	$ 3,331,360	$ 1,161,024	$ 2,170,336
County Water and Sewer	$ 13,193,595	$ 8,407	$ 13,185,188
Solid Waste Disposal	1,655,562	633	1,654,929
Emergency Medical Services	24,513,830	23,088,357	1,425,473
Nonmajor Enterprise Funds	93,565	18,577	74,988
Total Business-type Activities trade receivables	$ 39,456,552	$ 23,115,974	$ 16,340,578

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

NOTE 4 – INTERFUND PAYABLES AND RECEIVABLES

ADVANCES

Advances are made to funds for the purposes of capital acquisitions and improvements. Reimbursements will take place over the next several years as funds are available. Advances to and advances from other funds at September 30, 2018 were as follows:

	Advance To	Advance From
Governmental Activities:		
General Fund	$ 589,875	$ -
Immokalee Community Redevelopment Agency	-	178,901
Other governmental funds:		
Unincorporated Area MSTD	342,829	-
Community Development	9,264	-
Improvement Districts	-	113,800
Fire Control Districts	-	268,100
County-Wide Capital Improvement	5,306,800	-
County-Wide Library Impact Fees	-	311,600
Emergency Medical Services Impact Fees	-	1,962,800
Government Facilities Impact Fees Fund	-	3,354,175
Other Capital Projects	-	9,264
Total Governmental Activities	6,248,768	6,198,640
Business-type Activities:		
County Water and Sewer	41,091,750	50,128
Solid Waste Disposal	-	41,091,750
Total Business-type Activities	41,091,750	41,141,878
Total Advances	$ 47,340,518	$ 47,340,518

DUE FROM AND DUE TO

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

COLLIER COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

NOTE 4 – INTERFUND PAYABLES AND RECEIVABLES – CONTINUED

Due from and due to other funds at September 30, 2018 were as follows:

	Due From	Due To
Governmental Activities:		
General Fund	$ 639,087	$ 1,743,049
Bayshore Gateway Community Redevelopment Agency	-	63,735
Immokalee Community Redevelopment Agency	-	67,116
Other Governmental Funds:		
Road Districts	872,580	-
Unincorporated Area MSTD	397,981	6,382
Water Management and Pollution Control	94,627	-
Grants and Shared Revenues	1,414,415	1,673,343
Improvement Districts	36,572	1,482
Fire Control Districts	13,941	-
Lighting Districts	11,614	-
911 Enhancement Fee	-	118,776
Tourist Development	250,574	-
800 MHz	32,682	-
State Court Administration	-	10,005
Confiscated Property	-	5,231
Ave Maria Innovation Zone	-	22,867
Other Public Safety Revenue Funds	-	90,710
Other Special Revenue Funds	141	-
Forest Lakes Limited General Obligation Bonds	4,707	-
Special Obligation Revenue Bonds	-	8,650,000
Other Debt Service	-	56
County-Wide Capital Improvement	-	63,471
Parks Improvements	37,287	-
County Wide Library	409,000	-
Correctional Facilities Impact Fee	1,370,000	-
Emergency Medical Services Impact Fee	209,000	-
Water Management	634,794	1,266,790
Parks Impact Fee	2,489,000	-
Road Construction	680,110	-
Government Facilities Impact Fee	2,795,000	-
Law Enforcement Impact Fee	506,000	-
Other Capital Projects	3,299	-
Total other governmental funds	12,263,324	11,909,113
Business-type Activities:		
Solid Waste	365,580	853
Emergency Medical Services	-	11,036
Other Business-type funds:		
Airport Authority	-	169
Collier Area Transit	12,013	1,040
Total other Business-type funds	12,013	1,209
Internal Service Funds	516,107	-
Total All Funds	$ 13,796,111	$ 13,796,111

NOTE 5 – CAPITAL ASSETS

A summary of capital asset activity for the year ended September 30, 2018 is as follows:

	October 1, 2017	Additions	Deductions	Transfers and Reclassifications	September 30, 2018
Governmental Activities:					
Capital assets not depreciated:					
Land and other non-depreciable assets	$ 420,184,753	$ 16,579,584	$ -	$ -	$ 436,764,337
Construction in progress	83,938,571	46,302,699	(22,866)	(85,979,095)	44,239,309
Total capital assets not depreciated	504,123,324	62,882,283	(22,866)	(85,979,095)	481,003,646
Capital assets depreciated:					
Buildings	457,608,765	2,486	(1,850)	4,579,180	462,188,581
Infrastructure	1,071,323,367	303,588	(16,350)	61,083,588	1,132,694,193
Improvements other than buildings	290,040,716	392,744	(23,236)	14,353,956	304,764,180
Machinery and equipment	200,093,383	24,040,563	(9,727,890)	5,958,592	220,364,648
Total capital assets depreciated	2,019,066,231	24,739,381	(9,769,326)	85,975,316	2,120,011,602
Less accumulated depreciation:					
Buildings	190,936,597	14,357,913	(1,850)	-	205,292,660
Infrastructure	408,599,688	36,226,586	(16,350)	(75)	444,809,849
Improvements other than buildings	188,310,280	9,979,961	(15,228)	-	198,275,013
Machinery and equipment	160,760,982	12,510,349	(9,692,184)	722	163,579,869
Total accumulated depreciation	948,607,547	73,074,809	(9,725,612)	647	1,011,957,391
Total depreciable capital assets, net	1,070,458,684	(48,335,428)	(43,714)	85,974,669	1,108,054,211
Total Governmental Activities capital assets, net	$ 1,574,582,008	$ 14,546,855	$ (66,580)	$ (4,426)	$ 1,589,057,857
Business-type Activities:					
Capital assets not depreciated:					
Land and other non-depreciable assets	$ 31,486,366	$ 2,742,340	$ -	$ -	$ 34,228,706
Construction in progress	66,304,879	43,832,879	(988,385)	(39,085,838)	70,063,535
Total capital assets not depreciated	97,791,245	46,575,219	(988,385)	(39,085,838)	104,292,241
Capital assets depreciated:					
Buildings	151,404,500	6,675,449	(77,910)	366,736	158,368,775
Improvements other than buildings	1,197,860,963	36,966,176	(653,524)	27,877,699	1,262,051,314
Machinery and equipment	67,566,232	6,722,625	(3,317,361)	10,845,182	81,816,678
Total capital assets depreciated	1,416,831,695	50,364,250	(4,048,795)	39,089,617	1,502,236,767
Less accumulated depreciation:					
Buildings	87,826,888	4,908,359	(19,438)	-	92,715,809
Improvements other than buildings	474,573,646	39,360,675	(515,833)	75	513,418,563
Machinery and equipment	39,747,483	7,979,924	(3,217,861)	(722)	44,508,824
Total accumulated depreciation	602,148,017	52,248,958	(3,753,132)	(647)	650,643,196
Total depreciable capital assets, net	814,683,678	(1,884,708)	(295,663)	39,090,264	851,593,571
Total Business-type Activities capital assets, net	$ 912,474,923	$ 44,690,511	$ (1,284,048)	$ 4,426	$ 955,885,812

COLLIER COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

NOTE 5 – CAPITAL ASSETS – CONTINUED

Schedule of depreciation for fiscal year 2018:

General Government	$ 7,745,663
Public Safety	11,344,587
Physical Environment	5,315,049
Transportation	36,290,688
Economic Environment	361,878
Human Services	352,034
Culture and Recreation	8,614,210
Subtotal	70,024,109
Internal Service Funds	3,050,700
Total Governmental Activities	$ 73,074,809
Water and Sewer	$ 45,664,287
Solid Waste	1,508,112
EMS	1,646,623
Airport Authority	1,525,540
Mass Transit	1,904,396
Total Business-type Activities	$ 52,248,958

NOTE 6 – LONG-TERM DEBT

SUMMARY OF CHANGES IN LONG-TERM OBLIGATIONS

The following is a summary of changes in long-term obligations for the year ended September 30, 2018:

		000's Omitted				
	October 1, 2017	Additions	Reductions	Premium Amortized	September 30, 2018	Due within one year
Governmental Activities:						
Bonds Payable	$ 220,775	$ -	$ (54,685)	$ -	$ 166,090	$ 14,205
Premium on Bonds Payable	13,871	-	(503)	(1,447)	11,921	-
Direct Placement Loans Payable	74,155	43,713	(7,653)	-	110,215	7,965
Commercial Paper Loans	-	12,000	(100)	-	11,900	400
Notes Payable	5,072	-	(457)	-	4,615	473
Capital Lease Obligations	316	-	(80)	-	236	83
Self-Insurance Claims	8,485	76,807	(73,156)	-	12,136	8,111
Compensated Absences	28,469	8,889	(7,728)	-	29,630	9,994
Total	$ 351,143	$ 141,409	$ (144,362)	$ (1,447)	$ 346,743	$ 41,231
Business-type Activities:						
Bonds Payable	$ 48,105	$ -	$ -	$ -	$ 48,105	$ -
Premium on Bonds Payable	11,246	-	-	(603)	10,643	-
Direct Placement Loans Payable	20,825	35,965	(5,528)	-	51,262	6,261
Notes Payable	87,519	-	(9,574)	-	77,945	9,369
Capital Lease Obligations	865	-	(344)	-	521	348
Landfill Closure Liability	1,777	-	(27)	-	1,750	-
Compensated Absences	2,942	2,706	(2,496)	-	3,152	2,522
Total	$ 173,279	$ 38,671	$ (17,969)	$ (603)	$ 193,378	$ 18,500

NOTE 6 – LONG-TERM DEBT – CONTINUED

DESCRIPTIONS OF BONDS, LOANS AND NOTES PAYABLE

Bonds, loans and notes payable at September 30, 2018 were composed of the following:

GOVERNMENTAL ACTIVITIES

Governmental Activities Limited General Obligation Bonds	
$6,215,000 2007 Limited General Obligation Bonds, Forest Lakes Roadway and Drainage Municipal Service Taxing Unit, due in installments of $300,000 to $540,000 through January 1, 2022; interest at 3.75% to 4.25% and collateralized by a limited ad valorem pledge of up to 4 mils. Bonds were issued for purposes of financing the costs of certain roadway lighting, drainage and restoration within the Forest Lakes Municipal Service Taxing Unit.	$ 2,030,000
Total Governmental Activities Limited General Obligation Bonds	$ 2,030,000
Governmental Activities Revenue Bonds	
$38,680,000 2012 Gas Tax Refunding Revenue Bonds, due in annual installments of $2,700,000 to $6,605,000 through June 1, 2023; interest at 3.00% to 5.00% and collateralized by a pledge on the combined gas tax proceeds. Bonds were issued for purposes of advance refunding the County's 2003 Gas Tax Revenue Bonds.	$ 17,220,000
$59,895,000 2010 Special Obligation Revenue Bonds, due in annual installments of $1,545,000 to $3,860,000 through July 1, 2034; interest at 3.00% to 4.50% and collateralized by a pledge on legally available non-ad valorem revenues, including but not limited to the proceeds of the local government half cent sales tax, state revenue sharing, communications services tax and charges and services generated by governmental activities. Bonds were issued to refund all of the County's then outstanding promissory notes issued pursuant to the pooled commercial paper loan program of the Florida Local Government Finance Commission.	4,260,000
$24,620,000 2010B Special Obligation Refunding Revenue Bonds, due in annual installments of $1,830,000 to $2,630,000 through October 1, 2021; interest at 3.00% to 5.00% and collateralized by pledge on legally available non-ad valorem revenues, including but not limited to the proceeds of the local government half cent sales tax, state revenue sharing, communications services tax and charges and services generated by governmental activities. Bonds were issued for purposes of advance refunding the County's 2002 Capital Improvement Revenue Bonds.	9,960,000
$92,295,000 2011 Special Obligation Refunding Revenue Bonds, due in annual installments of $1,605,000 to $8,270,000 through October 1, 2029; interest at 2.50% to 5.00% and collateralized by a pledge on legally available non-ad valorem revenues, including but not limited to the proceeds of the local government half cent sales tax, state revenue sharing, communications services tax and charges and services generated by governmental activities. Bonds were issued for purposes of advance refunding a portion of the County's 2003 and 2005 Capital Improvement and Refunding Revenue Bonds.	58,815,000
$73,805,000 2013 Special Obligation Refunding Revenue Bonds, due in annual installments of $4,860,000 to $8,525,000 through October 1, 2035; interest at 3.50% to 4.00% and collateralized by a pledge on legally available non-ad valorem revenues, including but not limited to the proceeds of the local government half cent sales tax, state revenue sharing, communications services tax and charges and services generated by governmental activities. Bonds were issued for purposes of advance refunding all of the County's remaining 2003 and 2005 Capital Improvement and Refunding Revenue Bonds.	73,805,000
Total Governmental Activities Revenue Bonds	$ 164,060,000

COLLIER COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

NOTE 6 – LONG-TERM DEBT – CONTINUED

Governmental Activities Direct Placement Loans	
$89,780,000 2014 Gas Tax Refunding Revenue Bond (Bank Term Loan) due in annual installments of $1,065,000 to $13,265,000 through June 1, 2025; interest at 2.33% and collateralized by a pledge on the combined gas tax proceeds. Loan was issued to advance refund a portion of the County's 2005 Gas Tax Revenue Bonds.	$ 66,615,000
$43,713,000 2017 Special Obligation Refunding Revenue Note (Bank Term Loan) due in annual installments of $113,000 to $3,724,000 through July 1, 2034; interest at 3.09% and collateralized by a pledge on legally available non-ad valorem revenues, including but not limited to the proceeds of the local government half cent sales tax, state revenue sharing, communications services tax and charges and services generated by governmental activities. Loan was issued to advance refund a portion of the County's 2010 Special Obligation Revenue Bonds.	43,600,000
Total Governmental Activities Direct Placement Loans	$ 110,215,000
Governmental Activities Commercial Paper Loans	
$12,000,000 Commercial Paper issued by the Florida Local Government Finance Commission Pooled Commercial Paper Program due on June 6, 2023; monthly variable interest for the current fiscal year of 2.03% to 2.73%, based on the underlying commercial paper that is purchased and collateralized by all legally available non-ad valorem revenues. Loan was issued for purposes of purchasing a parcel of land for the County's amateur sports complex.	$ 11,900,000
Total Governmental Activities Commercial Paper Loans	$ 11,900,000
Governmental Activities Note Payable	
$5,293,293 2017 Bayshore Gateway Community Redevelopment Agency Taxable Note with TD Bank, N.A., due in monthly installments of $35,574 to $52,349 through March 1, 2027; interest at 3.56% and collateralized by a pledge on all legally available non-ad valorem revenues of the Bayshore Gateway Community Redevelopment Agency. Note was issued to refund the 2013 Collier County Community Redevelopment Agency Taxable Note (Fifth Third Bank).	$ 4,615,198
Total Governmental Activities Note Payable	$ 4,615,198
Total Governmental Activities Obligations	$ 292,820,198
Unamortized Bond Premium	$ 11,921,472
Governmental Activities Obligations, Net	$ 304,741,670
Less Current Portion of Governmental Activities Obligations	$ (23,043,424)
Long-Term Portion of Governmental Activities Obligations, Net	$ 281,698,246

BUSINESS-TYPE ACTIVITIES

Business-type Activities Revenue Bonds	
$48,105,000 2016 Collier County Water and Sewer Refunding Revenue Bonds due in annual installments of $5,035,000 to $7,090,000 through July 1, 2036; interest at 5.00% and collateralized by a lien on and a pledge of net revenues of the Collier County Water and Sewer District (District). Bonds were issued for purposes of currently refunding all of the District's remaining 2006 Water and Sewer Revenue Bonds.	$ 48,105,000
Total Business-type Activities Revenue Bonds	$ 48,105,000

NOTE 6 – LONG-TERM DEBT – CONTINUED

Business-type Activities Direct Placement Loans	
$17,769,080 2013 Collier County Water and Sewer Refunding Revenue Bond (Bank Term Loan) due in annual installments of $1,369,430 to $4,312,275 through July 1, 2021; interest at 1.47% and collateralized by a lien on and a pledge of net revenues of the Collier County Water and Sewer District. Loan was issued to currently refund all of the District's 2003B Water and Sewer Refunding Revenue Bonds.	$ 4,281,907
$17,687,000 2015 Collier County Water and Sewer Refunding Revenue Bond (Bank Term Loan) due in annual installments of $2,533,000 to $4,561,000 through July 1, 2022; interest at 1.75% and collateralized by a lien on and a pledge of net revenues of the Collier County Water and Sewer District. Loan was issued to advance refund a portion of the District's 2006 Water and Sewer Revenue Bonds.	12,575,000
$35,965,000 2018 Collier County Water and Sewer Revenue Bond (Bank Term Loan) due in annual installments of $1,560,000 to $3,945,000 through July 1, 2029; interest at 2.41% and collateralized by a lien on and a pledge of net revenues of the Collier County Water and Sewer District. Loan was issued to finance the acquisition of water and wastewater utility facilities within the Golden Gate Community.	34,405,000
Total Business-type Activities Direct Placement Loans	$ 51,261,907
Business-type Activities Notes Payable	
$166,580 County Water and Sewer District agreement with private developer payable through use of sewer impact fee credits. Non-interest bearing agreement.	$ 65,557
$89,982,000 2016 County Water and Sewer District Refunding Revenue Note with Florida Community Bank, N.A., due in monthly installments of $2,881,000 to $9,574,000 through July 1, 2029; interest at 1.80% and collateralized by a subordinated pledge on the net revenues of the Collier County Water and Sewer District. Loan was issued to currently refund all of the District's State Revolving Fund Loans.	77,879,000
Total Business-type Activities Loans and Notes Payable	$ 77,944,557
Total Business-type Activities Obligations	$ 177,311,464
Unamortized Bond Premium	$ 10,643,362
Business-type Activities Obligations, Net	$ 187,954,826
Less Current Portion of Business-type Activities Obligations Payable from Unrestricted Assets	$ (11,673,360)
Less Current Portion of Business-type Activities Obligations Payable from Restricted Assets	$ (3,956,677)
Long-Term Portion of Business-type Activities Obligations, Net	$ 172,324,789

COLLIER COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

NOTE 6 – LONG-TERM DEBT – CONTINUED

SUMMARY OF DEBT SERVICE REQUIREMENTS TO MATURITY

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

Governmental Activities

Fiscal Year	Limited General Obligation Bonds		Revenue Bonds		Direct Placement Loans	
	Principal	Interest	Principal	Interest	Principal	Interest
2019	$ 475,000	$ 76,181	$ 13,730,000	$ 6,593,206	$ 7,965,000	$ 2,899,369
2020	495,000	55,569	14,380,000	5,957,469	8,152,000	2,711,847
2021	520,000	34,000	12,780,000	5,303,606	10,576,000	2,519,915
2022	540,000	11,475	13,390,000	4,666,256	10,843,000	2,254,448
2023	-	-	11,260,000	4,089,782	11,120,000	1,982,175
2024-28	-	-	38,730,000	14,899,966	40,834,000	5,503,384
2029-33	-	-	38,095,000	7,982,732	17,001,000	2,183,393
2034-38	-	-	21,695,000	1,229,300	3,724,000	115,072
Totals	$ 2,030,000	$ 177,225	$164,060,000	$ 50,722,317	$110,215,000	$ 20,169,603

Governmental Activities

Fiscal Year	Commercial Paper Loans		Notes Payable		Totals
	Principal	Interest	Principal	Interest	
2019	$ 400,000	$ 705,000	$ 473,424	$ 156,626	$ 33,473,806
2020	400,000	681,000	490,556	139,494	33,462,935
2021	400,000	657,000	508,308	121,743	33,420,572
2022	400,000	633,000	526,702	103,349	33,368,230
2023	10,300,000	459,000	545,762	84,289	39,841,008
2024-28	-	-	2,070,446	134,733	102,172,529
2029-33	-	-	-	-	65,262,125
2034-38	-	-	-	-	26,763,372
Totals	$ 11,900,000	$ 3,135,000	$ 4,615,198	$ 740,234	$367,764,577

Business-type Activities

Fiscal Year	Revenue Bonds		Direct Placement Loans		Notes Payable		Totals
	Principal	Interest	Principal	Interest	Principal	Interest	
2019	$ -	$ 2,405,250	$ 6,261,480	$ 1,112,167	$ 9,368,557	$ 1,401,822	$ 20,549,276
2020	-	2,405,250	6,384,464	991,822	9,027,000	1,234,368	20,042,904
2021	-	2,405,250	6,499,963	869,013	9,189,000	1,071,882	20,035,108
2022	-	2,405,250	6,961,000	743,893	7,891,000	906,480	18,907,623
2023	-	2,405,250	3,505,000	606,235	8,034,000	764,442	15,314,927
2024-28	-	12,026,250	18,815,000	1,723,753	31,554,000	1,776,312	65,895,315
2029-33	27,835,000	9,378,250	2,835,000	68,323	2,881,000	51,858	43,049,431
2034-38	20,270,000	2,060,000	-	-	-	-	22,330,000
Totals	$ 48,105,000	$ 35,490,750	$ 51,261,907	$ 6,115,206	$ 77,944,557	$ 7,207,164	$226,124,584

NOTE 6 – LONG-TERM DEBT – CONTINUED

CURRENT YEAR FINANCING ACTIVITIES

On November 14, 2017 the Board of County Commissioners of Collier County, Florida and ex-officio as the governing Board of the Collier County Water-Sewer District (District) authorized the acquisition of the real and personal property owned or utilized by the Florida Governmental Utility Authority to provide water and wastewater services in Collier County, Florida, in the Golden Gate Community, known as the Golden Gate Utility System (System). The transfer date was set as March 1, 2018 and the purchase price for the Golden Gate Utility System was established as the amount required to repay all outstanding bonds and any additional obligations related to the System. On February 28, 2018 the Series 2018 Collier County Water and Sewer Revenue Bond was issued in the par amount of $35,965,000 for purposes of acquiring the System and paying associated costs of issuance. Effective as of the transfer date the Golden Gate Utility System was included in the Collier County Water-Sewer District service area.

On December 28, 2017, Collier County issued the Series 2017 Special Obligation Refunding Revenue Note (Bank Term Loan) in the par amount of $43,713,000. These bonds were issued for the purpose of advance refunding portions of the County's outstanding Special Obligation Revenue Bonds, Series 2010. The final maturity of the Series 2017 Note is July 1, 2034, with an interest rate of 3.09%. The advanced refunding achieved a net present value savings of 6.73% on the refunded bonds and an aggregate debt service savings of $3,530,341 and an economic gain of $2,868,509. The Series 2017 Special Obligation Refunding Revenue Note was issued as a direct placement financing, secured with a lien on parity with all outstanding Special Obligation Refunding Revenue Bonds. The refunded Series 2010 Special Obligation Revenue Bonds have a redemption date of July 1, 2020.

On April 30, 2018, Collier County issued a $12,000,000 commercial paper loan through the Florida Local Government Finance Commission's Pooled Commercial Paper Program. The loan was issued for purposes of acquiring land for the construction of the County's regional tournament caliber amateur sports complex.

RESTRICTIVE COVENANTS

According to County resolutions authorizing the issuance of the Series 2010, 2010B, 2011 and 2013 Special Obligation Refunding Revenue Bonds and Series 2017 Special Obligation Refunding Revenue Note, the County has covenanted, subject to certain restrictions and limitations, to appropriate in its annual budget, by amendment if necessary, from non-ad valorem revenues amounts sufficient to pay principal and interest on the combined Special Obligation Bonds and Notes.

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

The covenants of the loan agreement authorizing the Florida Local Government Finance Commission loans include appropriation in the annual amounts of non-ad valorem revenues or other legally available funds sufficient to satisfy the loan repayments.

Bayshore Gateway Community Redevelopment Agency (Agency) tax increment revenues are pledged for the repayment of the Agency's Series 2017 taxable note. The Agency has additionally covenanted to budget and appropriate from all legally available non-ad valorem revenues of the Agency to pay the Series 2017 note to the extent the tax increment revenues are insufficient. The Series 2017 note does not constitute an indebtedness of the County and is payable solely from the security provided by the Bayshore Gateway Community Redevelopment Agency. The Agency is required to have a debt service reserve balance with the lending bank of $315,026 as of the end of fiscal year 2018. The Agency was in compliance with these covenants for the year ended September 30, 2018.

COLLIER COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

NOTE 6 – LONG-TERM DEBT – CONTINUED

The County Water and Sewer District (District) has pledged future water and sewer customer revenues, net of certain operating expenses, to repay $99,366,907 in Series 2013, 2015, 2016 and 2018 revenue bonds. Proceeds from the bonds were used for the refinancing of bonds issued for purposes of rehabilitation or expansion of the District's water and sewer systems. Principal and interest are payable through July 1, 2036, solely from the net revenues and certain other fees and charges derived from operation of the County's Water and Sewer District (District). The pledge of net revenues by the District from the operation of the system does not constitute a lien upon the system or any other property of the County. The resolutions authorizing the revenue bonds include an obligation for the District to fix, establish and maintain such rates and collect such fees so as to provide in each year net revenues, as defined in the bond resolutions, which together with system development fees (impact fees) and special assessment proceeds (if applicable) received shall be at least 125% of the annual debt service requirements for the bonds; provided, however, that net revenues in each fiscal year shall be adequate to pay at least 100% of the annual debt service on the bonds. Fiscal year 2018 pledged revenues, net of operating expenses (excluding depreciation and amortization), were $65,336,148, and $79,423,710 when system development fees were included. Principal and interest paid on the bonds during fiscal year 2018 totaled $8,577,955, providing coverage of 762% and 926%, respectively. In addition, bond covenants require a renewal and replacement amount equal to $300,000 in the District funds. The District was in compliance with these covenants for the year ended September 30, 2018.

The District has a note outstanding in the amount of $77,879,000 with Florida Community Bank, N.A. This note is collateralized by a lien on pledged revenues consisting of net revenues from the operations of the County Water and Sewer System and system development fees. The lien is subordinate in all respects to the liens placed upon pledged revenues established by bonded indebtedness. The District's note was in compliance with these covenants for the year ended September 30, 2018.

LEGAL DEBT MARGIN

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

LEASE OBLIGATIONS

Capitalized leases payable at September 30, 2018 amounted to $757,334. These obligations, which are collateralized by equipment and vehicles, have total annual installments ranging from $29,702 to $445,300 including interest ranging from 1.83% to 4.82% and mature through 2022. As of year-end, equipment currently leased under capital leases in the governmental activities had a historical cost of $1,001,732 and accumulated depreciation of $852,895. Equipment currently leased under capital leases in the business-type activities had a historical cost of $2,388,606 and accumulated depreciation of $1,741,364.

Future minimum capital lease obligations as of September 30, 2018 were as follows:

	Governmental Activities	Business-type Activities	Total
2019	$ 92,888	$ 352,412	$ 445,300
2020	92,887	94,432	187,319
2021	40,234	78,693	118,927
2022	29,702	-	29,702
Total minimum lease payments	255,711	525,537	781,248
Less amount representing interest	(19,278)	(4,636)	(23,914)
Present value of minimum lease payments	$ 236,433	$ 520,901	$ 757,334

NOTE 6 – LONG-TERM DEBT – CONTINUED

The County also leases office space, office equipment and storage space under operating leases. These leases expire or are cancellable within the next fiscal year. In the normal course of operations, these leases will be renewed or replaced by other leases. Total rental expenditures for all operating leases within the governmental activities for the year ended September 30, 2018 were $1,868,081. Total rental expenditures for all operating leases within business-type activities for the year ended September 30, 2018 were $304,192.

NOTE 7 – CONDUIT DEBT OBLIGATIONS

COMPONENT UNIT CONDUIT DEBT

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

As of September 30, 2018, the outstanding principal amount payable on all component unit conduit debt was $379,938,485 and is made up of the following:

Industrial development revenue bonds	$ 11,720,000
Housing finance revenue bonds	24,285,898
Health facilities revenue bonds	246,085,000
Educational facilities revenue bonds	97,847,587
Total	$ 379,938,485

NOTE 8 – DEFINED BENEFIT PENSION PLANS

BACKGROUND

The Florida Retirement System (FRS) Pension Plan was created by Chapter 121, Florida Statutes, effective December 1, 1970. The FRS is a qualified retirement plan under Section 401(a), Internal Revenue Code, created to provide a defined benefit pension plan for participating public employees. The FRS was amended in 1998 to add the Deferred Retirement Option Program under the defined benefit plan and amended in 2000 to provide a defined contribution plan alternative to the defined benefit plan for FRS members effective July 1, 2002. This integrated defined contribution pension plan is the FRS Investment Plan. Chapter 112, Florida Statutes, established the Retiree Health Insurance Subsidy (HIS) Program, a cost-sharing multiple-employer defined benefit pension plan, to assist retired members of any State-administered retirement system in paying the costs of health insurance.

Essentially all regular employees of the County are eligible to enroll as members of the State-administered FRS. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions and benefits are defined and described in detail. Such provisions may be amended at any time by the Florida Legislature. The FRS is a single retirement system administered by the Florida Department of Management Services, Division of Retirement, and consists of the two cost sharing, multiple employer defined benefit plans and other nonintegrated programs.

COLLIER COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

NOTE 8 – DEFINED BENEFIT PENSION PLANS – CONTINUED

A comprehensive annual financial report of the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from the Florida Department of Management Services' web site (www.dms.myflorida.com).

The County's pension expense totaled $50,311,408 for both the FRS Pension Plan and HIS Plan for the year ended September 30, 2018.

FLORIDA RETIREMENT SYSTEM PENSION PLAN

PLAN DESCRIPTION

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

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

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

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

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

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

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

BENEFITS PROVIDED

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

NOTE 8 – DEFINED BENEFIT PENSION PLANS – CONTINUED

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

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

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

CONTRIBUTIONS

The Florida Legislature establishes contribution rates for participating employers and employees. Effective July 1, 2011, all FRS Plan members (except those in DROP) are required to make 3% employee contributions on a pretax basis. The employer contribution rates by job class for the periods from October 1, 2017 through June 30, 2018 and from July 1, 2018 through September 30, 2018, respectively, were as follows: Regular employees-7.92% and 8.26%; Special Risk – Regular-23.27% and 24.50%; County Elected Officials-45.50% and 48.70%; Senior Management Services-22.71% and 24.06%; and DROP participants-13.26% and 14.03%. The County's contributions to the FRS Plan were $23,401,059 for the year ended September 30, 2018.

PENSION COSTS

At September 30, 2018, the County reported a liability of $242,370,237 for its proportionate share of the FRS Plan's net pension liability. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018. The County's proportion of the net pension liability was based on the County's contributions received by FRS during the measurement period for employer payroll paid dates from July 1, 2017, through June 30, 2018, relative to the total employer contributions received from all of FRS's participating employers. At June 30, 2018, the County's proportion was 0.804668%, which was an increase of 0.007947% from its proportion measured as of June 30, 2017.

COLLIER COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

NOTE 8 – DEFINED BENEFIT PENSION PLANS – CONTINUED

For the year ended September 30, 2018, the County recognized pension expense of $43,900,644 for its proportionate share of FRS's pension expense. In addition, the County reported its proportionate share of FRS's deferred outflows of resources and deferred inflows of resources from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Economic Experience	$ 20,532,403	$ 745,231
Changes in Actuarial Assumptions	79,194,808	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	18,726,056
Changes in Proportion and Differences Between County Contributions and Proportionate Share of Contributions	9,226,252	992,900
County Contributions Subsequent to the Measurement Date	5,949,421	-
Total	$ 114,902,884	$ 20,464,187

Deferred outflows of resources related to pensions of $5,949,421, resulting from County contributions to the FRS Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended September 30, 2019. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized as an increase in pension expense as follows:

Year Ending September 30	Amount
2019	$ 33,428,623
2020	23,609,031
2021	4,807,819
2022	15,251,782
2023	9,900,077
Thereafter	1,491,944

ACTUARIAL ASSUMPTIONS

The total pension liability in the July 1, 2018, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.60% per year
Salary Increases	3.25%, including inflation
Investment Rate of Return	7.00%, Net of Pension Plan investment expense

Mortality rates were based on the Generational RP-2000 with Projection Scale BB. The actuarial assumptions used in the July 1, 2018, valuation were based on the results of an actuarial experience study for the period July 1, 2008, through June 30, 2013.

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

NOTE 8 – DEFINED BENEFIT PENSION PLANS – CONTINUED

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

Asset Class	Target Allocation	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.0%	2.9%	2.9%	1.8%
Fixed income	18.0%	4.4%	4.3%	4.0%
Global equity	54.0%	7.6%	6.3%	17.0%
Real estate (property)	11.0%	6.6%	6.0%	11.3%
Private equity	10.0%	10.7%	7.8%	26.5%
Strategic investments	6.0%	6.0%	5.7%	8.6%
Totals	100.0%			
Assumed Inflation - Mean			2.6%	1.9%

DISCOUNT RATE

The discount rate used to measure the total pension liability was 7.00% for the FRS Plan. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rate specified in statute. Based on that assumption, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

PENSION LIABILITY SENSITIVITY

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

Description	1% Decrease in Discount Rate	Current Discount Rate	1% Increase in Discount Rate
FRS Plan Discount Rate	6.00%	7.00%	8.00%
County's Proportionate Share of the FRS Plan Net Pension Liability	$ 442,335,849	$ 242,370,237	$ 76,286,976

PENSION PLAN FIDUCIARY NET POSITION

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

COLLIER COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
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NOTE 8 – DEFINED BENEFIT PENSION PLANS – CONTINUED

RETIREE HEALTH INSURANCE SUBSIDY PROGRAM

PLAN DESCRIPTION

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

BENEFITS PROVIDED

For the fiscal year ended June 30, 2018, eligible retirees and beneficiaries received a monthly HIS payment of $5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of $30 and a maximum HIS payment of $150 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

CONTRIBUTIONS

The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. The FRS contribution rates include a 1.66% HIS Plan subsidy for the periods October 1, 2017 through June 30, 2018 and from July 1, 2018 through September 30, 2018, pursuant to Section 112.363, Florida Statutes. The County contributed 100 percent of its statutorily required contributions for the current and preceding 3 years. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled. The County's contributions to the HIS Plan were $3,750,438 for the year ended September 30, 2018.

PENSION COSTS

At September 30, 2018, the County reported a liability of $73,037,274 for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018. The County's proportion of the net pension liability was based on the County's contributions received during the measurement period for employer payroll paid dates from July 1, 2017, through June 30, 2018, relative to the total employer contributions received from all participating employers. At June 30, 2018, the County's proportion was 0.690065%, which was an increase of 0.024681% from its proportion measured as of June 30, 2017.

For the year ended September 30, 2018, the County recognized pension expense of $6,410,764 for its proportionate share of HIS's pension expense. In addition, the County reported its proportionate share of HIS's deferred outflows of resources and deferred inflows of resources from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Economic Experience	$ 1,118,169	$ 124,088
Changes in Actuarial Assumptions	8,122,647	7,722,112
Net Difference Between Projected and Actual Earnings on HIS Program	44,088	-
Changes in Proportion and Differences Between County Contributions and Proportionate Share of Contributions	5,501,135	814,337
County Contributions Subsequent to the Measurement Date	929,315	-
Total	$ 15,715,354	$ 8,660,537

NOTE 8 – DEFINED BENEFIT PENSION PLANS – CONTINUED

Deferred outflows of resources related to pensions of $929,315, resulting from County contributions to the HIS Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended September 30, 2019. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized as an increase in pension expense as follows:

Year Ending September 30	Amount
2019	$ 1,981,072
2020	1,977,355
2021	1,634,425
2022	863,532
2023	(353,375)
Thereafter	22,493

ACTUARIAL ASSUMPTIONS

The total pension liability in the July 1, 2018, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.60% per year
Salary Increases	3.25%, including inflation
Municipal Bond Rate	3.87%

Mortality rates were based on the Generational RP-2000 with Projection Scale BB. The actuarial assumptions used in the July 1, 2018, valuation were based on the results of an actuarial experience study for the period July 1, 2008, through June 30, 2013.

DISCOUNT RATE

The discount rate used to measure the total pension liability was 3.87% for the HIS Plan. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

PENSION LIABILITY SENSITIVITY

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

Description	1% Decrease in Discount Rate	Current Discount Rate	1% Increase in Discount Rate
HIS Plan Discount Rate	2.87%	3.87%	4.87%
County's Proportionate Share of the HIS Plan Net Pension Liability	$ 83,185,175	$ 73,037,274	$ 64,578,410

COLLIER COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

NOTE 8 – DEFINED BENEFIT PENSION PLANS – CONTINUED

PENSION PLAN FIDUCIARY NET POSITION

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

SUMMARY

The aggregate amount of net pension liability, related deferred outflows of resources and deferred inflows of resources and pension expense for the County's defined benefit pension plans are summarized below:

	FRS Plan	HIS Plan	Total
Net pension liability	$ 242,370,237	$ 73,037,274	$ 315,407,511
Deferred outflows of resources related to pensions	114,902,884	15,715,354	130,618,238
Deferred inflows of resources related to pensions	20,464,187	8,660,537	29,124,724
Pension expense	43,900,644	6,410,764	50,311,408

NOTE 9 – DEFINED CONTRIBUTION PLAN

The Florida State Board of Administration (SBA) administers the defined contribution plan officially titled the FRS Investment Plan (Investment Plan). The Investment Plan is reported in the SBA's annual financial statements and in the State of Florida Comprehensive Annual Financial Report. As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. County employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.), as the FRS defined benefit plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering the plan, including the FRS Financial Guidance Program, are funded through an employer contribution of .06% of payroll from July 1, 2017 to June 30, 2018 and .06% of payroll from July 1, 2018 to June 30, 2019 in addition to forfeited benefits of plan members. The County's Investment Plan pension expense totaled $4,589,549 for the year ended September 30, 2018.

For all membership classes, employees are immediately vested in their own contributions and are vested after 1 year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Non-vested employer contributions are placed in a suspense account for up to 5 years. If the employee returns to FRS-covered employment within the 5-year period, the employee will regain control over their account. If the employee does not return within the 5-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended June 30, 2018, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the County.

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

NOTE 10 – TRANSFERS

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

Transfers for the year ended September 30, 2018 were as follows:

Transfers from Fund	Transfers to Fund	Amount
Governmental Activities:		
General Fund	Nonmajor Governmental Funds	$ 59,372,267
	Solid Waste Disposal	365,135
	Emergency Medical Services	19,884,997
	Nonmajor Business-type	4,368,761
	Internal Service Funds	989,900
Bayshore Gateway Community Redevelopment Agency	Nonmajor Governmental Funds	631,000
	Internal Service Funds	3,700
Immokalee Community Redevelopment Agency	Bayshore Gateway Community Redevelopment Agency	78,000
	Internal Service Funds	3,600
Nonmajor Governmental Funds	General Fund	3,819,854
	Bayshore Gateway CRA	136,800
	Immokalee CRA	85,000
	Nonmajor Governmental Funds	40,708,269
	County Water and Sewer	13,600
	Nonmajor Business-type	126,413
	Internal Service Funds	2,322,800
Business-type Activities:		
County Water and Sewer	General Fund	6,679,100
	Nonmajor Governmental Funds	218,500
	Solid Waste Disposal	655,800
	Internal Service Funds	541,500
Solid Waste Disposal	General Fund	776,405
	Internal Service Funds	48,500
Emergency Medical Services	Internal Service Funds	12,400
Internal Service Funds	General Fund	1,076,600
	Nonmajor Governmental Funds	775,792
	Internal Service Funds	36,500
Total Transfers		$ 143,731,193

NOTE 11 – NET POSITION/FUND BALANCE CLASSIFICATION

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

Net investment in capital assets: Total capital assets, net of debt issued and deferred amounts on refundings related to the acquisition of these assets and net of depreciation is reported separately in the net position section.

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

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

COLLIER COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
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NOTE 11 – NET POSITION/FUND BALANCE CLASSIFICATION – CONTINUED

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

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

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

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

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

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

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

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

Unrestricted: Balances are not restricted for specific purposes.

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

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

Spendable fund balance:

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

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

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

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

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

NOTE 11 – NET POSITION/FUND BALANCE CLASSIFICATION – CONTINUED

A detailed schedule of fund balances at September 30, 2018 is as follows:

	General Fund	Bayshore Gateway Community Redevelopment Agency	Immokalee Community Redevelopment Agency	Other Governmental Funds	Total Governmental Funds
Nonspendable:					
Endowments	$ -	$ -	$ -	$ 1,582,800	$ 1,582,800
Inventory	453,582	-	-	882,664	1,336,246
Advances	589,875	-	-	5,658,893	6,248,768
Notes	1,567,791	-	-	-	1,567,791
Prepaid costs	33,215	-	-	10,400	43,615
Total nonspendable fund balance	2,644,463	-	-	8,134,757	10,779,220
Restricted for:					
Community redevelopment	-	11,597,507	467,479	-	12,064,986
Federal and state grants	306,146	-	-	11,115,310	11,421,456
Bond covenants or debt service	-	-	-	9,442,673	9,442,673
Transportation growth related capital	-	-	-	75,356,207	75,356,207
Parks growth related capital expansion	-	-	-	25,680,732	25,680,732
Transportation capital projects	-	-	-	44,885,051	44,885,051
Community development	-	-	-	46,252,281	46,252,281
Transportation operations	-	-	-	2,358,883	2,358,883
Tourist development	-	-	-	70,594,384	70,594,384
Conservation Collier	-	-	-	32,778,883	32,778,883
Emergency 911	-	-	-	2,972,249	2,972,249
Law Enforcement	-	-	-	7,530,896	7,530,896
Fire services growth related capital	-	-	-	88,065	88,065
Libraries growth related capital	-	-	-	465,683	465,683
Court functions	-	-	-	7,149,464	7,149,464
Public records modernization	-	-	-	4,472,680	4,472,680
Other purposes	-	-	-	1,305,857	1,305,857
Total restricted fund balance	306,146	11,597,507	467,479	342,449,298	354,820,430
Committed for:					
Special districts	-	-	-	30,446,700	30,446,700
Natural resource management	-	-	-	2,585,063	2,585,063
Utility regulation	-	-	-	1,468,793	1,468,793
Other purposes	-	-	-	292,320	292,320
Total committed fund balance	-	-	-	34,792,876	34,792,876
Assigned for:					
Parks and recreation	-	-	-	7,424,562	7,424,562
General building & improvements	-	-	-	6,969,783	6,969,783
Water management	-	-	-	4,311,414	4,311,414
Libraries	-	-	-	249,006	249,006
Other purposes	1,736,422	-	-	2,174,499	3,910,921
Total assigned fund balance	1,736,422	-	-	21,129,264	22,865,686
Unassigned:	77,341,766	-	-	(250,436)	77,091,330
Total Fund Balances	$ 82,028,797	$ 11,597,507	$ 467,479	$ 406,255,759	$ 500,349,542

NOTE 12 – RISK MANAGEMENT

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

Claim Type	County's Coverage	Excess Carrier's Coverage
Property and casualty claims	$50,000 - $500,000 ($250,000 named storm deductible; 3% deductible of reported values per damaged building; subject to $5,000,000 deductible cap)	$50,000 - $75,000,000
Auto liability claims	$300,000	$300,001 - $5,000,000
Employee health claims	$450,000	$450,001 – Unlimited
Workers' compensation claims	$500,000	$500,001 – Statutory

Settled claims have not exceeded the insurance provided by third party carriers in any of the past three years. All divisions of the County, excluding the Sheriff, participate in this program. Charges to operating departments are based upon amounts believed by management to meet the required annual payouts during the fiscal year and to pay for the estimated operating costs of the programs. For the fiscal year ended September 30, 2018 the operating departments were charged $42,787,528 for workers' compensation, health and property and casualty self-insurance programs.

The claims loss reserve for workers' compensation, health and property and casualty of $9,252,073 reported at September 30, 2018 was calculated by third party actuaries based upon GASB Statement No. 30, *Risk Financing Omnibus*, which requires that a liability for claims be reported when it is probable that a loss has been incurred and the amount of that loss can be reasonably estimated. The estimated liabilities for unpaid losses related to workers' compensation and property and casualty were discounted at 3.5%. It should be noted that the discount rate is an estimate based on the expected rate of return over extended periods. The estimated liabilities for unpaid losses related to health were not discounted as their turnover period is much shorter. Claims loss reserves of $5,227,260 are recorded as current liabilities.

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

The Sheriff also participates in the Statewide Florida Sheriff's Self-Insurance Fund program for workers' compensation coverage. The Florida Sheriff's Association Workers' Compensation Insurance Trust (FSAWIT) is a limited self-insurance fund providing coverage for the first $500,000 of every claim. Re-insurance is provided through a third party insurer for all claims exceeding $500,000 up to $20,000,000.

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

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

NOTE 12 – RISK MANAGEMENT – CONTINUED

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

The claims loss reserve for health of $2,884,000 reported at September 30, 2018 was calculated by third party actuaries based upon GASB Statement No. 30, *Risk Financing Omnibus*, which requires that a liability for claims be reported when it is probable that a loss has been incurred and the amount of that loss can be reasonably estimated. The entire Sheriff's health claim loss reserve is recorded as a current liability.

CHANGES IN SELF-INSURANCE CLAIMS PAYABLE

Changes in the self-insurance claims payable for fiscal years 2017 and 2018 were as follows for the County and Sheriff self-insurance programs:

	Property and Casualty	Group Health	Workers' Compensation	Total
Balance at September 30, 2016	$ 1,194,177	$ 6,111,000	$ 596,993	$ 7,902,170
Current year claims incurred and changes in estimates	748,116	52,756,129	1,218,028	54,722,273
Claim payments	(753,492)	(52,757,129)	(629,063)	(54,139,684)
Balance at September 30, 2017	$ 1,188,801	$ 6,110,000	$ 1,185,958	$ 8,484,759
Current year claims incurred and changes in estimates	15,322,570	60,597,427	886,853	76,806,850
Claim payments	(12,726,286)	(59,700,427)	(728,823)	(73,155,536)
Balance at September 30, 2018	$ 3,785,085	$ 7,007,000	$ 1,343,988	$ 12,136,073

NOTE 13 – OTHER POSTEMPLOYMENT BENEFITS

COUNTY'S PLAN DESCRIPTION AND BENEFITS PROVIDED

The County provides post employment healthcare benefits for retirees through a single employer defined benefit plan (County's OPEB Plan) and can amend the benefits provisions. The participants of this plan include retirees of the Board of County Commissioners, the Clerk of the Circuit Court and Comptroller, the Property Appraiser, the Tax Collector and the Supervisor of Elections. The Sheriff also provides post employment healthcare benefits under as separate plan. In accordance with Florida Statute 112.0801, employees who retire and immediately begin receiving benefits from the FRS have the option of paying premiums to continue in the County's health insurance plan at the same group rate as for active employees.

The Board of County Commissioners and the Tax Collector also subsidize the cost of the post employment healthcare for qualifying retirees and each has the authority to amend benefit provisions. The Board of County Commissioners offers a subsidy for its retirees who have at least 60% of eligible accrued sick leave remaining at the time of retirement and have completed 15 years of continuous service with the Board. In addition, the retiree must retire from the Board, be at least 55 years of age or have completed 30 years of service under the Florida Retirement System (FRS) and be eligible to receive an FRS benefit with no break in time. Such employees are eligible to receive a 50% to 100% subsidy toward the cost of coverage under the active plan. A subsidy is currently provided to 20 retirees. The Tax Collector offers a subsidy of 100% the cost of health care for employees with 10 years of service, between the ages of 54 and 64 and who exchange 800 hours of sick leave at retirement for employees hired prior to June 1, 2015. A subsidy is currently provided to 6 retirees.

COLLIER COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

NOTE 13 – OTHER POSTEMPLOYMENT BENEFITS – CONTINUED

The County's OPEB Plan is currently being funded on a pay as you go basis. No trust or agency fund has been established for the plan. The plan does not issue a separate financial report.

PARTICIPANT DATA

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

Inactive employees or beneficiaries currently receiving benefits	69
Active employees	2,285
Total employees	2,354

TOTAL OPEB LIABILITY

The County's total OPEB liability of $8,730,722 was measured as of September 30, 2018 and was determined roll forward from the October 1, 2017 valuation date. The following table shows the changes in the County's total OPEB liability for the year ended September 30, 2018.

	Total OPEB Liability
Balance, as of October 1, 2017	$ 8,833,096
Changes:	
Service cost	491,865
Interest on total OPEB liability	252,345
Changes in assumptions or other inputs	(221,309)
Benefit payments	(625,275)
Net changes	(102,374)
Balance, as of September 30, 2018	$ 8,730,722

OPEB LIABILITY DISCOUNT RATE SENSITIVITY

The following presents the County's total OPEB liability, as well as what the County's total OPEB liability would be if it were calculated using a discount rate one percentage point lower or one percentage point higher than the current discount rate:

Description	1% Decrease in Discount Rate	Current Discount Rate	1% Increase in Discount Rate
OPEB Plan Discount Rate	2.25%	3.25%	4.25%
Total OPEB Liability	$ 9,348,038	$ 8,730,722	$ 8,172,221

OPEB LIABILITY HEALTHCARE TREND RATE SENSITIVITY

The following presents the County's total OPEB liability, as well as what the County's total OPEB liability would be if it were calculated using a healthcare trend rate one percentage point lower or one percentage point higher than the current healthcare trend rate:

Description	1% Decrease in Healthcare Cost Trend Rate	Healthcare Cost Trend Rate	1% Increase in Healthcare Cost Trend Rate
Healthcare Cost Trend Rate	5.00%	6.00%	7.00%
Total OPEB Liability	$ 8,006,125	$ 8,730,722	$ 9,571,904

NOTE 13 – OTHER POSTEMPLOYMENT BENEFITS – CONTINUED

DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES RELATED TO OPEB

For the year ended September 30, 2018, the County's OPEB expense was $742,285. In addition, the County reported deferred inflows of resources from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Economic Experience	$ -	$ 6,333
Changes in assumptions	-	221,309
	$ -	$ 227,642

Amounts reported as deferred inflows of resources related to OPEB will be amortized over 4.12 years and will be recognized as follows:

Year Ending September 30	Amount
2019	$ 55,641
2020	55,641
2021	55,641
2022	54,274
Thereafter	6,445

ACTUARIAL METHODS AND ASSUMPTIONS

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

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

The actuarial methods are:	
Actuarial cost method	Entry Age Actuarial
The actuarial assumptions are:	
Discount rate	3.25% (Based on the 20 year AA municipal bond rate)
Healthcare cost trend rate	6% decreasing to 5% in 2021 and thereafter
Salary increase	3%
New employees	None

Mortality rates were based on the RP-2014 Mortality Fully Generational tables using Projection Scale MP-2018.

COLLIER COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

NOTE 13 – OTHER POSTEMPLOYMENT BENEFITS – CONTINUED

Since the most recent valuation, the following changes have been made:

The discount rate was changed from 2.8% to 3.25%.

The mortality assumption has been updated from RP-2014 Mortality Fully Generational using Projection Scale MP-2016 to RP 2014 Mortality Fully Generational using Projection Scale MP-2018

SHERIFF'S PLAN DESCRIPTION AND BENEFITS PROVIDED

The Sheriff provides post employment healthcare benefits for retirees through a single employer defined benefit plan (Sheriff's OPEB Plan) and can amend the benefit provisions. In accordance with Florida Statute 112.0801, employees who retire and immediately begin receiving benefits from the FRS have the option of paying premiums to continue in the Sheriff's health insurance plan at the same group rate as for active employees.

Prior to 2010, the Sheriff subsidized approximately 20% of the cost for both single and family healthcare for its retirees who have 6 years of creditable service with the Sheriff and who receive a monthly retirement benefit from the Florida Retirement System. Approximately 36% of retirees receive the subsidy.

The Sheriff's OPEB Plan is currently being funded on a pay as you go basis. No trust or agency fund has been established for the plan. The plan does not issue a separate financial report.

PARTICIPANT DATA

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

Inactive employees or beneficiaries currently receiving benefits	129
Active employees	1,153
Total employees	1,282

TOTAL OPEB LIABILITY

The Sheriff's total OPEB liability of $19,492,497 was measured as of September 30, 2018 and was determined by an actuarial valuation as of October 1, 2018. The following table shows the changes in the Sheriff's total OPEB liability for the year ended September 30, 2018.

	Total OPEB Liability
Balance, as of October 1, 2017	$ 18,260,466
Changes:	
Service cost	520,082
Interest on total OPEB liability	503,525
Differences between expected and actual experience	2,048,462
Changes in assumptions or other inputs	(898,977)
Benefit payments	(941,061)
Net changes	1,232,031
Balance, as of September 30, 2018	$ 19,492,497

NOTE 13 – OTHER POSTEMPLOYMENT BENEFITS – CONTINUED

OPEB LIABILITY DISCOUNT RATE SENSITIVITY

The following presents the Sheriff's total OPEB liability, as well as what the Sheriff's total OPEB liability would be if it were calculated using a discount rate one percentage point lower or one percentage point higher than the current discount rate:

Description	1% Decrease in Discount Rate	Current Discount Rate	1% Increase in Discount Rate
OPEB Plan Discount Rate	2.25%	3.25%	4.25%
Total OPEB Liability	$ 21,325,122	$ 19,492,497	$ 17,873,887

OPEB LIABILITY HEALTHCARE TREND RATE SENSITIVITY

The following presents the Sheriff's total OPEB liability, as well as what the Sheriff's total OPEB liability would be if it were calculated using a healthcare trend rate one percentage point lower or one percentage point higher than the current healthcare trend rate:

Description	1% Decrease in Healthcare Cost Trend Rate	Healthcare Cost Trend Rate	1% Increase in Healthcare Cost Trend Rate
Healthcare Cost Trend Rate	5.00%	6.00%	7.00%
Total OPEB Liability	$ 17,798,126	$ 19,492,497	$ 21,430,289

DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES RELATED TO OPEB

For the year ended September 30, 2018, the Sheriff's OPEB expense was $1,012,248. In addition, the Sheriff reported deferred outflows of resources and deferred inflows of resources from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Economic Experience	$ 2,048,462	$ 72,247
Changes in assumptions	-	898,977
	$ 2,048,462	$ 971,224

Amounts reported as deferred outflows of resources related to OPEB will be amortized over 7.17 years and will be recognized as follows:

Year Ending September 30	Amount
2019	$ 148,959
2020	148,959
2021	148,959
2022	148,959
2023	148,959
Thereafter	332,443

COLLIER COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

NOTE 13 – OTHER POSTEMPLOYMENT BENEFITS – CONTINUED

ACTUARIAL METHODS AND ASSUMPTIONS

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

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

The actuarial methods are:	
Actuarial cost method	Entry Age Actuarial
The actuarial assumptions are:	
Discount rate	3.25% (Based on the 20 year AA municipal bond rate)
Healthcare cost trend rate	6% decreasing to 5% in 2021 and thereafter
Salary increase	None
New employees	None

Mortality rates were based on the RP-2014 Mortality Fully Generational tables using Projection Scale MP-2017.

Since the most recent valuation, the following changes have been made:

The discount rate was changed from 2.75% to 3.25%.

The mortality assumption has been updated from RP-2014 Mortality Fully Generational using Projection Scale MP-2016 to RP 2014 Mortality Fully Generational using Projection Scale MP-2017

SUMMARY

The aggregate amount of total OPEB liability, related deferred outflows of resources and deferred inflows of resources and OPEB expense for the County's postemployment benefits plans are summarized below:

	County's OPEB Plan	Sheriff's OPEB Plan	Total
Total OPEB liability	$ 8,730,722	$ 19,492,497	$ 28,223,219
Deferred outflows of resources related to OPEB	-	2,048,462	2,048,462
Deferred inflows of resources related to OPEB	227,642	971,224	1,198,866
OPEB expense	742,285	1,012,248	1,754,533

NOTE 14 – LANDFILL LIABILITY

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

In accordance with U.S. Environmental Protection Agency rule *Solid Waste Disposal and Facility Criteria* and GASB Statement No. 18, *Accounting for Municipal Solid Waste Landfill Closure and Postclosure Care Costs*, a liability has been established representing amounts estimated to be spent on postclosure relating to cells for which Collier County is responsible. The County's estimated liability in connection with the landfills is included in the proprietary funds statement of net position. The landfill liability will be reassessed on an annual basis, and any increase due to inflation, changes in technology or additional postclosure care requirements will be recorded as a current cost.

NOTE 15 – SIGNIFICANT CONTINGENCIES

LITIGATION

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

STATE AND FEDERAL GRANTS

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

ARBITRAGE REBATE

In accordance with the Tax Reform Act of 1986, any interest earnings on borrowed construction funds in excess of the interest costs incurred are required to be rebated to the federal government. There was no arbitrage rebate liability as of September 30, 2018.

HURRICANE IRMA

On September 10, 2017, Category 3 Hurricane Irma made landfall in Collier County. Statewide, an estimated 6.5 million Floridians were ordered to evacuate, mostly those living on barrier islands or in coastal areas, in mobile or sub-standard homes and in low lying or flood prone areas. Mandatory evacuations were ordered for portions of Collier County. The primary impacts of Hurricane Irma were widespread power outages and debris, coastal flooding and beach erosion. The County has spent approximately $104 million on recovery efforts and has budgeted an additional $34 million in the 2019 fiscal year. In 2018, the County recognized $16.2 million in insurance proceeds and $21.7 million in revenue from the Federal Emergency Management Agency (FEMA). The County continues to expect significant reimbursements from both insurance and FEMA.

In September 2018, the County filed a suit against the County's property insurance carriers and insurance broker to recover costs incurred for debris removal from roadways and medians under the County's property insurance policy. Claims were originally denied due to the determination that the roadways and medians were not "insurable locations". The County estimates a favorable ruling will result in insurance reimbursements up to $10,000,000.

COLLIER COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

NOTE 16 – SIGNIFICANT COMMITMENTS

Collier County has active construction projects as of September 30, 2018. The projects include road construction, governmental facilities and utilities improvements. At year end, the County's significant commitments with contractors include the following:

	Category	Construction Commitments
Governmental Activities:		
Other Governmental Funds	General Government	$ 824,915
	Physical Environment	3,209,759
	Transportation	29,434,438
	Culture and Recreation	2,564,317
Business-type Activities:		
Water and Sewer	Utilities	16,511,882
Other Enterprise Funds	Airports	9,397,570
Total		$ 61,942,881

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

Collier County had the following significant encumbrances as of September 30, 2018:

	Category	Encumbrance Commitments
Governmental Activities:		
Other Governmental Funds	Public Safety	$ 4,186,310
	Physical Environment	8,217,103
	Transportation	3,967,706
	Economic Environment	2,738,589
	Culture and Recreation	3,732,555
Business-type Activities:		
Water and Sewer	Utilities	2,234,551
Solid Waste Disposal	Landfill	1,404,174
Emergency Medical Services	Emergency Medical Services	759,572
Other Enterprise Funds	Mass Transit	483,894
Total		$ 27,724,454

NOTE 17 – SUBSEQUENT EVENTS

On October 24, 2018, Collier County issued the Series 2018 Tourist Development Tax Revenue Bonds in the par amount of $62,965,000. The proceeds of the Series 2018 Bonds will be used to pay the cost of the development, acquisition, construction and equipping of a regional tournament caliber amateur sports complex and associated costs of issuance for the bonds. The final maturity of the Series 2018 Bonds is October 1, 2048. The bonds are due in installments of $1,030,000 to $3,605,000 and interest rates at 4.00% to 5.00%. The Series 2018 Tourist Development Tax Revenue Bonds were issued as a competitive public offering, secured by a lien upon and pledge of Tourist Development Tax revenues.

NOTE 18 – FUND DEFICITS

The following funds had a fund balance deficit at September 30, 2018:

Fund	Amount
800 MHz ICRP Fund	$ (4,605)
State Court Administration	(63,786)
Government Facilities Impact Fees	(182,045)
Total	$ (250,436)

The unassigned fund balance deficit in the 800 MHz ICRP Fund is the result of classifying a portion of fund balance related to a pre-payment of an invoice as nonspendable. The fund balance deficit in State Court Administration is the result of operational costs exceeding revenues. The fund balance deficit in the Government Facilities Impact Fee fund is the result of advances from other funds made during the current fiscal year. These advances were recorded to ensure repayment of monies loaned to fund transfers to debt service funds for scheduled debt service payments. County management anticipates that the deficits in both funds will be covered by future years' revenue.

REQUIRED SUPPLEMENTARY INFORMATION

REQUIRED SUPPLEMENTARY INFORMATION
COLLIER COUNTY, FLORIDA

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

	2018	2017	2016	2015	2014
County's Proportion of the Net Pension Liability	0.804668214%	0.796720676%	0.772938545%	0.736106708%	0.703655077%
County's Proportionate Share of the Net Pension Liability	$ 242,370,237	$ 235,664,630	$ 195,167,590	$ 95,078,054	$ 42,933,306
County's Covered Payroll *	$ 225,786,565	$ 212,195,163	$ 199,870,915	$ 195,154,275	$ 184,577,284
County's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered Payroll	107.34%	111.06%	97.65%	48.72%	23.26%
Plan Fiduciary Net Position as a Percentage of the total Pension Liability	84.26%	83.89%	84.88%	92.00%	96.09%

* Covered Payroll consists of pensionable wages calculated as of the respective measurement date, restated for periods 2014 to 2017 pursuant to GASB No. 82, *Pension Issues.*

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

	2018	2017	2016	2015	2014
Contractually Required Contribution	$ 23,401,059	$ 20,299,090	$ 20,563,824	$ 17,830,147	$ 17,287,796
Contributions in Relation to the Contractually Required Contribution	(23,401,059)	(20,299,090)	(20,563,824)	(17,830,147)	(17,287,796)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -
County's Covered Payroll - Fiscal Year *	$ 226,283,207	$ 216,521,253	$ 206,179,415	$ 193,543,352	$ 185,505,694
Contributions as a Percentage of Covered Payroll	10.34%	9.38%	9.97%	9.21%	9.32%

* Covered Payroll - Fiscal Year consists of pensionable wages calculated for the respective fiscal year, restated for periods 2014 to 2017 pursuant to GASB No. 82, *Pension Issues.*

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

	2018	2017	2016	2015	2014
County's Proportion of the Net Pension Liability	0.690065185%	0.665383863%	0.645620406%	0.642983194%	0.621385755%
County's Proportionate Share of the Net Pension Liability	$ 73,037,274	$ 71,145,914	$ 75,244,385	$ 65,574,171	$ 58,101,084
County's Covered Payroll *	$ 225,786,565	$ 212,195,163	$ 199,870,915	$ 195,154,275	$ 184,577,284
County's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered Payroll	32.35%	33.53%	37.65%	33.60%	31.48%
Plan Fiduciary Net Position as a Percentage of the total Pension Liability	2.15%	1.64%	0.97%	0.50%	0.99%

* Covered Payroll consists of pensionable wages calculated as of the respective measurement date pursuant to GASB No.82, *Pension Issues.*

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

	2018	2017	2016	2015	2014
Contractually Required Contribution	$ 3,750,438	$ 3,593,353	$ 3,415,537	$ 2,614,704	$ 2,131,155
Contributions in Relation to the Contractually Required Contribution	(3,750,438)	(3,593,353)	(3,415,537)	(2,614,704)	(2,131,155)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -
County's Covered Payroll - Fiscal Year *	$ 226,283,207	$ 216,521,253	$ 206,179,415	$ 193,543,352	$ 185,505,694
Contributions as a Percentage of Covered Payroll	1.66%	1.66%	1.66%	1.35%	1.15%

* Covered Payroll - Fiscal Year consists of pensionable wages calculated pursuant to GASB No.82, *Pension Issues.*

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

REQUIRED SUPPLEMENTARY INFORMATION
COLLIER COUNTY, FLORIDA

SCHEDULE OF CHANGES IN THE COLLIER COUNTY
TOTAL OPEB LIABILITY AND RELATED RATIOS
LAST TEN FISCAL YEARS

	2018	2017
Board of County Commissioners and Constitutional Officers		
Total OPEB liability		
Service Cost	$ 491,865	$ 464,531
Interest	252,345	248,849
Changes of benefit terms	-	-
Differences between expected and actual experience	-	(8,258)
Changes of assumptions or other inputs	(221,309)	-
Benefit payments	(625,275)	(589,882)
Net change in total OPEB liability	(102,374)	115,240
Total OPEB liability, beginning	8,833,096	8,717,856
Total OPEB liability, ending	$ 8,730,722	$ 8,833,096
Sheriff		
Total OPEB liability		
Service Cost	$ 520,082	$ 491,420
Interest	503,525	502,621
Changes of benefit terms	-	-
Differences between expected and actual experience	2,048,462	(83,607)
Changes of assumptions or other inputs	(898,977)	-
Benefit payments	(941,061)	(871,353)
Net change in total OPEB liability	1,232,031	39,081
Total OPEB liability, beginning	18,260,466	18,221,385
Total OPEB liability, ending	$ 19,492,497	$ 18,260,466

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

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND OTHER SUPPLEMENTAL INFORMATION

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Nonmajor Governmental Funds

Special Revenue Funds

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

AVA MARIA INNOVATION ZONE – To account for the accumulation of resources for economic development in accordance with an approved tax increment financing plan.

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

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

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

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

Permanent Fund

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

Debt Service Funds

POOLED COMMERCIAL PAPER PROGRAM – To account for the accumulation of resources and payment of interest and principal on long-term debt incurred for the acquisition of land for the County's amateur sports park.

GAS TAX REVENUE BONDS – To account for the accumulation of resources and payment of interest and principal on long-term debt incurred in the refinancing of various outstanding revenue bonds.

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

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

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

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

Capital Project Funds

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

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

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

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

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

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

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

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

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

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

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

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

AMATEUR SPORTS COMPLEX – To account for major capital expenditures related to the new Amateur Sports Complex.

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

COLLIER COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2018

	Special Revenue Funds												
	Road Districts	Unincorporated Area MSTD	Community Development	Water Management and Pollution Control	Grants and Shared Revenue	Improvement Districts	Fire Control Districts	Lighting Districts	911 Enhancement Fee	Tourist Development	State Housing Initiative Partnership	800 MHz ICRP Fund	State Court Administration
ASSETS													
Cash and investments	$ 2,299,247	$ 14,460,604	$ 50,927,658	$ 2,784,751	$ 5,472,831	$ 14,975,311	$ 608,097	$ 1,768,288	$ 2,755,161	$ 73,373,495	$ 4,930,543	$ 108,629	$ 126
Cash with fiscal agent	-	-	-	-	-	-	-	-	-	-	-	-	-
Receivables:													
Interest	9,840	43,509	101,391	7,068	8,856	31,393	1,269	3,910	5,759	151,701	10,791	190	265
Trade, net	42,043	136,285	1,730	190	48,925	133	-	-	-	985,547	9,603	17,401	11,338
Notes	-	-	-	-	-	-	-	-	-	-	430,284	-	-
Impact Fee	-	-	-	-	-	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-	-	-	-	-	-
Due from other funds	872,580	397,981	-	94,627	1,414,415	36,572	13,941	11,614	-	250,574	-	32,682	-
Due from other governments	2,919	414,726	104,351	2,338	6,891,572	-	-	-	-	20,481	-	-	-
Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-
Inventory for resale	-	-	-	-	-	-	-	-	-	-	-	-	-
Inventory	815,174	21,031	-	46,459	-	-	-	-	-	-	-	-	-
Advances to other funds	-	342,829	9,264	-	-	-	-	-	-	-	-	-	-
Prepaid costs	-	-	-	-	-	-	-	-	-	-	-	10,400	-
Total assets	$ 4,041,803	$ 15,816,965	$ 51,144,394	$ 2,935,433	$ 13,836,599	$ 15,043,409	$ 623,307	$ 1,783,812	$ 2,760,920	$ 74,781,798	$ 5,381,221	$ 169,302	$ 11,729
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES													
Liabilities:													
Accounts payable	$ 442,039	$ 1,079,612	$ 531,196	$ 208,594	$ 5,988,586	$ 288,632	$ 6,302	$ 72,282	$ 30,732	$ 3,634,571	$ 300,541	$ 163,507	$ 55
Wages payable	425,575	525,327	652,316	95,317	113,098	16,409	-	4,270	14,956	106,119	4,479	-	65,455
Due to other funds	-	6,382	-	-	1,673,343	1,482	-	-	118,776	-	-	-	10,005
Due to other governments	132	3,035	3,637,552	-	2,211	7	-	-	-	6	-	-	-
Unearned revenues	-	8,189	-	-	-	-	-	-	-	-	-	-	-
Refundable deposits	-	828	61,785	-	-	3,195	-	-	-	25	-	-	-
Retainage payable	-	13,242	-	-	15,254	45,839	-	-	-	522,783	-	-	-
Advances from other funds	-	-	-	-	-	113,800	268,100	-	-	-	-	-	-
Total liabilities	867,746	1,636,615	4,882,849	303,911	7,792,492	469,364	274,402	76,552	164,464	4,263,504	305,020	163,507	75,515
Deferred inflows of resources:													
Unavailable revenue	-	-	-	-	4,998	-	-	-	-	-	-	-	-
Fund balances:													
Nonspendable	815,174	363,860	9,264	46,459	-	-	-	-	-	-	-	10,400	-
Restricted	2,358,883	-	46,252,281	-	6,039,109	-	-	-	2,596,456	70,518,294	5,076,201	-	-
Committed	-	13,816,490	-	2,585,063	-	14,574,045	348,905	1,707,260	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-	-	(4,605)	(63,786)
Total fund balances	3,174,057	14,180,350	46,261,545	2,631,522	6,039,109	14,574,045	348,905	1,707,260	2,596,456	70,518,294	5,076,201	5,795	(63,786)
Total liabilities, deferred inflows of resources and fund balances	$ 4,041,803	$ 15,816,965	$ 51,144,394	$ 2,935,433	$ 13,836,599	$ 15,043,409	$ 623,307	$ 1,783,812	$ 2,760,920	$ 74,781,798	$ 5,381,221	$ 169,302	$ 11,729

See accompanying independent auditors' report

COLLIER COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2018

	Special Revenue Funds					
	Confiscated Property	GAC Land Sales, Roads and Canals	Utility Fee	Conservation Collier	Court Information Technology	Court Services
ASSETS						
Cash and investments	$ 118,197	$ 875,106	$ 1,461,450	$ 32,639,328	$ 1,060,363	$ 1,553,666
Cash with fiscal agent	-	-	-	-	-	-
Receivables:						
Interest	293	1,792	2,818	67,053	2,456	-
Trade, net	-	-	16,503	78	61,846	-
Notes	-	-	-	-	-	-
Impact Fee	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	34,316
Deposits	-	-	-	-	-	-
Inventory for resale	-	229,733	-	-	-	-
Inventory	-	-	-	-	-	-
Advances to other funds	-	-	-	-	-	-
Prepaid costs	-	-	-	-	-	-
Total assets	$ 118,490	$ 1,106,631	$ 1,480,771	$ 32,706,459	$ 1,124,665	$ 1,587,982
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities:						
Accounts payable	$ 1,522	$ -	$ 4,473	$ 67,292	$ 78,808	$ 320,765
Wages payable	-	-	7,505	11,384	2,084	-
Due to other funds	5,231	-	-	-	-	-
Due to other governments	-	-	-	-	14,356	1,267,217
Unearned revenues	-	-	-	-	-	-
Refundable deposits	-	-	-	-	-	-
Retainage payable	-	-	-	-	-	-
Advances from other funds	-	-	-	-	-	-
Total liabilities	6,753	-	11,978	78,676	95,248	1,587,982
Deferred inflows of resources:						
Unavailable revenue	-	-	-	-	-	-
Fund balances:						
Nonspendable	-	-	-	-	-	-
Restricted	111,737	1,106,631	-	32,627,783	1,029,417	-
Committed	-	-	1,468,793	-	-	-
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
Total fund balances	111,737	1,106,631	1,468,793	32,627,783	1,029,417	-
Total liabilities, deferred inflows of resources and fund balances	$ 118,490	$ 1,106,631	$ 1,480,771	$ 32,706,459	$ 1,124,665	$ 1,587,982

See accompanying independent auditors' report

	Special Revenue Funds							
	University Extension	Court Facilities Fee	Affordable Housing	Ave Maria Innovation Zone	Other Court Special Revenue Funds	Other Public Safety Revenue Funds	Other Special Revenue Funds	Total Special Revenue Funds
ASSETS								
Cash and investments	$ 82,056	$ 6,091,574	$ 175,484	$ 139,108	$ 4,504,448	$ 4,254,353	$ 962,029	$ 228,381,903
Cash with fiscal agent	-	-	-	-	-	-	-	-
Receivables:								
Interest	224	12,477	358	237	-	2,917	2,074	468,641
Trade, net	-	58,656	-	-	10,937	94,720	20,328	1,516,263
Notes	-	-	-	-	-	-	-	430,284
Impact Fee	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	141	3,125,127
Due from other governments	-	-	-	-	-	-	40	7,470,743
Deposits	-	-	-	-	-	-	-	-
Inventory for resale	-	-	-	-	-	-	-	229,733
Inventory	-	-	-	-	-	-	-	882,664
Advances to other funds	-	-	-	-	-	-	-	352,093
Prepaid costs	-	-	-	-	-	-	-	10,400
Total assets	$ 82,280	$ 6,162,707	$ 175,842	$ 139,345	$ 4,515,385	$ 4,351,990	$ 984,612	$ 242,867,851
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES								
Liabilities:								
Accounts payable	$ 204	$ 42,660	$ -	$ -	$ 42,705	$ 26,845	$ 15,812	$ 13,347,735
Wages payable	-	-	-	-	-	4,208	4,249	2,052,751
Due to other funds	-	-	-	22,867	-	90,710	-	1,928,796
Due to other governments	-	-	-	-	-	-	248	4,924,764
Unearned revenues	-	-	-	-	-	-	-	8,189
Refundable deposits	-	-	-	-	-	-	-	65,833
Retainage payable	-	-	-	-	-	-	-	597,118
Advances from other funds	-	-	-	-	-	-	-	381,900
Total liabilities	204	42,660	-	22,867	42,705	121,763	20,309	23,307,086
Deferred inflows of resources:								
Unavailable revenue	-	-	-	-	-	-	-	4,998
Fund balances:								
Nonspendable	-	-	-	-	-	-	-	1,245,157
Restricted	82,076	6,120,047	-	-	4,472,680	4,230,227	156,929	182,778,751
Committed	-	-	175,842	116,478	-	-	-	34,792,876
Assigned	-	-	-	-	-	-	807,374	807,374
Unassigned	-	-	-	-	-	-	-	(68,391)
Total fund balances	82,076	6,120,047	175,842	116,478	4,472,680	4,230,227	964,303	219,555,767
Total liabilities, deferred inflows of resources and fund balances	$ 82,280	$ 6,162,707	$ 175,842	$ 139,345	$ 4,515,385	$ 4,351,990	$ 984,612	$ 242,867,851

COLLIER COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2018

	Permanent Fund	Debt Service Funds			
	Resource Recovery Park Endowment	Pooled Commercial Paper Program	Gas Tax Revenue Bonds	Community Redevelopment Taxable Note	Forest Lakes Limited General Oblibation Bonds
ASSETS					
Cash and investments	$ 1,730,376	$ 10,162	$ 841,501	$ 40,553	$ 662,795
Cash with fiscal agent	-	-	-	316,019	-
Receivables:					
Interest	3,524	1	1,547	20	1,362
Trade, net	-	-	-	-	-
Notes	-	-	-	-	-
Impact Fee	-	-	-	-	-
Special assessments	-	-	-	-	-
Due from other funds	-	-	-	-	4,707
Due from other governments	-	17,263	181,065	-	-
Deposits	-	-	-	-	-
Inventory for resale	-	-	-	-	-
Inventory	-	-	-	-	-
Advances to other funds	-	-	-	-	-
Prepaid costs	-	-	-	-	-
Total assets	$ 1,733,900	$ 27,426	$ 1,024,113	$ 356,592	$ 668,864
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts payable	$ -	$ -	$ -	$ -	$ -
Wages payable	-	-	-	-	-
Due to other funds	-	-	-	-	-
Due to other governments	-	-	-	-	-
Unearned revenues	-	-	-	-	-
Refundable deposits	-	-	-	-	-
Retainage payable	-	-	-	-	-
Advances from other funds	-	-	-	-	-
Total liabilities	-	-	-	-	-
Deferred inflows of resources:					
Unavailable revenue	-	-	-	-	-
Fund balances:					
Nonspendable	1,582,800	-	-	-	-
Restricted	151,100	27,426	1,024,113	356,592	668,864
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total fund balances	1,733,900	27,426	1,024,113	356,592	668,864
Total liabilities, deferred inflows of resources and fund balances	$ 1,733,900	$ 27,426	$ 1,024,113	$ 356,592	$ 668,864

See accompanying independent auditors' report

	Debt Service Funds			Capital Project Funds				
	Special Obligation Revenue Bonds	Other Debt Service	Total Debt Service Funds	County-Wide Capital Improvements	Parks Improvements	Count-Wide Library Impact Fees	Correctional Facilities Impact Fees	Emergency Medical Services Impact Fees
ASSETS								
Cash and investments	$ 65,789	$ 13,689	$ 1,634,489	$ 9,120,119	$ 4,522,610	$ 379,982	$ 105,114	$ 2,139,605
Cash with fiscal agent	11,473,990	-	11,790,009	-	-	-	-	-
Receivables:								
Interest	5,068	-	7,998	12,345	8,873	1,789	2,858	4,747
Trade, net	-	-	-	38,981	34,390	-	-	-
Notes	-	-	-	-	-	-	-	-
Impact Fee	-	-	-	-	-	209,540	81,245	58,937
Special assessments	-	-	-	-	-	-	-	-
Due from other funds	-	-	4,707	-	37,287	409,000	1,370,000	209,000
Due from other governments	-	-	198,328	12,203	-	6,079	9,354	2,573
Deposits	-	-	-	-	-	-	-	-
Inventory for resale	-	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	-	-
Advances to other funds	-	-	-	5,306,800	-	-	-	-
Prepaid costs	-	-	-	-	-	-	-	-
Total assets	$ 11,544,847	$ 13,689	$ 13,635,531	$ 14,490,448	$ 4,603,160	$ 1,006,390	$ 1,568,571	$ 2,414,862
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES								
Liabilities:								
Accounts payable	$ -	$ -	$ -	$ 1,059,289	$ 221,813	$ 19,567	$ -	$ 17,332
Wages payable	-	-	-	-	-	-	-	-
Due to other funds	8,650,000	56	8,650,056	63,471	-	-	-	-
Due to other governments	-	-	-	-	-	-	-	-
Unearned revenues	-	-	-	-	-	-	-	-
Refundable deposits	-	-	-	-	-	-	-	-
Retainage payable	-	-	-	1,091,105	-	-	-	-
Advances from other funds	-	-	-	-	-	311,600	-	1,962,800
Total liabilities	8,650,000	56	8,650,056	2,213,865	221,813	331,167	-	1,980,132
Deferred inflows of resources:								
Unavailable revenue	-	-	-	-	-	209,540	81,245	58,937
Fund balances:								
Nonspendable	-	-	-	5,306,800	-	-	-	-
Restricted	2,894,847	13,633	4,985,475	-	-	465,683	1,487,326	375,793
Committed	-	-	-	-	-	-	-	-
Assigned	-	-	-	6,969,783	4,381,347	-	-	-
Unassigned	-	-	-	-	-	-	-	-
Total fund balances	2,894,847	13,633	4,985,475	12,276,583	4,381,347	465,683	1,487,326	375,793
Total liabilities, deferred inflows of resources and fund balances	$ 11,544,847	$ 13,689	$ 13,635,531	$ 14,490,448	$ 4,603,160	$ 1,006,390	$ 1,568,571	$ 2,414,862

COLLIER COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2018

	Capital Project Funds										
	Water Management	Parks Impact Districts	Road Impact Districts	Road Construction	Government Facilities Impact Fees	Law Enforcement Impact Fees	All Terrain Vehicle Park	Amateur Sports Complex	Other Capital Projects	Total Capital Project Funds	Total Nonmajor Governmental Funds
ASSETS											
Cash and investments	$ 10,413,791	$ 23,937,305	$ 75,604,254	$ 49,832,753	$ 353,669	$ 1,153,391	$ 3,037,036	$ 75,878	$ 1,788,482	$ 182,463,989	$ 414,210,757
Cash with fiscal agent	-	-	-	-	-	-	-	-	-	-	11,790,009
Receivables:											
Interest	20,902	52,179	147,185	96,335	6,537	2,965	6,179	212	3,552	366,658	846,821
Trade, net	-	-	-	-	-	-	-	-	-	73,371	1,589,634
Notes	-	-	-	-	-	-	-	-	-	-	430,284
Impact Fee	-	1,312,800	3,479,544	-	219,543	86,851	-	-	-	5,448,460	5,448,460
Special assessments	-	-	-	-	-	-	-	-	1,405	1,405	1,405
Due from other funds	634,794	2,489,000	-	680,110	2,795,000	506,000	-	-	3,299	9,133,490	12,263,324
Due from other governments	-	50,468	155,592	1,685,620	16,924	-	-	-	-	1,938,813	9,607,884
Deposits	-	1,250	-	-	-	-	-	-	-	1,250	1,250
Inventory for resale	-	-	-	-	-	-	-	-	-	-	229,733
Inventory	-	-	-	-	-	-	-	-	-	-	882,664
Advances to other funds	-	-	-	-	-	-	-	-	-	5,306,800	5,658,893
Prepaid costs	-	-	-	-	-	-	-	-	-	-	10,400
Total assets	$ 11,069,487	$ 27,843,002	$ 79,386,575	$ 52,294,818	$ 3,391,673	$ 1,749,207	$ 3,043,215	$ 76,090	$ 1,796,738	$ 204,734,236	$ 462,971,518
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES											
Liabilities:											
Accounts payable	$ 5,307,013	$ 417,023	$ 397,523	$ 2,263,701	$ -	$ 529	$ -	$ -	$ 68,299	$ 9,772,089	$ 23,119,824
Wages payable	3,225	-	-	1,534	-	-	-	-	-	4,759	2,057,510
Due to other funds	1,266,790	-	-	-	-	-	-	-	-	1,330,261	11,909,113
Due to other governments	-	-	-	-	-	-	-	-	-	-	4,924,764
Unearned revenues	-	-	-	-	-	-	-	-	-	-	8,189
Refundable deposits	-	-	-	-	-	-	-	-	-	-	65,833
Retainage payable	192,544	432,447	153,301	687,334	-	-	-	-	3,480	2,560,211	3,157,329
Advances from other funds	-	-	-	-	3,354,175	-	-	-	9,264	5,637,839	6,019,739
Total liabilities	6,769,572	849,470	550,824	2,952,569	3,354,175	529	-	-	81,043	19,305,159	51,262,301
Deferred inflows of resources:											
Unavailable revenue	-	1,312,800	3,479,544	-	219,543	86,851	-	-	-	5,448,460	5,453,458
Fund balances:											
Nonspendable	-	-	-	-	-	-	-	-	-	5,306,800	8,134,757
Restricted	-	25,680,732	75,356,207	49,342,249	-	1,661,827	-	76,090	88,065	154,533,972	342,449,298
Committed	-	-	-	-	-	-	-	-	-	-	34,792,876
Assigned	4,299,915	-	-	-	-	-	3,043,215	-	1,627,630	20,321,890	21,129,264
Unassigned	-	-	-	-	(182,045)	-	-	-	-	(182,045)	(250,436)
Total fund balances	4,299,915	25,680,732	75,356,207	49,342,249	(182,045)	1,661,827	3,043,215	76,090	1,715,695	179,980,617	406,255,759
Total liabilities, deferred inflows of resources and fund balances	$ 11,069,487	$ 27,843,002	$ 79,386,575	$ 52,294,818	$ 3,391,673	$ 1,749,207	$ 3,043,215	$ 76,090	$ 1,796,738	$ 204,734,236	$ 462,971,518

See accompanying independent auditors' report

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

	Special Revenue Funds				
	Road Districts	Unincorporated Area MSTD	Community Development	Water Management and Pollution Control	Grants and Shared Revenue
Revenues:					
Taxes	$ -	$ 45,000,766	$ -	$ 2,362,409	$ -
Licenses, permits and impact fees	-	35,038	28,497,585	575	-
Intergovernmental	1,917,463	34,197	-	-	15,933,755
Charges for services	417,932	2,643,359	3,722,674	382,011	4,163
Fines and forfeitures	-	264,174	-	-	-
Interest income	43,507	294,211	499,006	47,214	47,740
Special assessments	-	-	-	3,918,172	-
Miscellaneous	46,629	291,928	49,984	2,058	273,347
Total revenues	2,425,531	48,563,673	32,769,249	6,712,439	16,259,005
Expenditures:					
Current:					
General government	-	5,851,899	7,710,441	-	815,953
Public safety	-	4,212,139	17,603,497	-	848,793
Physical environment	-	1,598,543	1,665,343	3,216,746	5,565,586
Transportation	21,579,878	10,038,429	360,035	2,569,065	39,668
Economic environment	-	103,553	-	-	4,361,305
Human services	-	-	-	-	3,646,095
Culture and recreation	-	12,445,470	-	-	121,133
Debt service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Fiscal charges	-	-	-	-	-
Capital outlay	444,100	2,721,442	579,265	317,284	4,719,202
Total expenditures	22,023,978	36,971,475	27,918,581	6,103,095	20,117,735
Excess (deficit) of revenues over (under) expenditures	(19,598,447)	11,592,198	4,850,668	609,344	(3,858,730)
Other financing sources (uses):					
Loans issued	-	-	-	-	-
Sale of capital assets	11,000	-	7,400	23,150	-
Insurance proceeds	388,891	4,585	4,475	2,641	-
Payment to refunding escrow	-	-	-	-	-
Transfers in	21,786,900	1,686,674	916,500	94,627	3,763,977
Transfers out	(2,733,400)	(12,329,604)	(536,000)	(513,732)	-
Total other financing sources (uses)	19,453,391	(10,638,345)	392,375	(393,314)	3,763,977
Net change in fund balances	(145,056)	953,853	5,243,043	216,030	(94,753)
Fund balances at beginning of year	3,319,113	13,226,497	41,018,502	2,415,492	6,133,862
Fund balances at end of year	$ 3,174,057	$ 14,180,350	$ 46,261,545	$ 2,631,522	$ 6,039,109

	Special Revenue Funds								
	Improvement Districts	Fire Control Districts	Lighting Districts	911 Enhancement Fee	Tourist Development	State Housing Initiative Partnership	800 MHz ICRP Fund	State Court Administration
Revenues:								
Taxes	$ 4,067,218	$ 1,488,062	$ 1,381,199	$ -	$ 27,962,471	$ -	$ -	$ -
Licenses, permits and impact fees	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	1,749,505	51,540	1,072,746	-	-
Charges for services	180,883	5,097	-	-	16,033	-	349,869	199,685
Fines and forfeitures	-	-	-	-	-	-	-	716,752
Interest income	164,410	13,033	21,526	30,188	736,116	55,170	1,267	2,355
Special assessments	-	-	-	-	-	-	-	-
Miscellaneous	8,080	-	23,255	-	89,311	479,957	144,855	10,322
Total revenues	4,420,591	1,506,192	1,425,980	1,779,693	28,855,471	1,607,873	495,991	929,114
Expenditures:								
Current:								
General government	-	-	-	-	-	-	-	1,106,242
Public safety	-	2,064,182	-	1,858,454	-	-	1,264,126	1,510,904
Physical environment	1,235,786	-	-	-	7,887,830	-	-	-
Transportation	723,702	-	1,091,379	-	-	-	-	-
Economic environment	-	-	-	-	-	1,722,313	-	-
Human services	-	-	-	-	-	-	-	-
Culture and recreation	1,001,910	-	-	-	13,827,928	-	-	-
Debt service								
Principal	-	23,890	-	-	-	-	-	-
Interest	-	5,812	-	-	-	-	-	-
Fiscal charges	-	-	-	-	-	-	-	-
Capital outlay	385,327	-	-	86,287	6,576,803	2,756	-	3,449
Total expenditures	3,346,725	2,093,884	1,091,379	1,944,741	28,292,561	1,725,069	1,264,126	2,620,595
Excess (deficit) of revenues over (under) expenditures	1,073,866	(587,692)	334,601	(165,048)	562,910	(117,196)	(768,135)	(1,691,481)
Other financing sources (uses):								
Loans issued	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-
Insurance proceeds	12,879	-	4,253	-	-	-	-	-
Payment to refunding escrow	-	-	-	-	-	-	-	-
Transfers in	585,673	579,041	11,614	-	649,507	-	712,600	1,555,200
Transfers out	(600,059)	(58,721)	(34,980)	-	(1,002,012)	(31,572)	-	(86,000)
Total other financing sources (uses)	(1,507)	520,320	(19,113)	-	(352,505)	(31,572)	712,600	1,469,200
Net change in fund balances	1,072,359	(67,372)	315,488	(165,048)	210,405	(148,768)	(55,535)	(222,281)
Fund balances at beginning of year	13,501,686	416,277	1,391,772	2,761,504	70,307,889	5,224,969	61,330	158,495
Fund balances at end of year	$ 14,574,045	$ 348,905	$ 1,707,260	$ 2,596,456	$ 70,518,294	$ 5,076,201	$ 5,795	$ (63,786)

See accompanying independent auditors' report

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

	Special Revenue Funds					
	Confiscated Property	GAC Land Sales, Roads and Canals	Utility Fee	Conservation Collier	Court Information Technology	Court Services
Revenues:						
Taxes	$ -	$ -	$ 137,478	$ 1,824	$ -	$ -
Licenses, permits and impact fees	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	402,809
Charges for services	-	-	100,000	72	886,824	6,827,098
Fines and forfeitures	4,678	-	-	-	-	-
Interest income	1,847	9,356	14,908	351,789	11,999	44,246
Special assessments	-	-	-	-	-	-
Miscellaneous	-	-	-	256,623	-	-
Total revenues	6,525	9,356	252,386	610,308	898,823	7,274,153
Expenditures:						
Current:						
General government	-	-	-	-	778,446	7,290,573
Public safety	29,000	-	-	-	10,807	-
Physical environment	-	-	266,184	689,221	-	-
Transportation	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-
Human services	-	-	-	-	24,419	-
Culture and recreation	-	-	-	-	-	-
Debt service						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Fiscal charges	-	-	-	-	-	-
Capital outlay	-	-	-	119,024	46,684	-
Total expenditures	29,000	-	266,184	808,245	860,356	7,290,573
Excess (deficit) of revenues over (under) expenditures	(22,475)	9,356	(13,798)	(197,937)	38,467	(16,420)
Other financing sources (uses):						
Loans issued	-	-	-	-	-	-
Sale of capital assets	-	-	-	2,200	-	-
Insurance proceeds	-	-	-	240	-	-
Payment to refunding escrow	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	(43,841)	-	-	(9,982)	(36,300)	-
Total other financing sources (uses)	(43,841)	-	-	(7,542)	(36,300)	-
Net change in fund balances	(66,316)	9,356	(13,798)	(205,479)	2,167	(16,420)
Fund balances at beginning of year	178,053	1,097,275	1,482,591	32,833,262	1,027,250	16,420
Fund balances at end of year	$ 111,737	$ 1,106,631	$ 1,468,793	$ 32,627,783	$ 1,029,417	$ -

See accompanying independent auditors' report

	Special Revenue Funds							
	University Extension	Court Facilities Fee	Affordable Housing	Ave Maria Innovation Zone	Other Court Special Revenue Funds	Other Public Safety Revenue Funds	Other Special Revenue Funds	Total Special Revenue Funds
Revenues:								
Taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 82,401,427
Licenses, permits and impact fees	-	-	-	-	-	-	76,510	28,609,708
Intergovernmental	-	-	-	-	-	-	-	21,162,015
Charges for services	6,455	-	16,332	-	1,140,307	868,201	275,131	18,042,126
Fines and forfeitures	-	827,051	-	-	-	74,248	47,242	1,934,145
Interest income	1,243	64,744	1,782	1,195	39,332	16,282	11,594	2,526,060
Special assessments	-	-	-	-	-	-	-	3,918,172
Miscellaneous	-	-	-	-	-	5,928	166,574	1,848,851
Total revenues	7,698	891,795	18,114	1,195	1,179,639	964,659	577,051	160,442,504
Expenditures:								
Current:								
General government	-	368,417	-	-	982,364	-	193,290	25,097,625
Public safety	-	-	-	-	-	1,040,869	111,000	30,553,771
Physical environment	49,700	-	-	-	-	-	-	22,174,939
Transportation	-	-	-	-	-	-	-	36,402,156
Economic environment	-	-	-	-	-	-	-	6,187,171
Human services	-	-	-	-	-	-	289,546	3,960,060
Culture and recreation	-	-	-	-	-	-	96,506	27,492,947
Debt service								
Principal	-	-	-	-	-	-	-	23,890
Interest	-	-	-	-	-	-	-	5,812
Fiscal charges	-	-	-	-	-	-	-	-
Capital outlay	-	216,317	-	-	-	12,018	83,539	16,313,497
Total expenditures	49,700	584,734	-	-	982,364	1,052,887	773,881	168,211,868
Excess (deficit) of revenues over (under) expenditures	(42,002)	307,061	18,114	1,195	197,275	(88,228)	(196,830)	(7,769,364)
Other financing sources (uses):								
Loans issued	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	43,750
Insurance proceeds	-	-	-	-	-	-	-	417,964
Payment to refunding escrow	-	-	-	-	-	-	-	-
Transfers in	-	-	-	83,900	-	250,000	197,000	32,873,213
Transfers out	-	-	-	-	-	(92,048)	-	(18,108,251)
Total other financing sources (uses)	-	-	-	83,900	-	157,952	197,000	15,226,676
Net change in fund balances	(42,002)	307,061	18,114	85,095	197,275	69,724	170	7,457,312
Fund balances at beginning of year	124,078	5,812,986	157,728	31,383	4,275,405	4,160,503	964,133	212,098,455
Fund balances at end of year	$ 82,076	$ 6,120,047	$ 175,842	$ 116,478	$ 4,472,680	$ 4,230,227	$ 964,303	$ 219,555,767

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

	Permanent Fund	Debt Service Funds			
	Resource Recovery Park Endowment	Pooled Commercial Paper Program	Gas Tax Revenue Bonds	Community Redevelopment Taxable Note	Forest Lakes Limited General Oblibation Bonds
Revenues:					
Taxes	$ -	$ -	$ -	$ -	$ 487,602
Licenses, permits and impact fees	-	-	-	-	-
Intergovernmental	-	-	2,017,122	-	-
Charges for services	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-
Interest income	18,415	1	16,002	935	7,664
Special assessments	-	-	-	-	-
Miscellaneous	250	-	-	-	-
Total revenues	18,665	1	2,033,124	935	495,266
Expenditures:					
Current:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Physical environment	9,909	-	-	-	-
Transportation	-	-	-	-	-
Economic environment	-	-	-	-	-
Human services	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Debt service					
Principal	-	100,000	10,510,000	456,891	460,000
Interest	-	133,296	2,737,194	173,160	95,475
Fiscal charges	-	24,000	1,647	-	2,875
Capital outlay	-	-	-	-	-
Total expenditures	9,909	257,296	13,248,841	630,051	558,350
Excess (deficit) of revenues over (under) expenditures	8,756	(257,295)	(11,215,717)	(629,116)	(63,084)
Other financing sources (uses):					
Loans issued	-	41,721	-	-	-
Sale of capital assets	-	-	-	-	-
Insurance proceeds	-	-	-	-	-
Payment to refunding escrow	-	-	-	-	-
Transfers in	-	243,000	11,271,000	631,000	4,707
Transfers out	-	-	-	-	(15,084)
Total other financing sources (uses)	-	284,721	11,271,000	631,000	(10,377)
Net change in fund balances	8,756	27,426	55,283	1,884	(73,461)
Fund balances at beginning of year	1,725,144	-	968,830	354,708	742,325
Fund balances at end of year	$ 1,733,900	$ 27,426	$ 1,024,113	$ 356,592	$ 668,864

	Debt Service Funds			Capital Project Funds				
	Special Obligation Revenue Bonds	Other Debt Service	Total Debt Service Funds	County-Wide Capital Improvements	Parks Improvements	Count-Wide Library Impact Fees	Correctional Facilities Impact Fees	Emergency Medical Services Impact Fees
Revenues:								
Taxes	$ -	$ 179	$ 487,781	$ -	$ -	$ -	$ -	$ -
Licenses, permits and impact fees	-	-	-	-	603,390	1,053,844	1,807,511	464,357
Intergovernmental	-	-	2,017,122	897	2,084	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-
Interest income	21,927	30	46,559	65,964	47,003	10,980	11,034	20,556
Special assessments	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-
Total revenues	21,927	209	2,551,462	66,861	652,477	1,064,824	1,818,545	484,913
Expenditures:								
Current:								
General government	-	-	-	9,736,798	-	-	-	-
Public safety	-	-	-	453,111	-	-	35,762	16,874
Physical environment	-	-	-	131,067	-	-	-	-
Transportation	-	-	-	223,751	-	-	-	-
Economic environment	-	-	-	-	-	-	-	-
Human services	-	-	-	44,480	-	-	-	-
Culture and recreation	-	-	-	341	2,778,479	-	-	-
Debt service								
Principal	10,258,000	-	21,784,891	-	-	-	-	-
Interest	7,011,903	-	10,151,028	-	-	-	-	-
Fiscal charges	99,018	-	127,540	-	-	-	-	-
Capital outlay	-	-	-	4,238,203	2,146,753	417,290	-	122,618
Total expenditures	17,368,921	-	32,063,459	14,827,751	4,925,232	417,290	35,762	139,492
Excess (deficit) of revenues over (under) expenditures	(17,346,994)	209	(29,511,997)	(14,760,890)	(4,272,755)	647,534	1,782,783	345,421
Other financing sources (uses):								
Loans issued	43,713,000	-	43,754,721	-	-	-	-	-
Sale of capital assets	-	-	-	69,000	-	-	-	-
Insurance proceeds	-	-	-	588,893	1,167,274	-	-	-
Payment to refunding escrow	(44,525,435)	-	(44,525,435)	-	-	-	-	-
Transfers in	18,047,800	-	30,197,507	16,952,315	2,642,787	-	-	-
Transfers out	-	(12,339)	(27,423)	(967,363)	(11,671)	(1,158,900)	(1,858,500)	(448,400)
Total other financing sources (uses)	17,235,365	(12,339)	29,399,370	16,642,845	3,798,390	(1,158,900)	(1,858,500)	(448,400)
Net change in fund balances	(111,629)	(12,130)	(112,627)	1,881,955	(474,365)	(511,366)	(75,717)	(102,979)
Fund balances at beginning of year	3,006,476	25,763	5,098,102	10,394,628	4,855,712	977,049	1,563,043	478,772
Fund balances at end of year	$ 2,894,847	$ 13,633	$ 4,985,475	$ 12,276,583	$ 4,381,347	$ 465,683	$ 1,487,326	$ 375,793

See accompanying independent auditors' report

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

	Capital Project Funds										
	Water Management	Parks Impact Districts	Road Impact Districts	Road Construction	Government Facilities Impact Fees	Law Enforcement Impact Fees	All Terrain Vehicle Park	Amateur Sports Park	Other Capital Projects	Total Capital Project Funds	Total Nonmajor Governmental Funds
Revenues:											
Taxes	$ -	$ -	$ -	$ 16,139,631	$ -	$ -	$ -	$ -	$ -	$ 16,139,631	$ 99,028,839
Licenses, permits and impact fees	-	10,819,875	26,579,266	-	3,097,079	1,842,830	-	-	8,490	46,276,642	74,886,350
Intergovernmental	29,842	-	-	4,591,815	-	-	-	-	-	4,624,638	27,803,775
Charges for services	-	-	-	12,406	-	-	-	-	-	12,406	18,054,532
Fines and forfeitures	-	-	-	-	-	-	-	-	-	-	1,934,145
Interest income	124,909	269,926	695,175	502,781	33,286	16,980	32,211	1,455	18,556	1,850,816	4,441,850
Special assessments	716,515	-	-	-	-	-	-	-	154,739	871,254	4,789,426
Miscellaneous	20,022	-	92,179	542,007	-	-	-	-	28	654,236	2,503,337
Total revenues	891,288	11,089,801	27,366,620	21,788,640	3,130,365	1,859,810	32,211	1,455	181,813	70,429,623	233,442,254
Expenditures:											
Current:											
General government	-	-	-	-	-	-	-	-	9,264	9,746,062	34,843,687
Public safety	-	-	-	-	-	6,699	-	-	8,624	521,070	31,074,841
Physical environment	8,847,380	-	-	-	-	-	-	-	146,756	9,125,203	31,310,051
Transportation	-	-	384,899	8,550,165	-	-	-	-	-	9,158,815	45,560,971
Economic environment	-	-	-	-	-	-	-	-	-	-	6,187,171
Human services	-	-	-	-	-	-	-	-	-	44,480	4,004,540
Culture and recreation	-	231,093	-	-	-	-	1,950	290,169	303,168	3,605,200	31,098,147
Debt service											
Principal	-	-	-	-	-	-	-	-	-	-	21,808,781
Interest	-	-	-	-	-	-	-	-	-	-	10,156,840
Fiscal charges	-	-	-	-	-	-	-	-	-	-	127,540
Capital outlay	4,661,666	7,944,820	4,987,650	13,330,409	-	-	-	12,030,275	165,818	50,045,502	66,358,999
Total expenditures	13,509,046	8,175,913	5,372,549	21,880,574	-	6,699	1,950	12,320,444	633,630	82,246,332	282,531,568
Excess (deficit) of revenues over (under) expenditures	(12,617,758)	2,913,888	21,994,071	(91,934)	3,130,365	1,853,111	30,261	(12,318,989)	(451,817)	(11,816,709)	(49,089,314)
Other financing sources (uses):											
Loans issued	-	-	-	-	-	-	-	11,958,279	-	11,958,279	55,713,000
Sale of capital assets	-	-	-	-	-	-	-	-	-	69,000	112,750
Insurance proceeds	158,063	-	-	1,217,934	-	-	-	-	2,040	3,134,204	3,552,168
Payment to refunding escrow	-	-	-	-	-	-	-	-	-	-	(44,525,435)
Transfers in	5,943,107	-	-	12,150,400	-	-	-	436,800	509,699	38,635,108	101,705,828
Transfers out	(2,276,921)	(2,939,600)	(440,316)	(11,349,135)	(5,705,200)	(1,873,700)	-	-	(47,356)	(29,077,062)	(47,212,736)
Total other financing sources (uses)	3,824,249	(2,939,600)	(440,316)	2,019,199	(5,705,200)	(1,873,700)	-	12,395,079	464,383	24,719,529	69,345,575
Net change in fund balances	(8,793,509)	(25,712)	21,553,755	1,927,265	(2,574,835)	(20,589)	30,261	76,090	12,566	12,902,820	20,256,261
Fund balances at beginning of year	13,093,424	25,706,444	53,802,452	47,414,984	2,392,790	1,682,416	3,012,954	-	1,703,129	167,077,797	385,999,498
Fund balances at end of year	$ 4,299,915	$ 25,680,732	$ 75,356,207	$ 49,342,249	$ (182,045)	$ 1,661,827	$ 3,043,215	$ 76,090	$ 1,715,695	$ 179,980,617	$ 406,255,759

See accompanying independent auditors' report

COLLIER COUNTY, FLORIDA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (BUDGETARY BASIS)
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018

	Road Disctricts (Budgetary Basis)			Unincorporated Area MSTD (Budgetary Basis)		
	Budget	Actual	Variance	Budget	Actual	Variance
Revenues:						
Taxes	$ -	$ -	$ -	$ 46,844,300	$ 45,000,766	$ (1,843,534)
Licenses, permits and impact fees	-	-	-	37,000	35,038	(1,962)
Intergovernmental	1,841,000	1,917,463	76,463	948,521	34,197	(914,324)
Charges for services	281,300	417,932	136,632	3,374,600	2,643,359	(731,241)
Fines and forfeitures	-	-	-	339,000	264,174	(74,826)
Interest income	15,000	55,146	40,146	122,000	380,802	258,802
Special assessments	-	-	-	-	-	-
Miscellaneous	35,100	46,629	11,529	202,100	291,928	89,828
Total revenues	2,172,400	2,437,170	264,770	51,867,521	48,650,264	(3,217,257)
Expenditures:						
Current:						
General government	-	-	-	7,201,801	5,839,658	1,362,143
Public safety	-	-	-	4,724,223	4,212,139	512,084
Physical environment	-	-	-	1,854,596	1,598,543	256,053
Transportation	23,244,263	21,579,878	1,664,385	11,206,829	10,007,194	1,199,635
Economic environment	-	-	-	105,600	103,553	2,047
Human services	-	-	-	-	-	-
Culture and recreation	-	-	-	13,396,599	12,445,470	951,129
Debt service	-	-	-	-	-	-
Capital outlay	515,653	444,100	71,553	7,039,149	2,721,442	4,317,707
Total expenditures	23,759,916	22,023,978	1,735,938	45,528,797	36,927,999	8,600,798
Excess (deficit) of revenues over (under) expenditures	(21,587,516)	(19,586,808)	2,000,708	6,338,724	11,722,265	5,383,541
Other financing sources (uses):						
Loans issued	-	-	-	-	-	-
Sale of capital assets	-	11,000	11,000	-	-	-
Insurance proceeds	362,800	388,891	26,091	30,000	4,585	(25,415)
Payment to refunding bond escrow	-	-	-	-	-	-
Transfers in	21,786,900	21,786,900	-	5,406,300	5,557,774	151,474
Transfers out	(2,733,400)	(2,733,400)	-	(17,836,167)	(15,700,704)	2,135,463
Total other financing sources (uses)	19,416,300	19,453,391	37,091	(12,399,867)	(10,138,345)	2,261,522
Net change in fund balances	(2,171,216)	(133,417)	2,037,799	(6,061,143)	1,583,920	7,645,063
Fund balances at beginning of year	2,184,316	2,184,316	-	11,576,117	11,576,117	-
Fund balances at end of year	$ 13,100	$ 2,050,899	$ 2,037,799	$ 5,514,974	$ 13,160,037	$ 7,645,063
Reconciliation:						
Net change in fund balance, budgetary basis		$ (133,417)			$ 1,583,920	
Change in fair value of investments		(11,639)			(86,591)	
Ad valorem refunds not budgeted		-			(12,241)	
Change in inventory		-			(31,235)	
Advances budgeted as transfers		-			(500,000)	
Unbudgeted funds		-			-	
Net change in fund balance, GAAP basis		$ (145,056)			$ 953,853	

See accompanying independent auditors' report

	Community Development (Budgetary Basis)			Water Management and Pollution Control (Budgetary Basis)		
	Budget	Actual	Variance	Budget	Actual	Variance
Revenues:						
Taxes	$ -	$ -	$ -	$ 2,449,400	$ 2,362,409	$ (86,991)
Licenses, permits and impact fees	20,990,100	28,497,585	7,507,485	600	575	(25)
Intergovernmental	-	-	-	-	-	-
Charges for services	3,399,800	3,722,674	322,874	403,300	382,011	(21,289)
Fines and forfeitures	-	-	-	-	-	-
Interest income	198,800	641,019	442,219	17,000	61,046	44,046
Special assessments	-	-	-	4,067,300	3,918,172	(149,128)
Miscellaneous	50,100	49,984	(116)	-	2,058	2,058
Total revenues	24,638,800	32,911,262	8,272,462	6,937,600	6,726,271	(211,329)
Expenditures:						
Current:						
General government	8,733,506	7,710,441	1,023,065	-	-	-
Public safety	24,934,362	17,603,497	7,330,865	-	-	-
Physical environment	1,702,500	1,665,343	37,157	3,663,513	3,216,641	446,872
Transportation	378,500	360,035	18,465	2,956,712	2,569,065	387,647
Economic environment	-	-	-	-	-	-
Human services	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	2,234,680	579,265	1,655,415	326,175	317,284	8,891
Total expenditures	37,983,548	27,918,581	10,064,967	6,946,400	6,102,990	843,410
Excess (deficit) of revenues over (under) expenditures	(13,344,748)	4,992,681	18,337,429	(8,800)	623,281	632,081
Other financing sources (uses):						
Loans issued	-	-	-	-	-	-
Sale of capital assets	-	7,400	7,400	-	23,150	23,150
Insurance proceeds	-	4,475	4,475	-	2,641	2,641
Payment to refunding bond escrow	-	-	-	-	-	-
Transfers in	1,031,500	1,031,500	-	-	94,627	94,627
Transfers out	(9,697,331)	(660,264)	9,037,067	(574,400)	(513,732)	60,668
Total other financing sources (uses)	(8,665,831)	383,111	9,048,942	(574,400)	(393,314)	181,086
Net change in fund balances	(22,010,579)	5,375,792	27,386,371	(583,200)	229,967	813,167
Fund balances at beginning of year	39,372,248	39,372,248	-	2,015,300	2,015,300	-
Fund balances at end of year	$ 17,361,669	$ 44,748,040	$ 27,386,371	$ 1,432,100	$ 2,245,267	$ 813,167
Reconciliation:						
Net change in fund balance, budgetary basis		$ 5,375,792			$ 229,967	
Change in fair value of investments		-			(13,832)	
Ad valorem refunds not budgeted		-			(105)	
Change in inventory		-			-	
Advances budgeted as transfers		-			-	
Unbudgeted funds		-			-	
Net change in fund balance, GAAP basis		$ 5,375,792			$ 216,030	

COLLIER COUNTY, FLORIDA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (BUDGETARY BASIS)
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018

	Grants and Shared Revenues (Budgetary Basis)			Improvement Districts (Budgetary Basis)		
	Budget	Actual	Variance	Budget	Actual	Variance
Revenues:						
Taxes	$ -	$ -	$ -	$ 4,211,000	$ 4,067,218	$ (143,782)
Licenses, permits and impact fees	-	-	-	-	-	-
Intergovernmental	41,123,739	14,924,511	(26,199,228)	100,000	-	(100,000)
Charges for services	78,509	4,163	(74,346)	243,500	180,883	(62,617)
Fines and forfeitures	-	-	-	-	-	-
Interest income	30,135	60,910	30,775	65,200	211,317	146,117
Special assessments	-	-	-	-	-	-
Miscellaneous	202,035	273,347	71,312	-	8,080	8,080
Total revenues	41,434,418	15,262,931	(26,171,487)	4,619,700	4,467,498	(152,202)
Expenditures:						
Current:						
General government	2,442,494	768,048	1,674,446	-	-	-
Public safety	2,326,292	287,522	2,038,770	-	-	-
Physical environment	10,523,434	5,565,586	4,957,848	4,264,237	1,235,741	3,028,496
Transportation	825,921	39,668	786,253	2,014,331	723,476	1,290,855
Economic environment	11,313,097	4,361,305	6,951,792	-	-	-
Human services	6,707,236	3,646,095	3,061,141	-	-	-
Culture and recreation	913,075	121,133	791,942	1,170,856	1,001,772	169,084
Debt service	-	-	-	-	-	-
Capital outlay	15,525,958	4,526,292	10,999,666	8,165,013	385,327	7,779,686
Total expenditures	50,577,507	19,315,649	31,261,858	15,614,437	3,346,316	12,268,121
Excess (deficit) of revenues over (under) expenditures	(9,143,089)	(4,052,718)	5,090,371	(10,994,737)	1,121,182	12,115,919
Other financing sources (uses):						
Loans issued	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-
Insurance proceeds	-	-	-	-	12,879	12,879
Payment to refunding bond escrow	-	-	-	-	-	-
Transfers in	7,133,826	3,845,628	(3,288,198)	549,100	585,673	36,573
Transfers out	(165,206)	(86,330)	78,876	(643,600)	(600,059)	43,541
Total other financing sources (uses)	6,968,620	3,759,298	(3,209,322)	(94,500)	(1,507)	92,993
Net change in fund balances	(2,174,469)	(293,420)	1,881,049	(11,089,237)	1,119,675	12,208,912
Fund balances at beginning of year	4,340,895	4,340,895	-	12,615,237	12,615,237	-
Fund balances at end of year	$ 2,166,426	$ 4,047,475	$ 1,881,049	$ 1,526,000	$ 13,734,912	$ 12,208,912
Reconciliation:						
Net change in fund balance, budgetary basis		$ (293,420)			$ 1,119,675	
Change in fair value of investments		(14,092)			(46,907)	
Ad valorem refunds not budgeted		-			(409)	
Change in inventory		-			-	
Advances budgeted as transfers		-			-	
Unbudgeted funds		212,759			-	
Net change in fund balance, GAAP basis		$ (94,753)			$ 1,072,359	

	Fire Control Districts (Budgetary Basis)			Lighting Districts (Budgetary Basis)		
	Budget	Actual	Variance	Budget	Actual	Variance
Revenues:						
Taxes	$ 1,538,300	$ 1,488,062	$ (50,238)	$ 1,430,700	$ 1,381,199	$ (49,501)
Licenses, permits and impact fees	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	5,097	5,097	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Interest income	1,000	15,246	14,246	2,500	27,702	25,202
Special assessments	-	-	-	-	-	-
Miscellaneous	1,200	-	(1,200)	-	23,255	23,255
Total revenues	1,540,500	1,508,405	(32,095)	1,433,200	1,432,156	(1,044)
Expenditures:						
Current:						
General government	-	-	-	-	-	-
Public safety	2,447,142	2,063,678	383,464	-	-	-
Physical environment	-	-	-	-	-	-
Transportation	-	-	-	1,427,900	1,091,361	336,539
Economic environment	-	-	-	-	-	-
Human services	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Debt service	-	29,702	(29,702)	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	2,447,142	2,093,380	353,762	1,427,900	1,091,361	336,539
Excess (deficit) of revenues over (under) expenditures	(906,642)	(584,975)	321,667	5,300	340,795	335,495
Other financing sources (uses):						
Loans issued	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-
Insurance proceeds	-	-	-	-	4,253	4,253
Payment to refunding bond escrow	-	-	-	-	-	-
Transfers in	577,800	579,041	1,241	-	11,614	11,614
Transfers out	(211,658)	(206,621)	5,037	(1,056,600)	(34,980)	1,021,620
Total other financing sources (uses)	366,142	372,420	6,278	(1,056,600)	(19,113)	1,037,487
Net change in fund balances	(540,500)	(212,555)	327,945	(1,051,300)	321,682	1,372,982
Fund balances at beginning of year	-	-	-	1,365,100	1,365,100	-
Fund balances at end of year	$ (540,500)	$ (212,555)	$ 327,945	$ 313,800	$ 1,686,782	$ 1,372,982
Reconciliation:						
Net change in fund balance, budgetary basis		$ (212,555)			$ 321,682	
Change in fair value of investments		(2,213)			(6,176)	
Ad valorem refunds not budgeted		(504)			(18)	
Change in inventory		-			-	
Advances budgeted as transfers		147,900			-	
Unbudgeted funds		-			-	
Net change in fund balance, GAAP basis		$ (67,372)			$ 315,488	

See accompanying independent auditors' report

COLLIER COUNTY, FLORIDA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (BUDGETARY BASIS)
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018

	911 Enhancement Fee (Budgetary Basis)			Tourist Development (Budgetary Basis)			State Housing Initiativeship Partnership (Budgetary Basis)			800 MHZ IRCP Fund (Budgetary Basis)		
	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance
Revenues:												
Taxes	$ -	$ -	$ -	$ 27,650,000	$ 27,962,471	$ 312,471	$ -	$ -	$ -	$ -	$ -	$ -
Licenses, permits and impact fees	-	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental	1,700,000	1,749,505	49,505	300,000	51,540	(248,460)	6,515,919	1,072,746	(5,443,173)	-	-	-
Charges for services	-	-	-	20,500	16,033	(4,467)	-	-	-	398,900	349,869	(49,031)
Fines and forfeitures	-	-	-	-	-	-	-	-	-	-	-	-
Interest income	19,500	38,850	19,350	469,100	942,191	473,091	59,976	71,205	11,229	800	1,644	844
Special assessments	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	30,000	89,311	59,311	916,891	479,957	(436,934)	135,700	144,855	9,155
Total revenues	1,719,500	1,788,355	68,855	28,469,600	29,061,546	591,946	7,492,786	1,623,908	(5,868,878)	535,400	496,368	(39,032)
Expenditures:												
Current:												
General government	-	-	-	-	-	-	-	-	-	-	-	-
Public safety	2,511,100	1,858,454	652,646	-	-	-	-	-	-	1,293,900	1,264,126	29,774
Physical environment	-	-	-	7,926,375	7,887,830	38,545	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-	7,490,030	1,722,313	5,767,717	-	-	-
Human services	-	-	-	-	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	18,064,140	13,827,928	4,236,212	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-	-	-
Capital outlay	97,500	86,287	11,213	19,230,326	6,576,803	12,653,523	2,756	2,756	-	-	-	-
Total expenditures	2,608,600	1,944,741	663,859	45,220,841	28,292,561	16,928,280	7,492,786	1,725,069	5,767,717	1,293,900	1,264,126	29,774
Excess (deficit) of revenues over (under) expenditures	(889,100)	(156,386)	732,714	(16,751,241)	768,985	17,520,226	-	(101,161)	(101,161)	(758,500)	(767,758)	(9,258)
Other financing sources (uses):												
Loans issued	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-
Insurance proceeds	-	-	-	-	-	-	-	-	-	-	-	-
Payment to refunding bond escrow	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	7,487,700	7,768,633	280,933	-	-	-	712,600	712,600	-
Transfers out	-	-	-	(7,928,482)	(8,121,138)	(192,656)	-	(31,572)	(31,572)	-	-	-
Total other financing sources (uses)	-	-	-	(440,782)	(352,505)	88,277	-	(31,572)	(31,572)	712,600	712,600	-
Net change in fund balances	(889,100)	(156,386)	732,714	(17,192,023)	416,480	17,608,503	-	(132,733)	(132,733)	(45,900)	(55,158)	(9,258)
Fund balances at beginning of year	2,894,900	2,894,900	-	60,467,020	60,467,020	-	-	-	-	72,700	72,700	-
Fund balances at end of year	$ 2,005,800	$ 2,738,514	$ 732,714	$ 43,274,997	$ 60,883,500	$ 17,608,503	$ -	$ (132,733)	$ (132,733)	$ 26,800	$ 17,542	$ (9,258)
Reconciliation:												
Net change in fund balance, budgetary basis		$ (156,386)			$ 416,480			$ (132,733)			$ (55,158)	
Change in fair value of investments		(8,662)			(206,075)			(16,035)			(377)	
Ad valorem refunds not budgeted		-			-			-			-	
Change in inventory		-			-			-			-	
Advances budgeted as transfers		-			-			-			-	
Unbudgeted funds		-			-			-			-	
Net change in fund balance, GAAP basis		$ (165,048)			$ 210,405			$ (148,768)			$ (55,535)	

See accompanying independent auditors' report

COLLIER COUNTY, FLORIDA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (BUDGETARY BASIS)
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018

	State Court Administration (Budgetary Basis)			Confiscated Property (Budgetary Basis)		
	Budget	Actual	Variance	Budget	Actual	Variance
Revenues:						
Taxes	$ -	$ -	$ -	$ -	$ -	$ -
Licenses, permits and impact fees	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	189,000	199,685	10,685	-	-	-
Fines and forfeitures	872,500	716,752	(155,748)	-	4,678	4,678
Interest income	1,000	3,059	2,059	1,500	2,391	891
Special assessments	-	-	-	-	-	-
Miscellaneous	-	10,322	10,322	-	-	-
Total revenues	1,062,500	929,818	(132,682)	1,500	7,069	5,569
Expenditures:						
Current:						
General government	1,156,900	1,106,242	50,658	-	-	-
Public safety	1,569,900	1,510,904	58,996	52,000	29,000	23,000
Physical environment	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-
Human services	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	8,000	3,449	4,551	-	-	-
Total expenditures	2,734,800	2,620,595	114,205	52,000	29,000	23,000
Excess (deficit) of revenues over (under) expenditures	(1,672,300)	(1,690,777)	(18,477)	(50,500)	(21,931)	28,569
Other financing sources (uses):						
Loans issued	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-
Insurance proceeds	-	-	-	-	-	-
Payment to refunding bond escrow	-	-	-	-	-	-
Transfers in	1,708,500	1,708,500	-	-	-	-
Transfers out	(254,300)	(239,300)	15,000	(59,149)	(43,841)	15,308
Total other financing sources (uses)	1,454,200	1,469,200	15,000	(59,149)	(43,841)	15,308
Net change in fund balances	(218,100)	(221,577)	(3,477)	(109,649)	(65,772)	43,877
Fund balances at beginning of year	258,400	258,400	-	171,563	171,563	-
Fund balances at end of year	$ 40,300	$ 36,823	$ (3,477)	$ 61,914	$ 105,791	$ 43,877
Reconciliation:						
Net change in fund balance, budgetary basis		$ (221,577)			$ (65,772)	
Change in fair value of investments		(704)			(544)	
Ad valorem refunds not budgeted		-			-	
Change in inventory		-			-	
Advances budgeted as transfers		-			-	
Unbudgeted funds		-			-	
Net change in fund balance, GAAP basis		$ (222,281)			$ (66,316)	

See accompanying independent auditors' report

	GAC Land Sales, Roads and Canals (Budgetary Basis)			Utility Fee (Budgetary Basis)		
	Budget	Actual	Variance	Budget	Actual	Variance
Revenues:						
Taxes	$ -	$ -	$ -	$ 190,000	$ 137,478	$ (52,522)
Licenses, permits and impact fees	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	100,000	100,000	-
Fines and forfeitures	-	-	-	-	-	-
Interest income	3,500	12,042	8,542	5,000	19,224	14,224
Special assessments	-	-	-	-	-	-
Miscellaneous	17,000	-	(17,000)	-	-	-
Total revenues	20,500	12,042	(8,458)	295,000	256,702	(38,298)
Expenditures:						
Current:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Physical environment	-	-	-	452,400	266,184	186,216
Transportation	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-
Human services	-	-	-	-	-	-
Culture and recreation	107,063	-	107,063	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	107,063	-	107,063	452,400	266,184	186,216
Excess (deficit) of revenues over (under) expenditures	(86,563)	12,042	98,605	(157,400)	(9,482)	147,918
Other financing sources (uses):						
Loans issued	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-
Insurance proceeds	-	-	-	-	-	-
Payment to refunding bond escrow	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Net change in fund balances	(86,563)	12,042	98,605	(157,400)	(9,482)	147,918
Fund balances at beginning of year	868,200	868,200	-	1,447,000	1,447,000	-
Fund balances at end of year	$ 781,637	$ 880,242	$ 98,605	$ 1,289,600	$ 1,437,518	$ 147,918
Reconciliation:						
Net change in fund balance, budgetary basis		$ 12,042			$ (9,482)	
Change in fair value of investments		(2,686)			(4,316)	
Ad valorem refunds not budgeted		-			-	
Change in inventory		-			-	
Advances budgeted as transfers		-			-	
Unbudgeted funds		-			-	
Net change in fund balance, GAAP basis		$ 9,356			$ (13,798)	

COLLIER COUNTY, FLORIDA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (BUDGETARY BASIS)
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018

	Conservation Collier (Budgetary Basis)			Court Information Technology (Budgetary Basis)			Court Services			University Extension (Budgetary Basis)		
	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance
Revenues:												
Taxes	$ -	$ 1,824	$ 1,824	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Licenses, permits and impact fees	-	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	219,000	402,809	183,809	-	-	-
Charges for services	300	72	(228)	800,000	886,824	86,824	6,189,241	6,827,098	637,857	28,000	6,455	(21,545)
Fines and forfeitures	-	-	-	-	-	-	-	-	-	-	-	-
Interest income	81,600	453,045	371,445	4,300	15,383	11,083	10,000	44,246	34,246	-	1,605	1,605
Special assessments	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	639,676	256,623	(383,053)	-	-	-	-	-	-	-	-	-
Total revenues	721,576	711,564	(10,012)	804,300	902,207	97,907	6,418,241	7,274,153	855,912	28,000	8,060	(19,940)
Expenditures:												
Current:												
General government	-	-	-	900,170	778,446	121,724	6,418,241	5,522,154	896,087	-	-	-
Public safety	-	-	-	26,300	10,807	15,493	-	-	-	-	-	-
Physical environment	1,145,485	689,221	456,264	-	-	-	-	-	-	68,500	49,700	18,800
Transportation	-	-	-	-	-	-	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-	-	-	-	-	-	-
Human services	-	-	-	28,500	24,419	4,081	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-	-	-
Capital outlay	1,255,480	119,024	1,136,456	80,700	46,684	34,016	-	-	-	7,000	-	7,000
Total expenditures	2,400,965	808,245	1,592,720	1,035,670	860,356	175,314	6,418,241	5,522,154	896,087	75,500	49,700	25,800
Excess (deficit) of revenues over (under) expenditures	(1,679,389)	(96,681)	1,582,708	(231,370)	41,851	273,221	-	1,751,999	1,751,999	(47,500)	(41,640)	5,860
Other financing sources (uses):												
Loans issued	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	2,200	2,200	-	-	-	-	-	-	-	-	-
Insurance proceeds	100	240	140	-	-	-	-	-	-	-	-	-
Payment to refunding bond escrow	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	1,306,300	1,305,800	(500)	-	-	-	-	-	-	-	-	-
Transfers out	(1,315,782)	(1,315,782)	-	(36,300)	(36,300)	-	-	-	-	-	-	-
Total other financing sources (uses)	(9,382)	(7,542)	1,840	(36,300)	(36,300)	-	-	-	-	-	-	-
Net change in fund balances	(1,688,771)	(104,223)	1,584,548	(267,670)	5,551	273,221	-	1,751,999	1,751,999	(47,500)	(41,640)	5,860
Fund balances at beginning of year	32,683,571	32,683,571	-	102,657	102,657	-	-	-	-	9,400	9,400	-
Fund balances at end of year	$ 30,994,800	$ 32,579,348	$ 1,584,548	$ (165,013)	$ 108,208	$ 273,221	$ -	$ 1,751,999	$ 1,751,999	$ (38,100)	$ (32,240)	$ 5,860
Reconciliation:												
Net change in fund balance, budgetary basis		$ (104,223)			$ 5,551			$ 1,751,999			$ (41,640)	
Change in fair value of investments		(101,256)			(3,384)			-			(362)	
Ad valorem refunds not budgeted		-			-			-			-	
Change in inventory		-			-			-			-	
Advances budgeted as transfers		-			-			-			-	
Unbudgeted funds		-			-			(1,768,419)			-	
Net change in fund balance, GAAP basis		$ (205,479)			$ 2,167			$ (16,420)			$ (42,002)	

See accompanying independent auditors' report

COLLIER COUNTY, FLORIDA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (BUDGETARY BASIS)
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018

	Court Facilities Fee (Budgetary Basis)			Affordable Housing (Budgetary Basis)		
	Budget	Actual	Variance	Budget	Actual	Variance
Revenues:						
Taxes	$ -	$ -	$ -	$ -	$ -	$ -
Licenses, permits and impact fees	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	16,332	16,332
Fines and forfeitures	800,000	827,051	27,051	-	-	-
Interest income	50,000	83,254	33,254	600	2,289	1,689
Special assessments	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Total revenues	850,000	910,305	60,305	600	18,621	18,021
Expenditures:						
Current:						
General government	1,022,339	368,417	653,922	-	-	-
Public safety	-	-	-	-	-	-
Physical environment	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Economic environment	-	-	-	134,100	-	134,100
Human services	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	818,333	216,317	602,016	-	-	-
Total expenditures	1,840,672	584,734	1,255,938	134,100	-	134,100
Excess (deficit) of revenues over (under) expenditures	(990,672)	325,571	1,316,243	(133,500)	18,621	152,121
Other financing sources (uses):						
Loans issued	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-
Insurance proceeds	-	-	-	-	-	-
Payment to refunding bond escrow	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Net change in fund balances	(990,672)	325,571	1,316,243	(133,500)	18,621	152,121
Fund balances at beginning of year	5,834,632	5,834,632	-	133,500	133,500	-
Fund balances at end of year	$ 4,843,960	$ 6,160,203	$ 1,316,243	$ -	$ 152,121	$ 152,121
Reconciliation:						
Net change in fund balance, budgetary basis		$ 325,571			$ 18,621	
Change in fair value of investments		(18,510)			(507)	
Ad valorem refunds not budgeted		-			-	
Change in inventory		-			-	
Advances budgeted as transfers		-			-	
Unbudgeted funds		-			-	
Net change in fund balance, GAAP basis		$ 307,061			$ 18,114	

See accompanying independent auditors' report

	Ave Maria Innovation Zone (Budgetary Basis)			Other Court Special Revenue Funds		
	Budget	Actual	Variance	Budget	Actual	Variance
Revenues:						
Taxes	$ -	$ -	$ -	$ -	$ -	$ -
Licenses, permits and impact fees	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	1,170,000	1,140,308	(29,692)
Fines and forfeitures	-	-	-	-	-	-
Interest income	-	1,548	1,548	13,100	39,332	26,232
Special assessments	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Total revenues	-	1,548	1,548	1,183,100	1,179,640	(3,460)
Expenditures:						
Current:						
General government	-	-	-	2,601,100	982,364	1,618,736
Public safety	-	-	-	-	-	-
Physical environment	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Economic environment	1,000	-	1,000	-	-	-
Human services	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	-	-	-	1,576,899	-	1,576,899
Total expenditures	1,000	-	1,000	4,177,999	982,364	3,195,635
Excess (deficit) of revenues over (under) expenditures	(1,000)	1,548	2,548	(2,994,899)	197,276	3,192,175
Other financing sources (uses):						
Loans issued	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-
Insurance proceeds	-	-	-	-	-	-
Payment to refunding bond escrow	-	-	-	-	-	-
Transfers in	83,900	83,900	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	83,900	83,900	-	-	-	-
Net change in fund balances	82,900	85,448	2,548	(2,994,899)	197,276	3,192,175
Fund balances at beginning of year	31,300	31,300	-	3,644,557	3,644,557	-
Fund balances at end of year	$ 114,200	$ 116,748	$ 2,548	$ 649,658	$ 3,841,833	$ 3,192,175
Reconciliation:						
Net change in fund balance, budgetary basis		$ 85,448			$ 197,276	
Change in fair value of investments		(353)			-	
Ad valorem refunds not budgeted		-			-	
Change in inventory		-			-	
Advances budgeted as transfers		-			-	
Unbudgeted funds		-			-	
Net change in fund balance, GAAP basis		$ 85,095			$ 197,276	

COLLIER COUNTY, FLORIDA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (BUDGETARY BASIS)
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018

	Other Public Safety Revenue Funds (Budgetary Basis)			Other Special Revenue Funds (Budgetary Basis)			Resource Recovery Park Endowment (Budgetary Basis)			Pooled Commercial Paper Program (Budgetary Basis)		
	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance
Revenues:												
Taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Licenses, permits and impact fees	-	-	-	5,400	76,510	71,110	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	-	-	-	-
Charges for services	80,000	74,215	(5,785)	218,600	275,131	56,531	-	-	-	-	-	-
Fines and forfeitures	69,000	74,248	5,248	36,000	47,242	11,242	-	-	-	-	-	-
Interest income	16,000	20,970	4,970	6,200	14,897	8,697	16,700	23,713	7,013	-	1	1
Special assessments	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	123,000	166,574	43,574	300	250	(50)	-	-	-
Total revenues	165,000	169,433	4,433	389,200	580,354	191,154	17,000	23,963	6,963	-	1	1
Expenditures:												
Current:												
General government	-	-	-	245,300	193,290	52,010	-	-	-	-	-	-
Public safety	1,082,900	357,438	725,462	111,000	111,000	-	-	-	-	-	-	-
Physical environment	-	-	-	-	-	-	16,700	9,909	6,791	-	-	-
Transportation	-	-	-	-	-	-	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-	-	-	-	-	-	-
Human services	-	-	-	349,600	289,546	60,054	-	-	-	-	-	-
Culture and recreation	-	-	-	235,600	96,506	139,094	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	284,800	257,296	27,504
Capital outlay	100,000	-	100,000	107,000	83,539	23,461	-	-	-	-	-	-
Total expenditures	1,182,900	357,438	825,462	1,048,500	773,881	274,619	16,700	9,909	6,791	284,800	257,296	27,504
Excess (deficit) of revenues over (under) expenditures	(1,017,900)	(188,005)	829,895	(659,300)	(193,527)	465,773	300	14,054	13,754	(284,800)	(257,295)	27,505
Other financing sources (uses):												
Loans issued	-	-	-	-	-	-	-	-	-	41,800	41,721	(79)
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-
Insurance proceeds	-	-	-	-	-	-	-	-	-	-	-	-
Payment to refunding bond escrow	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	248,700	197,000	(51,700)	-	-	-	243,000	243,000	-
Transfers out	(158,079)	(92,048)	66,031	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(158,079)	(92,048)	66,031	248,700	197,000	(51,700)	-	-	-	284,800	284,721	(79)
Net change in fund balances	(1,175,979)	(280,053)	895,926	(410,600)	3,473	414,073	300	14,054	13,754	-	27,426	27,426
Fund balances at beginning of year	-	-	-	833,500	833,500	-	1,702,900	1,702,900	-	-	-	-
Fund balances at end of year	$ (1,175,979)	$ (280,053)	$ 895,926	$ 422,900	$ 836,973	$ 414,073	$ 1,703,200	$ 1,716,954	$ 13,754	$ -	$ 27,426	$ 27,426
Reconciliation:												
Net change in fund balance, budgetary basis		$ (280,053)			$ 3,473			$ 14,054			$ 27,426	
Change in fair value of investments		(4,688)			(3,303)			(5,298)			-	
Ad valorem refunds not budgeted		-			-			-			-	
Change in inventory		-			-			-			-	
Advances budgeted as transfers		-			-			-			-	
Unbudgeted funds		354,465			-			-			-	
Net change in fund balance, GAAP basis		$ 69,724			$ 170			$ 8,756			$ 27,426	

See accompanying independent auditors' report

COLLIER COUNTY, FLORIDA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (BUDGETARY BASIS)
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018

	Gas Tax Revenue Bonds (Budgetary Basis)			Community Redevelopment Taxable Note (Budgetary Basis)			Forest Lakes Limited General Obligation Bonds (Budgetary Basis)			Special Obligation Revenue Bonds (Budgetary Basis)		
	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance
Revenues:												
Taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ 506,600	$ 487,602	$ (18,998)	$ -	$ -	$ -
Licenses, permits and impact fees	-	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental	1,875,000	2,017,122	142,122	-	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-	-	-	-	-
Interest income	1,000	20,982	19,982	-	820	820	1,500	9,884	8,384	12,000	28,016	16,016
Special assessments	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-	-	-	-
Total revenues	1,876,000	2,038,104	162,104	-	820	820	508,100	497,486	(10,614)	12,000	28,016	16,016
Expenditures:												
Current:												
General government	-	-	-	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-	-	-	-
Physical environment	-	-	-	-	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-	-	-	-	-	-	-
Human services	-	-	-	-	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-	-	-	-	-
Debt service	13,263,000	13,248,841	14,159	631,000	630,051	949	559,500	558,350	1,150	17,505,650	17,368,921	136,729
Capital outlay	-	-	-	-	-	-	-	-	-	-	-	-
Total expenditures	13,263,000	13,248,841	14,159	631,000	630,051	949	559,500	558,350	1,150	17,505,650	17,368,921	136,729
Excess (deficit) of revenues over (under) expenditures	(11,387,000)	(11,210,737)	176,263	(631,000)	(629,231)	1,769	(51,400)	(60,864)	(9,464)	(17,493,650)	(17,340,905)	152,745
Other financing sources (uses):												
Loans issued	-	-	-	-	-	-	-	-	-	43,713,000	43,713,000	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-
Insurance proceeds	-	-	-	-	-	-	-	-	-	-	-	-
Payment to refunding bond escrow	-	-	-	-	-	-	-	-	-	(44,525,550)	(44,525,435)	115
Transfers in	11,271,000	11,271,000	-	631,000	631,000	-	-	4,707	4,707	18,047,800	18,047,800	-
Transfers out	-	-	-	-	-	-	(19,800)	(15,084)	4,716	-	-	-
Total other financing sources (uses)	11,271,000	11,271,000	-	631,000	631,000	-	(19,800)	(10,377)	9,423	17,235,250	17,235,365	115
Net change in fund balances	(116,000)	60,263	176,263	-	1,769	1,769	(71,200)	(71,241)	(41)	(258,400)	(105,540)	152,860
Fund balances at beginning of year	899,800	899,800	-	350,000	350,000	-	727,100	727,100	-	2,891,900	2,891,900	-
Fund balances at end of year	$ 783,800	$ 960,063	$ 176,263	$ 350,000	$ 351,769	$ 1,769	$ 655,900	$ 655,859	$ (41)	$ 2,633,500	$ 2,786,360	$ 152,860
Reconciliation:												
Net change in fund balance, budgetary basis		$ 60,263			$ 1,769			$ (71,241)			$ (105,540)	
Change in fair value of investments		(4,980)			115			(2,220)			(6,089)	
Ad valorem refunds not budgeted		-			-			-			-	
Change in inventory		-			-			-			-	
Advances budgeted as transfers		-			-			-			-	
Unbudgeted funds		-			-			-			-	
Net change in fund balance, GAAP basis		$ 55,283			$ 1,884			$ (73,461)			$ (111,629)	

See accompanying independent auditors' report

COLLIER COUNTY, FLORIDA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (BUDGETARY BASIS)
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018

	Other Debt Service (Budgetary Basis)			County-Wide Capital Improvements (Budgetary Basis)			Parks Improvements (Budgetary Basis)			County-Wide Library Impact Fee (Budgetary Basis)		
	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance
Revenues:												
Taxes	$ 1,000	$ 179	$ (821)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Licenses, permits and impact fees	-	-	-	-	-	-	590,000	603,390	13,390	950,000	1,053,844	103,844
Intergovernmental	-	-	-	7,461,212	897	(7,460,315)	515,600	2,084	(513,516)	-	-	-
Charges for services	-	-	-	-	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-	-	-	-	-
Interest income	200	30	(170)	65,000	84,736	19,736	10,000	60,904	50,904	5,000	13,924	8,924
Special assessments	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	51,000	-	(51,000)	-	-	-
Total revenues	1,200	209	(991)	7,526,212	85,633	(7,440,579)	1,166,600	666,378	(500,222)	955,000	1,067,768	112,768
Expenditures:												
Current:												
General government	-	-	-	17,255,291	9,736,798	7,518,493	-	-	-	-	-	-
Public safety	-	-	-	5,930,194	1,420,474	4,509,720	-	-	-	-	-	-
Physical environment	-	-	-	1,549,937	131,067	1,418,870	-	-	-	-	-	-
Transportation	-	-	-	250,000	223,751	26,249	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-	-	-	-	-	-	-
Human services	-	-	-	544,215	44,480	499,735	-	-	-	-	-	-
Culture and recreation	-	-	-	341	341	-	4,540,375	2,778,479	1,761,896	89,598	-	89,598
Debt service	-	-	-	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	8,588,677	4,238,203	4,350,474	4,878,202	2,146,753	2,731,449	417,746	417,290	456
Total expenditures	-	-	-	34,118,655	15,795,114	18,323,541	9,418,577	4,925,232	4,493,345	507,344	417,290	90,054
Excess (deficit) of revenues over (under) expenditures	1,200	209	(991)	(26,592,443)	(15,709,481)	10,882,962	(8,251,977)	(4,258,854)	3,993,123	447,656	650,478	202,822
Other financing sources (uses):												
Loans issued	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	69,000	69,000	-	-	-	-	-	-
Insurance proceeds	-	-	-	1,701,428	588,893	(1,112,535)	1,146,157	1,167,274	21,117	-	-	-
Payment to refunding bond escrow	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	19,775,417	16,952,315	(2,823,102)	4,369,043	2,642,787	(1,726,256)	311,600	311,600	-
Transfers out	(13,400)	(12,339)	1,061	(5,306,800)	(5,306,800)	-	(24,625)	(11,671)	12,954	(1,158,900)	(1,158,900)	-
Total other financing sources (uses)	(13,400)	(12,339)	1,061	16,170,045	12,303,408	(3,866,637)	5,490,575	3,798,390	(1,692,185)	(847,300)	(847,300)	-
Net change in fund balances	(12,200)	(12,130)	70	(10,422,398)	(3,406,073)	7,016,325	(2,761,402)	(460,464)	2,300,938	(399,644)	(196,822)	202,822
Fund balances at beginning of year	12,200	12,200	-	11,225,698	11,225,698	-	2,949,002	2,949,002	-	865,944	865,944	-
Fund balances at end of year	$ -	$ 70	$ 70	$ 803,300	$ 7,819,625	$ 7,016,325	$ 187,600	$ 2,488,538	$ 2,300,938	$ 466,300	$ 669,122	$ 202,822
Reconciliation:												
Net change in fund balance, budgetary basis		$ (12,130)			$ (3,406,073)			$ (460,464)			$ (196,822)	
Change in fair value of investments		-			(18,772)			(13,901)			(2,944)	
Ad valorem refunds not budgeted		-			-			-			-	
Change in inventory		-			-			-			-	
Advances budgeted as transfers		-			5,306,800			-			(311,600)	
Unbudgeted funds		-			-			-			-	
Net change in fund balance, GAAP basis		$ (12,130)			$ 1,881,955			$ (474,365)			$ (511,366)	

See accompanying independent auditors' report

COLLIER COUNTY, FLORIDA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (BUDGETARY BASIS)
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018

	Correctional Facilities Impact Fees (Budgetary Basis)			Emergency Medical Services Impact Fees (Budgetary Basis)		
	Budget	Actual	Variance	Budget	Actual	Variance
Revenues:						
Taxes	$ -	$ -	$ -	$ -	$ -	$ -
Licenses, permits and impact fees	1,700,000	1,807,511	107,511	430,000	464,357	34,357
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Interest income	12,000	13,733	1,733	4,000	26,182	22,182
Special assessments	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Total revenues	1,712,000	1,821,244	109,244	434,000	490,539	56,539
Expenditures:						
Current:						
General government	-	-	-	-	-	-
Public safety	250,280	35,762	214,518	74,554	16,874	57,680
Physical environment	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-
Human services	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	-	-	-	2,144,973	122,618	2,022,355
Total expenditures	250,280	35,762	214,518	2,219,527	139,492	2,080,035
Excess (deficit) of revenues over (under) expenditures	1,461,720	1,785,482	323,762	(1,785,527)	351,047	2,136,574
Other financing sources (uses):						
Loans issued	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-
Insurance proceeds	-	-	-	-	-	-
Payment to refunding bond escrow	-	-	-	-	-	-
Transfers in	-	-	-	1,962,800	1,962,800	-
Transfers out	(1,858,500)	(1,858,500)	-	(448,400)	(448,400)	-
Total other financing sources (uses)	(1,858,500)	(1,858,500)	-	1,514,400	1,514,400	-
Net change in fund balances	(396,780)	(73,018)	323,762	(271,127)	1,865,447	2,136,574
Fund balances at beginning of year	-	-	-	-	-	-
Fund balances at end of year	$ (396,780)	$ (73,018)	$ 323,762	$ (271,127)	$ 1,865,447	$ 2,136,574
Reconciliation:						
Net change in fund balance, budgetary basis		$ (73,018)			$ 1,865,447	
Change in fair value of investments		(2,699)			(5,626)	
Ad valorem refunds not budgeted		-			-	
Change in inventory		-			-	
Advances budgeted as transfers		-			(1,962,800)	
Unbudgeted funds		-			-	
Net change in fund balance, GAAP basis		$ (75,717)			$ (102,979)	

See accompanying independent auditors' report

	Water Management (Budgetary Basis)			Parks Impact Districts (Budgetary Basis)		
	Budget	Actual	Variance	Budget	Actual	Variance
Revenues:						
Taxes	$ -	$ -	$ -	$ -	$ -	$ -
Licenses, permits and impact fees	-	-	-	8,500,000	10,819,875	2,319,875
Intergovernmental	83,700	29,842	(53,858)	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Interest income	75,000	161,787	86,787	104,000	346,066	242,066
Special assessments	743,900	716,515	(27,385)	-	-	-
Miscellaneous	-	20,022	20,022	-	-	-
Total revenues	902,600	928,166	25,566	8,604,000	11,165,941	2,561,941
Expenditures:						
Current:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Physical environment	2,077,769	8,847,380	(6,769,611)	-	-	-
Transportation	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-
Human services	-	-	-	-	-	-
Culture and recreation	-	-	-	243,907	231,093	12,814
Debt service	-	-	-	-	-	-
Capital outlay	28,533,106	4,661,666	23,871,440	27,143,621	7,944,820	19,198,801
Total expenditures	30,610,875	13,509,046	17,101,829	27,387,528	8,175,913	19,211,615
Excess (deficit) of revenues over (under) expenditures	(29,708,275)	(12,580,880)	17,127,395	(18,783,528)	2,990,028	21,773,556
Other financing sources (uses):						
Loans issued	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-
Insurance proceeds	16,300	158,063	141,763	-	-	-
Payment to refunding bond escrow	-	-	-	-	-	-
Transfers in	21,357,300	5,943,107	(15,414,193)	-	-	-
Transfers out	(4,712,595)	(2,276,921)	2,435,674	(2,939,600)	(2,939,600)	-
Total other financing sources (uses)	16,661,005	3,824,249	(12,836,756)	(2,939,600)	(2,939,600)	-
Net change in fund balances	(13,047,270)	(8,756,631)	4,290,639	(21,723,128)	50,428	21,773,556
Fund balances at beginning of year	13,088,170	13,088,170	-	25,334,978	25,334,978	-
Fund balances at end of year	$ 40,900	$ 4,331,539	$ 4,290,639	$ 3,611,850	$ 25,385,406	$ 21,773,556
Reconciliation:						
Net change in fund balance, budgetary basis		$ (8,756,631)			$ 50,428	
Change in fair value of investments		(36,878)			(76,140)	
Ad valorem refunds not budgeted		-			-	
Change in inventory		-			-	
Advances budgeted as transfers		-			-	
Unbudgeted funds		-			-	
Net change in fund balance, GAAP basis		$ (8,793,509)			$ (25,712)	

COLLIER COUNTY, FLORIDA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (BUDGETARY BASIS)
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018

	Road Impact Districts (Budgetary Basis)			Road Construction (Budgetary Basis)		
	Budget	Actual	Variance	Budget	Actual	Variance
Revenues:						
Taxes	$ -	$ -	$ -	$ -	$ -	$ -
Licenses, permits and impact fees	13,000,000	26,579,266	13,579,266	14,331,000	16,139,631	1,808,631
Intergovernmental	-	-	-	6,194,000	4,591,815	(1,602,185)
Charges for services	-	-	-	6,500	12,406	5,906
Fines and forfeitures	-	-	-	-	-	-
Interest income	256,000	886,628	630,628	202,000	1,150,031	948,031
Special assessments	-	-	-	-	-	-
Miscellaneous	-	92,179	92,179	1,247,529	542,007	(705,522)
Total revenues	13,256,000	27,558,073	14,302,073	21,981,029	22,435,890	454,861
Expenditures:						
Current:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Physical environment	-	-	-	-	-	-
Transportation	10,396,693	891,901	9,504,792	8,737,417	8,550,165	187,252
Economic environment	-	-	-	-	-	-
Human services	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	36,149,217	4,480,648	31,668,569	47,367,425	13,330,409	34,037,016
Total expenditures	46,545,910	5,372,549	41,173,361	56,104,842	21,880,574	34,224,268
Excess (deficit) of revenues over (under) expenditures	(33,289,910)	22,185,524	55,475,434	(34,123,813)	555,316	34,679,129
Other financing sources (uses):						
Loans issued	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-
Insurance proceeds	-	-	-	600,000	1,217,934	617,934
Payment to refunding bond escrow	-	-	-	-	-	-
Transfers in	-	-	-	15,650,400	12,150,400	(3,500,000)
Transfers out	(1,068,385)	(440,316)	628,069	(25,812,417)	(11,349,135)	14,463,282
Total other financing sources (uses)	(1,068,385)	(440,316)	628,069	(9,562,017)	2,019,199	11,581,216
Net change in fund balances	(34,358,295)	21,745,208	56,103,503	(43,685,830)	2,574,515	46,260,345
Fund balances at beginning of year	54,022,576	54,022,576	-	48,630,111	48,630,111	-
Fund balances at end of year	$ 19,664,281	$ 75,767,784	$ 56,103,503	$ 4,944,281	$ 51,204,626	$ 46,260,345
Reconciliation:						
Net change in fund balance, budgetary basis		$ 21,745,208			$ 2,574,515	
Change in fair value of investments		-			(647,250)	
Ad valorem refunds not budgeted		-			-	
Change in inventory		-			-	
Advances budgeted as transfers		-			-	
Unbudgeted funds		-			-	
Net change in fund balance, GAAP basis		$ 21,745,208			$ 1,927,265	

See accompanying independent auditors' report

	Government Facilities Impact Fees (Budgetary Basis)			Law Enforcement Impact Fees (Budgetary Basis)		
	Budget	Actual	Variance	Budget	Actual	Variance
Revenues:						
Taxes	$ -	$ -	$ -	$ -	$ -	$ -
Licenses, permits and impact fees	2,800,000	3,097,079	297,079	1,575,000	1,842,830	267,830
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Interest income	20,000	42,101	22,101	20,000	21,563	1,563
Special assessments	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Total revenues	2,820,000	3,139,180	319,180	1,595,000	1,864,393	269,393
Expenditures:						
Current:						
General government	128,697	-	128,697	-	-	-
Public safety	-	-	-	162,204	6,699	155,505
Physical environment	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-
Human services	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	1,736	-	1,736	20,048	-	20,048
Total expenditures	130,433	-	130,433	182,252	6,699	175,553
Excess (deficit) of revenues over (under) expenditures	2,689,567	3,139,180	449,613	1,412,748	1,857,694	444,946
Other financing sources (uses):						
Loans issued	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-
Insurance proceeds	-	-	-	-	-	-
Payment to refunding bond escrow	-	-	-	-	-	-
Transfers in	3,357,400	3,354,174	(3,226)	-	-	-
Transfers out	(6,540,200)	(6,537,999)	2,201	(1,873,700)	(1,873,700)	-
Total other financing sources (uses)	(3,182,800)	(3,183,825)	(1,025)	(1,873,700)	(1,873,700)	-
Net change in fund balances	(493,233)	(44,645)	448,588	(460,952)	(16,006)	444,946
Fund balances at beginning of year	3,539,765	3,539,765	-	1,668,612	1,682,416	13,804
Fund balances at end of year	$ 3,046,532	$ 3,495,120	$ 448,588	$ 1,207,660	$ 1,666,410	$ 458,750
Reconciliation:						
Net change in fund balance, budgetary basis		$ (44,645)			$ (16,006)	
Change in fair value of investments		(8,815)			(4,583)	
Ad valorem refunds not budgeted		-			-	
Change in inventory		-			-	
Advances budgeted as transfers		(2,521,375)			-	
Unbudgeted funds		-			-	
Net change in fund balance, GAAP basis		$ (2,574,835)			$ (20,589)	

COLLIER COUNTY, FLORIDA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (BUDGETARY BASIS)
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018

	All Terrain Vehicle Park (Budgetary Basis)			Amateur Sports Park (Budgetary Basis)			Other Capital Projects (Budgetary Basis)		
	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance
Revenues:									
Taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Licenses, permits and impact fees	-	-	-	-	-	-	6,000	8,490	2,490
Intergovernmental	-	-	-	-	-	-	5,303	-	(5,303)
Charges for services	-	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-	-
Interest income	18,000	41,472	23,472	-	1,849	1,849	6,200	23,863	17,663
Special assessments	-	-	-	-	-	-	160,500	154,739	(5,761)
Miscellaneous	-	-	-	-	-	-	-	28	28
Total revenues	18,000	41,472	23,472	-	1,849	1,849	178,003	187,120	9,117
Expenditures:									
Current:									
General government	-	-	-	-	-	-	75,000	9,264	65,736
Public safety	-	-	-	-	-	-	88,390	8,624	79,766
Physical environment	-	-	-	-	-	-	229,359	146,756	82,603
Transportation	-	-	-	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-	-	-	-
Human services	-	-	-	-	-	-	-	-	-
Culture and recreation	35,089	1,950	33,139	300,000	290,169	9,831	705,419	303,168	402,251
Debt service	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	12,095,000	12,030,275	64,725	596,576	165,818	430,758
Total expenditures	35,089	1,950	33,139	12,395,000	12,320,444	74,556	1,694,744	633,630	1,061,114
Excess (deficit) of revenues over (under) expenditures	(17,089)	39,522	56,611	(12,395,000)	(12,318,595)	76,405	(1,516,741)	(446,510)	1,070,231
Other financing sources (uses):									
Loans issued	-	-	-	11,958,200	11,958,279	79	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-
Insurance proceeds	-	-	-	-	-	-	-	2,040	2,040
Payment to refunding bond escrow	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	436,800	436,800	-	552,731	518,963	(33,768)
Transfers out	-	-	-	-	-	-	(49,200)	(47,356)	1,844
Total other financing sources (uses)	-	-	-	12,395,000	12,395,079	79	503,531	473,647	(29,884)
Net change in fund balances	(17,089)	39,522	56,611	-	76,484	76,484	(1,013,210)	27,137	1,040,347
Fund balances at beginning of year	3,003,989	3,003,989	-	-	-	-	1,676,010	1,676,010	-
Fund balances at end of year	$ 2,986,900	$ 3,043,511	$ 56,611	$ -	$ 76,484	$ 76,484	$ 662,800	$ 1,703,147	$ 1,040,347
Reconciliation:									
Net change in fund balance, budgetary basis		$ 39,522			$ 76,484			$ 27,137	
Change in fair value of investments		(9,261)			(394)			(5,307)	
Ad valorem refunds not budgeted		-			-			-	
Change in inventory		-			-			-	
Advances budgeted as transfers		-			-			(9,264)	
Unbudgeted funds		-			-			-	
Net change in fund balance, GAAP basis		$ 30,261			$ 76,090			$ 12,566	

See accompanying independent auditors' report

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Nonmajor Enterprise Funds

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

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

COLLIER COUNTY, FLORIDA
COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS
SEPTEMBER 30, 2018

	Airport Authority	Collier Area Transit	Total Nonmajor Enterprise Funds
ASSETS			
Current assets:			
Cash and investments	$ 1,519,988	$ 584,281	$ 2,104,269
Receivables:			
Trade, net	56,704	18,284	74,988
Interest	3,506	2,082	5,588
Due from other funds	-	12,013	12,013
Inventory	130,367	-	130,367
Restricted assets:			
Cash and investments	29,915	73,344	103,259
Due from other governments	926,780	2,399,487	3,326,267
Total current assets	2,667,260	3,089,491	5,756,751
Noncurrent assets:			
Capital assets:			
Land and nondepreciable capital assets	4,062,501	6,340,238	10,402,739
Depreciable capital assets, net	30,316,918	19,070,687	49,387,605
Total noncurrent assets	34,379,419	25,410,925	59,790,344
Total assets	37,046,679	28,500,416	65,547,095
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources related to pensions	238,437	102,560	340,997
LIABILITIES			
Current liabilities:			
Accounts payable	421,184	419,584	840,768
Wages payable	28,158	10,551	38,709
Retainage payable	36,300	-	36,300
Due to other funds	169	1,040	1,209
Due to other governments	2,986	35	3,021
Unearned revenues	40,517	-	40,517
Compensated absences	35,371	8,877	44,248
Net pension liability	6,424	2,295	8,719
Liabilities payable from restricted assets:			
Accounts payable	102,407	1,117,715	1,220,122
Wages payable	-	136	136
Retainage payable	5,269	11,000	16,269
Due to other governments	-	69,022	69,022
Refundable deposits	9,826	-	9,826
Unearned revenue	5,845	-	5,845
Total current liabilities	694,456	1,640,255	2,334,711
Noncurrent liabilities:			
Compensated absences	8,843	2,220	11,063
Total OPEB liability	51,873	22,231	74,104
Net pension liability	632,313	263,375	895,688
Total noncurrent liabilities	693,029	287,826	980,855
Total liabilities	1,387,485	1,928,081	3,315,566
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources related to OPEB	1,242	524	1,766
Deferred inflows of resources related to pensions	58,888	24,138	83,026
Total deferred inflows of resources	60,130	24,662	84,792
NET POSITION			
Net investment in capital assets	33,951,982	25,259,127	59,211,109
Restricted for grants and other purposes	833,348	1,416,295	2,249,643
Unrestricted	1,052,171	(25,189)	1,026,982
Total net position	$ 35,837,501	$ 26,650,233	$ 62,487,734

See accompanying independent auditors' report

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

	Airport Authority	Collier Area Transit	Total Nonmajor Enterprise Funds
Operating revenues:			
Charges for services	$ 3,934,790	$ 1,076,454	$ 5,011,244
Miscellaneous	15,673	52,499	68,172
Total operating revenues	3,950,463	1,128,953	5,079,416
Operating expenses:			
Personal services	976,075	460,342	1,436,417
Operating	2,949,374	10,102,595	13,051,969
Depreciation	1,525,540	1,904,396	3,429,936
Total operating expenditures	5,450,989	12,467,333	17,918,322
Operating loss	(1,500,526)	(11,338,380)	(12,838,906)
Non-operating revenues:			
Operating grants and contributions	-	4,477,478	4,477,478
Interest income	13,845	11,950	25,795
Insurance reimbursement	199,886	-	199,886
Gain on disposal of capital assets	1,799	(167,489)	(165,690)
Total non-operating revenues	215,530	4,321,939	4,537,469
Loss before contributions and transfers	(1,284,996)	(7,016,441)	(8,301,437)
Capital grants and contributions	1,861,193	2,710,808	4,572,001
Transfers in	-	4,495,174	4,495,174
Total transfers and contributions	1,861,193	7,205,982	9,067,175
Changes in net position	576,197	189,541	765,738
Net position - beginning	35,261,304	26,460,692	61,721,996
Net position - ending	$ 35,837,501	$ 26,650,233	$ 62,487,734

See accompanying independent auditors' report

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

	Airport Authority	Collier Area Transit	Total Nonmajor Enterprise Funds
Cash flows from operating activities:			
Cash received for services	$ 3,965,030	$ 1,177,942	$ 5,142,972
Cash payments for goods and services	(2,622,712)	(6,984,532)	(9,607,244)
Cash payments to employees	(957,155)	(403,566)	(1,360,721)
Cash payments for interfund services	(412,548)	(2,670,933)	(3,083,481)
Net cash used for operating activities	(27,385)	(8,881,089)	(8,908,474)
Cash flows from non-capital financing activities:			
Cash received from operating grants	-	3,015,148	3,015,148
Cash transfers from other funds	715,836	5,450,850	6,166,686
Cash transfers to other funds	(717,265)	(942,080)	(1,659,345)
Net cash provided by (used for) non-capital financing activities	(1,429)	7,523,918	7,522,489
Cash flows from capital and related financing activities:			
Receipts from insurance reimbursements	160,343	-	160,343
Proceeds from disposal of capital assets	1,800	28,900	30,700
Proceeds from capital grants	1,428,504	2,366,967	3,795,471
Payments for capital acquisitions	(1,779,624)	(2,774,825)	(4,554,449)
Net cash used for capital and related financing activities	(188,977)	(378,958)	(567,935)
Cash flows from investing activities:			
Interest on investments	12,431	14,672	27,103
Net cash provided by investing activities	12,431	14,672	27,103
Net decrease in cash and investments	(205,360)	(1,721,457)	(1,926,817)
Cash and investments, October 1, 2017	1,755,263	2,379,082	4,134,345
Cash and investments, September 30, 2018	$ 1,549,903	$ 657,625	$ 2,207,528
Cash and investments	$ 1,519,988	$ 584,281	$ 2,104,269
Cash and investments - restricted	29,915	73,344	103,259
Cash and investments, September 30, 2018	$ 1,549,903	$ 657,625	$ 2,207,528
Operating loss	$ (1,500,526)	$ (11,338,380)	$ (12,838,906)
Adjustments to reconcile operating loss to net cash provided by (used for) operating activities:			
Depreciation expense	1,525,540	1,904,396	3,429,936
Net changes in assets and liabilities:			
Trade receivable	43,438	48,959	92,397
Inventory	(40,026)	-	(40,026)
Accounts payable	(46,030)	453,233	407,203
Wages payable	1,018	(4,568)	(3,550)
Due to other funds	170	(6,108)	(5,938)
Due to other governments	(636)	35	(601)
Compensated absences	4,245	(46)	4,199
Unearned revenue	(28,235)	-	(28,235)
Total OPEB liability	(5,083)	7,043	1,960
Deferred inflows of resources related to OPEB	1,193	511	1,704
Net pension liability	(13,719)	62,969	49,250
Deferred outflows of resources related to pensions	8,405	(22,736)	(14,331)
Deferred inflows of resources related to pensions	22,861	13,603	36,464
Total adjustments	1,473,141	2,457,291	3,930,432
Net cash used for operating activities	$ (27,385)	$ (8,881,089)	$ (8,908,474)
Non-cash investing, capital and financing activities:			
Change in fair value of investments	$ (5,765)	$ 3,466	$ (2,299)
Contributed capital assets	-	307,891	307,891
Change in capital related grant receivable	432,689	35,950	468,639
Capital related accounts payable	385,868	140,798	526,666

See accompanying independent auditors' report

Internal Service Funds

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

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

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

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

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

COLLIER COUNTY, FLORIDA
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
SEPTEMBER 30, 2018

	Self-Insurance	Sheriff's Self-Insurance	Fleet Management	Motor Pool Capital Recovery	Information Technology	Total
ASSETS						
Current assets:						
Cash and investments	$ 43,069,606	$ 10,102,567	$ 1,084,503	$ 6,764,026	$ 3,580,179	$ 64,600,881
Receivables:						
Trade, net	17,386	2,407	-	-	-	19,793
Interest	98,110	21,619	1,604	13,723	9,085	144,141
Due from other funds	15,953	500,000	154	-	-	516,107
Due from other governments	29,587	-	177,296	-	95,933	302,816
Inventory	-	-	375,248	-	-	375,248
Prepaid costs	-	-	-	-	46,266	46,266
Total current assets	43,230,642	10,626,593	1,638,805	6,777,749	3,731,463	66,005,252
Noncurrent assets:						
Capital assets:						
Depreciable capital assets, net	186,001	-	9,422,345	7,062,392	2,475,827	19,146,565
Total noncurrent assets	186,001	-	9,422,345	7,062,392	2,475,827	19,146,565
Total assets	43,416,643	10,626,593	11,061,150	13,840,141	6,207,290	85,151,817
DEFERRED OUTFLOWS OF RESOURCES						
Deferred outflows of resources related to pensions	325,147	-	633,058	3,260	1,155,593	2,117,058
LIABILITIES						
Current liabilities:						
Accounts payable	382,025	-	566,668	-	321,491	1,270,184
Wages payable	41,419	-	78,510	2,801	141,833	264,563
Due to other governments	-	-	35	-	-	35
Unearned revenues	15,298	83,595	-	-	-	98,893
Self-insurance claims payable	5,227,260	2,884,000	-	-	-	8,111,260
Compensated absences	82,616	-	129,563	6,400	218,291	436,870
Net pension liability	6,424	-	12,849	459	20,191	39,923
Total current liabilities	5,755,042	2,967,595	787,625	9,660	701,806	10,221,728
Noncurrent liabilities:						
Self-insurance claims payable	4,024,813	-	-	-	-	4,024,813
Compensated absences	20,654	-	32,391	1,600	54,573	109,218
Total OPEB liability	51,873	-	111,156	3,705	163,029	329,763
Net pension liability	818,743	-	1,558,240	56,259	2,857,689	5,290,931
Total noncurrent liabilities	4,916,083	-	1,701,787	61,564	3,075,291	9,754,725
Total liabilities	10,671,125	2,967,595	2,489,412	71,224	3,777,097	19,976,453
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows of resources related to OPEB	1,239	-	2,648	88	3,889	7,864
Deferred inflows of resources related to pensions	74,281	-	142,399	4,671	256,804	478,155
Total deferred inflows of resources	75,520	-	145,047	4,759	260,693	486,019
NET POSITION						
Net investment in capital assets	186,001	-	9,390,680	7,062,392	2,469,587	19,108,660
Unrestricted	32,809,144	7,658,998	(330,931)	6,705,026	855,506	47,697,743
Total net position	$ 32,995,145	$ 7,658,998	$ 9,059,749	$ 13,767,418	$ 3,325,093	$ 66,806,403

See accompanying independent auditors' report

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

	Self-Insurance	Sheriff's Self-Insurance	Fleet Management	Motor Pool Capital Recovery	Information Technology	Total
Operating revenues:						
Charges for services	$ 50,236,851	$ 25,544,474	$ 9,144,555	$ 2,824,600	$ 7,790,121	$ 95,540,601
Miscellaneous	26,854	-	12,435	-	-	39,289
Total operating revenues	50,263,705	25,544,474	9,156,990	2,824,600	7,790,121	95,579,890
Operating expenses:						
Personal services	1,275,937	-	2,559,332	92,825	4,613,770	8,541,864
Operating	61,932,506	25,164,992	6,162,816	189	2,653,788	95,914,291
Depreciation	25,944	-	580,098	1,319,358	1,125,300	3,050,700
Total operating expenditures	63,234,387	25,164,992	9,302,246	1,412,372	8,392,858	107,506,855
Operating income (loss)	(12,970,682)	379,482	(145,256)	1,412,228	(602,737)	(11,926,965)
Non-operating revenues:						
Operating grants and contributions	29,587	-	114,779		95,933	240,299
Interest income	514,750	92,972	7,018	67,913	41,275	723,928
Insurance reimbursement	9,866,075	-		3,115		9,869,190
Gain on disposal of capital assets	-	-	1,425	577,050	7,767	586,242
Total non-operating revenues	10,410,412	92,972	123,222	648,078	144,975	11,419,659
Income (loss) before contributions and transfers	(2,560,270)	472,454	(22,034)	2,060,306	(457,762)	(507,306)
Transfers in	-	-	-	2,320,700	1,638,200	3,958,900
Transfers out	(1,865,192)	-	(23,700)	-	-	(1,888,892)
Total transfers and contributions	(1,865,192)	-	(23,700)	2,320,700	1,638,200	2,070,008
Changes in net position	(4,425,462)	472,454	(45,734)	4,381,006	1,180,438	1,562,702
Net position - beginning	37,420,607	7,186,544	9,105,483	9,386,412	2,144,655	65,243,701
Net position - ending	$ 32,995,145	$ 7,658,998	$ 9,059,749	$ 13,767,418	$ 3,325,093	$ 66,806,403

See accompanying independent auditors' report

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

	Self-Insurance	Sheriff's Self-Insurance	Fleet Management	Motor Pool Capital Recovery	Information Technology	Total
Cash flows from operating activities:						
Cash received from other funds for services	$ 42,772,291	$ 24,000,000	$ 8,777,100	$ 2,824,600	$ 7,790,121	$ 86,164,112
Cash received from employees for services	6,900,778	-	-	-	-	6,900,778
Cash received from other governments for services	-	-	460,077	-	-	460,077
Cash received from retirees for services	598,408	1,126,981	-	-	-	1,725,389
Cash payments on behalf of retirees	(1,358,288)	-	-	-	-	(1,358,288)
Cash payments for goods and services	(56,722,147)	(24,940,992)	(6,039,594)	(189)	(2,851,979)	(90,554,901)
Cash payments to employees	(1,232,918)	-	(2,452,300)	(87,527)	(4,336,970)	(8,109,715)
Cash payments for interfund services	(301,375)	-	(229,400)	-	(95,493)	(626,268)
Net cash provided by (used for) operating activities	(9,343,251)	185,989	515,883	2,736,884	505,679	(5,398,816)
Cash flows from non-capital financing activities:						
Cash transfers from other funds	-	-	-	2,320,700	2,150,800	4,471,500
Cash transfers to other funds	(1,865,192)	-	(23,700)	-	(512,600)	(2,401,492)
Net cash provided by (used for) non-capital financing activities	(1,865,192)	-	(23,700)	2,320,700	1,638,200	2,070,008
Cash flows from capital and related financing activities:						
Receipts from insurance reimbursements	9,851,707	-	-	3,115	-	9,854,822
Proceeds from disposal of capital assets	-	-	4,150	577,050	117	581,317
Payments for capital acquisitions	(7,738)	-	(73,530)	(3,527,432)	(985,322)	(4,594,022)
Net cash provided by (used for) capital and related financing activities	9,843,969	-	(69,380)	(2,947,267)	(985,205)	5,842,117
Cash flows from investing activities:						
Interest on investments	512,431	82,704	6,409	63,934	37,559	703,037
Net cash provided by investing activities	512,431	82,704	6,409	63,934	37,559	703,037
Net increase (decrease) in cash and investments	(852,043)	268,693	429,212	2,174,251	1,196,233	3,216,346
Cash and investments, October 1, 2017	43,921,649	9,833,874	655,291	4,589,775	2,383,946	61,384,535
Cash and investments, September 30, 2018	$ 43,069,606	$ 10,102,567	$ 1,084,503	$ 6,764,026	$ 3,580,179	$ 64,600,881
Operating income (loss)	$ (12,970,682)	$ 379,482	$ (145,256)	$ 1,412,228	$ (602,737)	$ (11,926,965)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities						
Depreciation expense	25,944	-	580,098	1,319,358	1,125,300	3,050,700
Net changes in assets and liabilities:						
Trade receivable	768	(1,088)	-	-	-	(320)
Due from other funds	990	(500,000)	48,339	-	-	(450,671)
Due from other governments	-	-	31,848	-	-	31,848
Inventory	-	-	(42,999)	-	-	(42,999)
Prepaid costs	-	-	-	-	(1,266)	(1,266)
Accounts payable	123,382	-	(63,214)	-	(244,478)	(184,310)
Wages payable	4,918	-	(7,837)	(63)	11,235	8,253
Due to other funds	-	-	-	-	(47,940)	(47,940)
Due to other governments	-	-	35	607	-	642
Compensated absences	4,564	-	5,763	-	29,947	40,274
Unearned revenue	6,014	83,595	-	-	-	89,609
Self-insurance claims payable	3,427,314	224,000	-	-	-	3,651,314
Total OPEB liability	(1,286)	-	4,838	(92)	(245)	3,215
Deferred inflows of resources related to OPEB	1,193	-	2,556	85	3,748	7,582
Net pension liability	(16,667)	-	40,890	2,556	136,435	163,214
Deferred outflows of resources related to pensions	17,445	-	(3,433)	(121)	(28,591)	(14,700)
Deferred inflows of resources related to pensions	32,852	-	64,255	2,326	124,271	223,704
Total adjustments	3,627,431	(193,493)	661,139	1,324,656	1,108,416	6,528,149
Net cash provided (used) by operating activities	$ (9,343,251)	$ 185,989	$ 515,883	$ 2,736,884	$ 505,679	$ (5,398,816)
Non-cash investing, capital and financing activities:						
Change in fair value of investments	$ (147,076)	$ (16,860)	$ (1,914)	$ (19,358)	$ (11,567)	$ (196,775)
Capital related accounts payable	-	-	31,665	-	6,240	37,905

See accompanying independent auditors' report

Fiduciary Funds

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

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

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

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

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

COLLIER COUNTY, FLORIDA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
AGENCY FUNDS
SEPTEMBER 30, 2018

	Clerk of Courts Agency Fund	Sheriff Agency Fund	Tax Collector Agency Fund	Deposits Agency Fund	Pine Ridge and Naples Production Park Agency Fund	Total
ASSETS						
Cash and investments	$ 22,971,495	$ 634,937	$ 6,354,628	$ 5,924,548	$ 965,092	$ 36,850,700
Receivables:						
Interest	-	-	-	12,224	2,028	14,252
Other	-	26,778	32,959	-	-	59,737
Total assets	$ 22,971,495	$ 661,715	$ 6,387,587	$ 5,936,772	$ 967,120	$ 36,924,689
LIABILITIES						
Due to other governments	$ 1,095,270	$ 94,016	$ 6,317,621	$ -	$ -	$ 7,506,907
Due to individuals	-	567,699	69,966	-	-	637,665
Refundable deposits	21,876,225	-	-	5,936,772	-	27,812,997
Due to special assessment holders	-	-	-	-	967,120	967,120
Total liabilities	$ 22,971,495	$ 661,715	$ 6,387,587	$ 5,936,772	$ 967,120	$ 36,924,689

See accompanying independent auditors' report

COLLIER COUNTY, FLORIDA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
AGENCY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018

	Balance October 1	Additions	Deductions	Balance September 30
Clerk of Courts Agency Fund				
Assets:				
Cash and investments	$ 21,158,645	$ 133,896,503	$ 132,083,653	$ 22,971,495
Receivable:				
Other	10	-	10	-
Total assets	$ 21,158,655	$ 133,896,503	$ 132,083,663	$ 22,971,495
Liabilities:				
Due to other governments	$ 989,426	$ 4,324,409	$ 4,218,565	$ 1,095,270
Refundable deposits	20,169,229	129,572,094	127,865,098	21,876,225
Total liabilities	$ 21,158,655	$ 133,896,503	$ 132,083,663	$ 22,971,495
Sheriff Agency Fund				
Assets:				
Cash and investments	$ 565,455	$ 634,937	$ 565,455	$ 634,937
Receivable:				
Other	3,156	26,778	3,156	26,778
Total assets	$ 568,611	$ 661,715	$ 568,611	$ 661,715
Liabilities:				
Due to other governments	$ 50,460	$ 94,016	$ 50,460	$ 94,016
Due to individuals	518,151	567,699	518,151	567,699
Total liabilities	$ 568,611	$ 661,715	$ 568,611	$ 661,715
Tax Collector Agency Fund				
Assets:				
Cash and investments	$ 6,271,609	$ 1,088,447,045	$ 1,088,364,026	$ 6,354,628
Receivable:				
Other	50,324	4,825,603	4,842,968	32,959
Total assets	$ 6,321,933	$ 1,093,272,648	$ 1,093,206,994	$ 6,387,587
Liabilities:				
Due to other governments	$ 6,284,876	$ 1,442,917,881	$ 1,442,885,136	$ 6,317,621
Due to individuals	37,057	67,540,266	67,507,357	69,966
Total liabilities	$ 6,321,933	$ 1,510,458,147	$ 1,510,392,493	$ 6,387,587
Deposits Agency Fund				
Assets:				
Cash and investments	$ 5,961,531	$ 1,077,228	$ 1,114,211	$ 5,924,548
Receivables:				
Interest	12,361	12,224	12,361	12,224
Total assets	$ 5,973,892	$ 1,089,452	$ 1,126,572	$ 5,936,772
Liabilities:				
Refundable deposits	$ 5,973,892	$ 1,340,095	$ 1,377,215	$ 5,936,772
Total liabilities	$ 5,973,892	$ 1,340,095	$ 1,377,215	$ 5,936,772

(Continued)

COLLIER COUNTY, FLORIDA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
AGENCY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018

	Balance October 1	Additions	Deductions	Balance September 30
Pine Ridge and Naples Production Park Agency Fund				
Assets:				
Cash and investments	$ 165,448	$ 802,680	$ 3,036	$ 965,092
Receivables:				
Interest	416	2,028	416	2,028
Total assets	$ 165,864	$ 804,708	$ 3,452	$ 967,120
Liabilities:				
Due to special assessment holders	$ 165,864	$ 804,708	$ 3,452	$ 967,120
Total liabilities	$ 165,864	$ 804,708	$ 3,452	$ 967,120
Total - All Agency Funds				
Assets:				
Cash and investments	$ 34,122,688	$ 1,224,858,393	$ 1,222,130,381	$ 36,850,700
Receivables:				
Interest	12,777	14,252	12,777	14,252
Other	53,490	4,852,381	4,846,134	59,737
Total assets	$ 34,188,955	$ 1,229,725,026	$ 1,226,989,292	$ 36,924,689
Liabilities:				
Due to other governments	$ 7,324,762	$ 1,447,336,306	$ 1,447,154,161	$ 7,506,907
Due to individuals	555,208	68,107,965	68,025,508	637,665
Refundable deposits	26,143,121	130,912,189	129,242,313	27,812,997
Due to special assessment holders	165,864	804,708	3,452	967,120
Total liabilities	$ 34,188,955	$ 1,647,161,168	$ 1,644,425,434	$ 36,924,689

See accompanying independent auditors' report

Component Units

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

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

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

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

COLLIER COUNTY, FLORIDA
COMBINING STATEMENT OF NET POSITION
COMPONENT UNITS
SEPTEMBER 30, 2018

	Industrial Development Authority	Health Facilities Authority	Housing Finance Authority	Educational Facilities Authority	Total
ASSETS					
Cash and investments	$ 25,435	$ 79,412	$ 116,350	$ 43,314	$ 264,511
Total assets	$ 25,435	$ 79,412	$ 116,350	$ 43,314	$ 264,511
NET POSITION					
Net position - unrestricted	$ 25,435	$ 79,412	$ 116,350	$ 43,314	$ 264,511
Total Net Position	$ 25,435	$ 79,412	$ 116,350	$ 43,314	$ 264,511

See accompanying independent auditors' report

COLLIER COUNTY, FLORIDA
COMBINING STATEMENT OF ACTIVITIES
COMPONENT UNITS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018

		Program Revenues	Net (Expense) Revenue and Changes in Net Position
Functions/Programs	**Expenses**	**Fees, Fines and Charges for Services**	**Governmental Activities**
Industrial Development Authority	$ 17,016	$ 20,763	$ 3,747
Health Facilities Authority	2,687	55,438	52,751
Housing Finance Authority	3,547	-	(3,547)
Educational Facilities Authority	16,015	14,584	(1,431)
Total	$ 39,265	$ 90,785	51,520
		General revenues:	
		Interest income	275
		Total general revenues	275
		Change in net position	51,795
		Net position - beginning	212,716
		Net position - ending	$ 264,511

See accompanying independent auditors' report

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Other Supplemental Information

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

OTHER SUPPLEMENTAL INFORMATION
COLLIER COUNTY, FLORIDA
SCHEDULE OF RECEIPTS AND EXPENDITURES OF
FUNDS RELATED TO THE DEEPWATER HORIZON OIL SPILL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018

Source	Amount Received in the 2018 Fiscal Year	Amount Expended in the 2018 Fiscal Year
British Petroleum:		
Gulf Seafood and Tourism Promotional Fund	$ -	$ -

Note: This schedule does not include funds related to the Deepwater Horizon Oil Spill that are considered Federal awards or State financial assistance. The Schedule of Expenditures of Federal Awards and State Financial Assistance does not include any expenditures of Federal awards or State financial assistance related to the Deepwater Horizon Oil Spill for the 2018 fiscal year.

STATISTICAL SECTION (UNAUDITED)

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

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

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Change in net position 154
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DEBT CAPACITY
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DEMOGRAPHIC AND ECONOMIC INFORMATION
These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.

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

Budgeted full-time equivalent County employees by function 169
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Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The County implemented GASB 34 for fiscal year 2002. Schedules presenting government-wide information include information beginning in that fiscal year.

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

	Fiscal Year									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Governmental Activities:										
Net investment in capital assets	$ 1,287,184	$ 1,257,685	$ 1,225,520	$ 1,217,176	$ 1,207,751	$ 1,198,971	$ 1,187,298	$ 1,172,121	$ 1,169,052	$ 1,131,617
Restricted	362,045	336,922	327,968	298,360	223,526	221,501	226,934	253,977	232,571	240,247
Unrestricted	(29,328)	(24,011)	2,478	13,109	169,633	152,790	147,188	147,080	189,911	192,442
Total governmental activities net position	$ 1,619,901	$ 1,570,596	$ 1,555,966	$ 1,528,645	$ 1,600,910	$ 1,573,262	$ 1,561,420	$ 1,573,178	$ 1,591,534	$ 1,564,306
Business-type Activities:										
Net investment in capital assets	$ 763,259	$ 741,912	$ 723,000	$ 714,239	$ 705,065	$ 668,160	$ 650,684	$ 643,777	$ 635,702	$ 653,320
Restricted	31,982	32,619	35,760	31,511	29,749	34,379	34,199	38,002	37,795	31,227
Unrestricted	143,198	168,602	169,287	165,128	185,420	196,050	194,389	177,939	169,514	149,422
Total business-type activities net position	$ 938,439	$ 943,133	$ 928,047	$ 910,878	$ 920,234	$ 898,589	$ 879,272	$ 859,718	$ 843,011	$ 833,969
Primary Government:										
Net investment in capital assets	$ 2,050,443	$ 1,999,597	$ 1,948,520	$ 1,931,415	$ 1,912,816	$ 1,867,131	$ 1,837,982	$ 1,815,898	$ 1,804,754	$ 1,784,937
Restricted	394,027	369,541	363,728	329,871	253,275	255,880	261,133	291,979	270,366	271,474
Unrestricted	113,870	144,591	171,765	178,237	355,053	348,840	341,577	325,019	359,425	341,864
Total primary government net position	$ 2,558,340	$ 2,513,729	$ 2,484,013	$ 2,439,523	$ 2,521,144	$ 2,471,851	$ 2,440,692	$ 2,432,896	$ 2,434,545	$ 2,398,275

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

	Fiscal Year									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Expenses										
Governmental activities:										
General government	$ 126,920	$ 108,388	$ 104,188	$ 93,644	$ 92,176	$ 95,941	$ 94,227	$ 103,045	$ 100,483	$ 113,906
Public safety	223,177	225,360	205,347	174,874	177,267	171,210	165,782	173,286	179,276	182,962
Transportation	83,386	75,589	70,560	70,296	71,623	69,275	73,000	81,383	76,603	64,601
Culture and recreation	58,042	51,889	49,526	45,117	41,630	41,453	42,507	44,205	46,871	45,727
Other activities	64,822	41,899	48,256	45,621	39,171	43,067	51,057	39,991	40,937	45,367
Interest on long-term debt	9,736	11,294	12,077	12,912	12,674	16,129	16,412	19,797	19,475	20,492
Total governmental activities expenses	$ 566,083	$ 514,419	$ 489,954	$ 442,464	$ 434,541	$ 437,075	$ 442,985	$ 461,707	$ 463,645	$ 473,055
Business-type activities:										
Water and Sewer	$ 144,113	$ 144,850	$ 130,792	$ 122,858	$ 112,643	$ 114,041	$ 102,642	$ 104,333	$ 103,272	$ 90,042
Solid Waste	106,823	43,664	39,271	36,411	33,787	32,760	29,618	28,000	27,416	30,774
Emergency Medical Services	32,275	28,644	26,529	24,094	23,208	21,545	21,792	22,657	23,073	22,478
Airport Authority	5,533	4,905	4,402	4,771	3,764	4,439	4,601	4,458	4,382	3,895
Mass Transit	12,680	11,354	11,333	10,416	10,306	10,111	9,925	10,187	9,617	8,974
Total business-type activities expenses	301,424	233,417	212,327	198,550	183,708	182,896	168,578	169,635	167,760	156,163
Total primary government expenses	$ 867,507	$ 747,836	$ 702,281	$ 641,014	$ 618,249	$ 619,971	$ 611,563	$ 631,342	$ 631,405	$ 629,218
Program Revenues										
Governmental activities:										
Charges for services:										
General government	$ 37,703	$ 33,377	$ 35,184	$ 34,240	$ 34,662	$ 36,080	$ 31,388	$ 33,919	$ 29,281	$ 32,257
Public safety	28,040	24,240	25,276	25,227	21,765	19,735	16,743	15,554	16,385	11,940
Transportation	2,111	2,024	4,880	1,094	959	1,045	880	715	829	3,101
Culture and recreation	7,886	8,192	8,393	8,685	7,943	8,416	9,126	9,093	8,267	9,830
Other activities	2,235	1,467	1,230	4,237	2,661	3,667	4,941	2,296	1,557	1,620
Operating Grants and Contributions	29,549	26,539	26,387	35,521	31,444	20,921	22,892	19,503	31,884	21,948
Capital Grants and Contributions	47,645	38,124	36,818	29,986	28,945	28,280	20,279	19,347	25,762	24,867
Total governmental activities program revenues	155,169	133,963	138,168	138,990	128,379	118,144	106,249	100,427	113,965	105,563
Business-type activities:										
Charges for services:										
Water and Sewer	145,757	135,045	123,856	116,645	107,924	109,176	103,042	105,858	101,062	104,927
Solid Waste	50,449	45,209	41,918	39,121	35,368	34,585	34,275	33,769	33,568	32,922
Emergency Medical Services	12,836	11,812	13,161	12,327	9,922	10,335	10,249	8,980	10,759	9,114
Airport Authority	3,951	3,734	3,073	3,350	2,589	3,021	2,805	2,938	2,519	2,353
Mass Transit	1,129	1,267	1,225	1,719	1,641	1,450	1,360	1,290	1,145	1,101
Operating Grants and Contributions	16,426	5,025	4,435	5,142	3,077	3,914	2,948	4,378	4,448	3,235
Capital Grants and Contributions	38,670	26,993	25,367	21,165	30,662	24,953	17,818	14,307	10,385	18,147
Total business-type activities program revenues	269,218	229,085	213,035	199,469	191,183	187,434	172,497	171,520	163,886	171,799
Total primary government program revenues	424,387	363,048	351,203	338,459	319,562	305,578	278,746	271,947	277,851	277,362
Net (expense)/revenue:										
Governmental activities	(410,914)	(380,456)	(351,786)	(303,474)	(306,162)	(318,931)	(336,736)	(361,280)	(349,680)	(367,492)
Business-type activities	(32,206)	(4,332)	708	919	7,475	4,538	3,919	1,885	(3,874)	15,636
Total primary government net expense	$ (443,120)	$ (384,788)	$ (351,078)	$ (302,555)	$ (298,687)	$ (314,393)	$ (332,817)	$ (359,395)	$ (353,554)	$ (351,856)
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Taxes:										
Property taxes	$ 337,447	$ 312,633	$ 281,136	$ 259,779	$ 244,404	$ 249,352	$ 248,232	$ 261,630	$ 299,389	$ 313,290
Gas taxes	22,749	21,799	20,478	19,547	18,556	18,229	18,525	18,311	18,415	18,456
Sales taxes	44,093	41,799	40,659	38,573	35,786	32,168	29,713	28,364	26,927	26,779
Tourist taxes	27,962	21,961	21,838	21,188	19,137	16,183	14,898	13,884	12,857	12,345
Other taxes	6,914	7,478	7,280	7,322	7,840	9,403	9,997	10,155	10,039	12,241
State revenue sharing	12,564	11,602	11,100	10,589	9,657	8,792	8,233	8,310	7,854	7,927
Interest income	6,857	3,574	4,891	5,069	2,599	1,496	2,430	3,888	4,665	11,455
Miscellaneous	18,121	9,714	5,976	17,510	13,333	9,063	7,397	11,498	8,022	12,066
Special item - registry bond	-	-	-	-	-	-	-	-	-	3,239
Transfers, net	(16,487)	(14,793)	(14,250)	(14,192)	(13,185)	(13,912)	(14,447)	(13,117)	(11,259)	(12,596)
Total governmental activities	$ 460,220	$ 415,767	$ 379,108	$ 365,385	$ 338,127	$ 330,774	324,978	342,923	376,909	405,202
Business-type Activities:										
Interest income	2,602	1,379	2,011	2,209	1,301	712	1,106	1,609	1,569	2,395
Miscellaneous	8,423	126	200	94	68	154	82	96	88	551
Transfers, net	16,487	14,793	14,250	14,192	13,184	13,912	14,447	13,117	11,259	12,596
Total business-type activities	27,512	16,298	16,461	16,495	14,553	14,778	15,635	14,822	12,916	15,542
Total primary government	$ 487,732	$ 432,065	$ 395,569	$ 381,880	$ 352,680	$ 345,552	$ 340,613	$ 357,745	$ 389,825	$ 420,744
Change in Net Position										
Governmental activities	$ 49,306	$ 35,311	$ 27,322	$ 61,911	$ 31,965	$ 11,843	$ (11,758)	$ (18,357)	$ 27,229	$ 37,710
Business-type activities	(4,694)	11,966	17,169	17,414	22,028	19,316	19,554	16,707	9,042	31,178
Total primary government	$ 44,612	$ 47,277	$ 44,491	$ 79,325	$ 53,993	$ 31,159	$ 7,796	$ (1,650)	$ 36,271	$ 68,888

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

Fiscal Year	Property Tax	Gas Tax	Sales Tax	Tourist Tax	Other Taxes (1)	Total
2009	313,290	18,456	26,779	12,345	12,241	383,111
2010	299,389	18,415	26,927	12,857	10,039	367,627
2011	261,630	18,311	28,364	13,884	10,155	332,344
2012	248,232	18,525	29,713	14,898	9,997	321,365
2013	249,352	18,229	32,168	16,183	9,403	325,335
2014	244,404	18,556	35,786	19,137	7,840	325,723
2015	259,779	19,547	38,573	21,188	7,322	346,409
2016	281,136	20,478	40,659	21,838	7,280	371,391
2017	312,633	21,799	41,799	21,961	7,478	405,670
2018	337,447	22,749	44,093	27,962	6,914	439,165

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

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

	Fiscal Year 2009
General fund	
Reserved	$ 8,962
Unreserved	38,924
Total general fund	$ 47,886
All other governmental funds	
Reserved	$ 105,991
Unreserved, reported in:	
Special revenue funds	114,208
Debt service funds	1,587
Capital projects funds	140,544
Total all other governmental funds	$ 362,330

	2018	2017	2016	2015	2014	2013	2012	2011	2010
General fund [1]									
Nonspendable	$ 2,645	$ 3,386	$ 3,675	$ 3,546	$ 19,843	$ 15,744	$ 12,914	$ 11,805	$ 9,460
Restricted	306	2,440	264	345	125	96	110	-	-
Committed	-	-	-	-	-	-	-	-	-
Assigned	1,736	1,598	1,674	1,299	850	813	952	1,114	2,182
Unassigned	77,342	54,805	53,961	55,002	57,781	56,497	57,091	54,459	59,705
Total general fund	$ 82,029	$ 62,229	$ 59,574	$ 60,192	$ 78,599	$ 73,150	$ 71,067	$ 67,378	$ 71,347
All other governmental funds									
Nonspendable	$ 8,135	$ 2,385	$ 3,055	$ 3,112	$ 53,544	$ 46,049	$ -	$ -	$ 107,626
Restricted	354,514	328,447	324,334	293,281	242,981	223,700	209,352	229,546	232,699
Committed	34,788	32,759	26,069	25,663	27,349	29,810	47,406	48,445	48,764
Assigned	21,129	33,822	28,644	30,800	28,391	36,364	80,771	79,556	34,215
Unassigned	(246)	-	(89)	(514)	(62,085)	(55,212)	(48,944)	(40,258)	23,192
Total all other governmental funds	$ 418,320	$ 397,413	$ 382,013	$ 352,342	$ 290,180	$ 280,711	$ 288,585	$ 317,289	$ 446,496

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

As part of the implementation, the governmental fund balances for Fiscal Year 2010 were re-classified.

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

	Fiscal Year					
	2018	2017	2016	2015	2014	2013
Revenues:						
Taxes	$ 386,814	$ 355,885	$ 322,915	$ 300,341	$ 282,315	$ 285,765
Licenses, permits and impact fees	75,102	59,217	61,033	51,319	40,631	35,168
Intergovernmental	92,206	86,656	83,949	92,818	89,392	83,667
Charges for services	36,981	34,008	38,362	37,172	35,149	32,435
Fines and forfeitures	2,375	2,263	2,708	2,866	3,252	3,712
Interest income	6,133	3,233	4,440	4,606	2,393	1,406
Special assessments	4,789	4,350	3,746	3,132	2,922	2,924
Miscellaneous	4,527	8,705	6,600	16,063	11,553	4,833
Total revenues	608,927	554,317	523,753	508,317	467,607	449,910
Expenditures:						
Current:						
General government	101,198	89,193	84,599	78,147	73,739	75,725
Public safety	198,097	197,762	177,375	167,788	163,169	153,566
Physical environment	31,994	12,465	15,283	16,157	11,276	13,790
Transportation	45,904	41,003	36,011	36,992	38,789	37,170
Economic environment	9,942	8,199	11,061	9,159	9,265	14,436
Human services	15,849	15,058	14,038	13,151	12,367	12,254
Culture and recreation	47,671	42,889	40,886	37,523	34,114	33,744
Debt service:						
Principal	21,864	21,439	20,743	20,039	18,510	25,125
Interest	10,165	11,908	12,713	13,555	14,177	17,565
Redemption of debt	-	5,588	-	-	-	-
Payment to refunding bond escrow	-	-	-	-	2,086	132
Other fiscal charges	128	48	19	21	173	2,165
Capital outlay	82,871	80,495	67,198	62,186	63,613	61,278
Total expenditures	565,683	526,047	479,926	454,718	441,278	446,950
Excess (deficit) of revenues over (under) expenditures	43,244	28,270	43,827	53,599	26,329	2,960
Other financing sources (uses):						
Bonds issued	$ -	$ -	$ -	$ -	$ 89,780	$ 73,805
Notes issued	-	5,293	-	-	-	-
Premiums on bonds issued	-	-	-	-	-	2,082
Payment to refunding escrow	(44,525)	-	-	-	(89,622)	(73,747)
Capital leases	-	-	-	1,915	-	
Loans issued	55,713	-	-	-	-	
Sale of capital assets	1,065	155	306	595	314	233
Insurance proceeds	3,762	339	796	379	316	300
Transfers in	114,358	117,833	121,654	196,026	97,854	90,637
Transfers out	(132,910)	(133,834)	(137,530)	(208,760)	(110,052)	(102,061)
Total other financing sources (uses)	(2,537)	(10,214)	(14,774)	(9,845)	(11,410)	(8,751)
Special item - registry bond	-	-	-	-	-	-
Net change in fund balances	$ 40,707	$ 18,056	$ 29,053	$ 43,754	$ 14,919	$ (5,791)
Debt service as a percentage of noncapital expenditures	6.66%	7.50%	8.11%	8.56%	9.25%	11.66%

	Fiscal Year			
	2012	2011	2010	2009
Revenues:				
Taxes	$ 284,124	$ 296,640	$ 333,554	$ 348,780
Licenses, permits and impact fees	30,436	23,695	28,920	25,950
Intergovernmental	79,402	74,453	86,445	69,883
Charges for services	30,739	27,855	27,122	35,928
Fines and forfeitures	4,205	3,882	5,730	5,916
Interest income	2,197	3,602	4,306	11,256
Special assessments	3,035	2,725	2,848	2,853
Miscellaneous	4,664	10,565	6,380	11,344
Total revenues	438,802	443,417	495,305	511,910
Expenditures:				
Current:				
General government	73,812	79,499	82,409	95,689
Public safety	151,858	160,890	165,017	168,592
Physical environment	22,870	14,251	9,974	10,608
Transportation	42,176	50,741	43,677	41,171
Economic environment	14,393	7,841	11,122	12,125
Human services	10,988	13,075	12,116	11,277
Culture and recreation	34,253	35,745	37,569	37,212
Debt service:				
Principal	31,602	36,493	34,274	48,085
Interest	18,149	20,933	20,340	21,498
Redemption of debt	-	-	-	-
Payment to refunding bond escrow	-	-	-	-
Other fiscal charges	1,082	434	891	116
Capital outlay	49,406	38,726	69,809	176,681
Total expenditures	450,589	458,628	487,198	623,054
Excess (deficit) of revenues over (under) expenditures	(11,787)	(15,211)	8,107	(111,144)
Other financing sources (uses):				
Bonds issued	$ 131,525	$ 24,620	$ 59,895	$ 13,244
Notes issued	-	-	-	-
Premiums on bonds issued	17,192	2,050	844	-
Payment to refunding escrow	(150,550)	(26,593)	(59,893)	-
Capital leases	236	-	-	-
Loans issued	-	-	-	13,500
Sale of capital assets	313	70	248	301
Insurance proceeds	270	384	310	753
Transfers in	91,524	107,167	105,394	143,275
Transfers out	(103,738)	(118,037)	(114,905)	(155,888)
Total other financing sources (uses)	(13,228)	(10,339)	(8,107)	15,185
Special item - registry bond	-	-	-	3,239
Net change in fund balances	$ (25,015)	$ (25,550)	$ -	$ (92,720)
Debt service as a percentage of noncapital expenditures	12.67%	13.78%	13.30%	15.61%

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

Fiscal Year Ended September 30	Residential Property	Personal Property	Centrally Assessed Property	Less: Tax Exempt	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value[1]
2009	86,949,935	2,430,996	202	10,718,166	78,662,967	4.1246	89,381,133	100%
2010	77,359,174	2,444,323	202	9,826,950	69,976,749	4.4236	79,803,699	100%
2011	67,947,039	2,259,654	171	8,770,667	61,436,197	4.4151	70,206,864	100%
2012	64,464,592	2,248,702	187	8,510,911	58,202,570	4.4149	66,713,481	100%
2013	64,723,621	2,240,098	184	8,471,142	58,492,761	4.4126	66,963,903	100%
2014	66,977,907	2,198,734	152	8,539,021	60,637,772	4.1592	69,176,793	100%
2015	71,149,974	2,186,145	195	8,739,269	64,597,045	4.1582	73,336,314	100%
2016	76,970,360	2,353,841	134	9,235,508	70,088,827	4.1572	79,324,335	100%
2017	91,067,675	2,448,008	246	9,905,936	83,609,993	4.2029	93,515,929	100%
2018	109,736,738	2,535,239	244	10,317,449	101,954,772	4.1851	112,272,221	100%

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

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

Source: Property Appraiser Recapitulation Report

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

	Collier County				Other		
Fiscal Year	General Fund	Special Revenue Funds	Debt Service Funds	Total	County School District	Independent Districts	Total
2009	3.1469	0.7528	0.2249	4.1246	4.9090	1.2784	10.3120
2010	3.5645	0.7225	0.1366	4.4236	5.2390	1.3243	10.9869
2011	3.5645	0.6926	0.1580	4.4151	5.6990	1.3299	11.4440
2012	3.5645	0.7627	0.0877	4.4149	5.5270	1.2202	11.1621
2013	3.5645	0.7555	0.0926	4.4126	5.5760	1.2395	11.2281
2014	3.5645	0.5873	0.0074	4.1592	5.6900	1.2228	11.0720
2015	3.5645	0.5860	0.0077	4.1582	5.5800	1.1853	10.9235
2016	3.5645	0.5856	0.0071	4.1572	5.4800	1.1331	10.7703
2017	3.5645	0.6323	0.0061	4.2029	5.2450	1.1138	10.5617
2018	3.5645	0.6145	0.0061	4.1851	5.1220	1.2375	10.5446

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

Sources: Property Appraiser Recapitulation Report
Collier County Adopted Budget

COLLIER COUNTY, FLORIDA
PRINCIPAL TAXPAYERS COUNTY-WIDE
2018 TAX ROLL
(unaudited)

	2018			2009		
Owner/Taxpayer	Property Taxes Levied	Rank	Percent of Total Taxes Levied	Property Taxes Levied	Rank	Percent of Total Taxes Levied
Florida Power & Light Company	$ 3,134,250	1	0.33%	$ 2,547,742	1	0.30%
HHR Naples LLC	1,866,428	2	0.20%	1,630,872	2	0.19%
The Moorings, Inc.	1,314,683	3	0.14%	798,946	9	0.09%
Marco Hotel, LLC	1,202,688	4	0.13%	-		-
PR Mercato LLP	1,190,608	5	0.13%	-		-
CC-Naples Inc	982,387	6	0.10%	-		-
Arthrex Manufacturing Inc.	907,516	7	0.10%	947,585	5	0.11%
Lee County Electric Co-Op, Inc.	865,810	8	0.09%	796,260	10	0.09%
Coastland Center, LLC	747,629	9	0.08%	-		-
Collier HMA, Inc.	720,518	10	0.07%	886,172	7	0.10%
Century Link	-		-	1,357,067	3	0.16%
City National Bank of Miami	-		-	1,030,745	4	0.12%
Naples HMA, Inc.	-		-	890,173	6	0.10%
Wal-Mart Stores East LP	-		-	855,614	8	0.10%
Total	$ 12,932,517		1.37%	$ 11,741,176		1.35%
Total Property Taxes Levied	$ 944,774,029			$ 857,168,443		

Amounts for taxpayers with similar names have not been combined.
Source: Property Appraiser's taxpayer listing in order of taxes levied.
Property Appraiser Recapitulation Report.
Both documents requested from Vicky Downs, Property appraiser ... vdowns@collierappraiser.com

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

Fiscal Year Ended	Total Tax Levy for	Collected within the Fiscal Year of the Levy		Collections in	Total Collections to Date	
September 30	Fiscal Year	Amount	Percentage of Levy	Subsequent Years	Amount	Percentage of Levy
2009	329,070	312,096	94.8%	2,546	314,642	95.6%
2010	314,176	297,953	94.8%	1,355	299,308	95.3%
2011	275,704	260,961	94.7%	482	261,443	94.8%
2012	261,137	247,749	94.9%	542	248,291	95.1%
2013	262,037	248,648	94.9%	1,197	249,845	95.3%
2014	255,354	243,137	95.2%	615	243,752	95.5%
2015	271,893	259,121	95.3%	78	259,199	95.3%
2016	295,304	281,138	95.2%	-	281,138	95.2%
2017	328,706	312,557	95.1%	-	312,557	95.1%
2018	354,535	337,117	95.1%	-	337,117	95.1%

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

	Governmental Activities				Business-type Activities					
Fiscal Year	Limited General Obligation Bonds	Revenue Bonds	Loans and Notes Payable	Capital Leases	Revenue Bonds	Loans and Notes Payable	Capital Leases	Total Primary Government	Percentage of Personal Income[1]	Per Capita[1]
2009	37,700	392,124	89,590	599	153,973	106,935	492	781,413	3.94%	2,442
2010	29,854	435,590	19,690	439	148,782	106,509	636	741,500	3.76%	2,302
2011	14,684	415,855	16,914	269	143,992	99,517	387	691,618	3.62%	2,126
2012	9,994	391,123	9,686	412	138,983	92,438	175	642,811	3.31%	1,914
2013	4,664	373,862	7,432	323	106,565	111,787	40	604,673	3.01%	1,794
2014	4,223	367,665	7,081	230	95,570	113,013	1,222	589,004	2.67%	1,732
2015	3,369	348,278	6,401	1,519	89,690	104,475	1,074	554,806	2.26%	1,669
2016	2,941	327,650	5,845	937	84,681	95,707	1,247	519,008	2.01%	1,577
2017	2,499	306,302	5,072	316	80,176	87,519	865	482,749	1.57%	1,320
2018	2,037	286,190	16,515	236	110,010	77,945	521	493,454	1.51%	1,326

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

LEGAL DEBT MARGIN INFORMATION
AS OF SEPTEMBER 30, 2018
(unaudited)

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

DIRECT, OVERLAPPING AND UNDERLYING DEBT
AS OF SEPTEMBER 30, 2018
(unaudited)

	Debt Outstanding	Estimated Percentage Applicable Based on Population (1)	Estimated Share of Overlapping Debt
Direct Debt:			
Governmental Activities			
Limited General Obligation Bonds	$ 2,037,028	100.00%	$ 2,037,028
Gas Tax Revenue Bonds (2)	85,857,098	100.00%	85,857,098
Special Obligation Revenue Bonds (2)	200,332,347	100.00%	200,332,347
Commercial Paper	11,900,000	100.00%	11,900,000
Notes Payable (2)	4,615,198	100.00%	4,615,198
Capital Leases (2)	236,433	100.00%	236,433
Total Governmental Activities Direct Debt	304,978,104		304,978,104
Business-type Activities			
Revenue Bonds	110,010,269	100.00%	110,010,269
Capital Leases (2)	520,901	100.00%	520,901
Notes Payable (2)	77,944,557	100.00%	77,944,557
Total Business-type Activities Direct Debt	188,475,727		188,475,727
Subtotal, Direct Debt	493,453,831		493,453,831
Overlapping Debt:			
N/A	-	0.00%	-
Underlying Debt:			
City of Naples (3)	8,744,058	5.08%	444,198
City of Marco Island (4)	9,826,427	4.08%	400,918
City of Everglades (5)	-		-
Subtotal, Underlying Debt	18,570,485	9.16%	845,116
Total Direct, Overlapping and Underlying Debt	$ 512,024,316		$ 494,298,947

(1) Population numbers obtained from www.florida-demographics.com/cities_by_population.
(2) Totals consist of more than one issuance.
(3) Governmental activities debt outstanding amount obtained from the City of Naples.
(4) Governmental activities debt outstanding amount obtained from the City of Marco Island.
(5) Governmental activities debt outstanding amount obtained from the City of Everglades.

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

Governmental Activities:

	Gas Tax Bonds				Special Obligation Bonds(4)			
Fiscal Year	Gas Tax Collections	Debt Service Principal	Debt Service Interest	Coverage	Legally Available Non-Ad Valorem Collections(5)	Debt Service Principal	Debt Service Interest	Coverage
2009	18,456	6,660	7,922	1.27	-	-	-	N/A
2010	18,415	6,935	7,645	1.26	-	-	-	N/A
2011	18,312	7,185	7,399	1.26	76,416	1,545	2,597	18.45
2012	18,525	7,505	7,077	1.27	82,866	4,265	4,265	9.71
2013	18,229	7,855	6,453	1.27	86,640	9,695	7,249	5.11
2014	18,556	8,040	4,018	1.54	91,043	9,145	9,674	4.84
2015	19,547	9,440	3,697	1.49	102,375	8,885	9,426	5.59
2016	20,478	9,900	3,242	1.56	107,268	9,280	9,020	5.86
2017	21,799	10,195	2,939	1.66	108,577	9,705	8,591	5.93
2018	22,749	10,510	2,737	1.72	118,725	10,258	7,012	6.87

Business-type Activities:

	Water and Sewer Revenue Bonds					
Fiscal Year	Water/ Sewer Charges and Other(1)	Less: Operating Expenses(2)	Net Available Revenue	Debt Service Principal	Debt Service Interest	Coverage(3)
2009	107,127	49,766	57,361	4,905	7,358	4.68
2010	101,830	50,893	50,937	5,274	6,843	4.20
2011	106,839	60,107	46,732	4,969	6,711	4.00
2012	104,164	58,155	46,009	5,189	6,494	3.94
2013	105,682	68,916	36,766	5,422	6,268	3.15
2014	109,514	69,710	39,804	5,967	3,986	4.00
2015	118,066	74,344	43,722	6,073	3,639	4.50
2016	125,456	84,474	40,982	3,986	2,841	6.00
2017	136,064	97,904	38,160	3,902	2,818	5.68
2018	155,847	90,507	65,340	5,528	3,050	7.62

(1) Operating revenues plus other income; certain interest income gain on disposal of assets, capital grants and contributions and transfers in are not included.

(2) Total operating expenses, excluding depreciation and amortization; loss on disposal of assets, interest expense and transfers out are not included.

(3) Net available revenue divided by total bonded debt service requirements for the County Water and Sewer District.

(4) Special Obligation Bonds were first issued in FY-2010, debt service payments commenced in FY-2011.

(5) The revenues that comprise the legally available non-ad valorem revenues are defined by bond documents; these revenues include Sales Tax and certain impact fees.

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

Fiscal Year	Population(1)	Personal Income(2)	Per Capita Personal Income(3)	Median Age(4)	School Enrollment(5)	Unemployment Rate(6)
2009	333,032	19,846,737,000	63,276	45.1	42,534	10.0%
2010	331,800	19,739,453,000	62,559	45.2	42,716	12.2%
2011	321,520	19,127,928,000	60,049	45.9	42,921	11.4%
2012	323,785	19,446,631,000	59,264	46.9	43,238	9.3%
2013	329,849	20,075,468,000	60,391	47.1	43,789	7.2%
2014	339,642	22,033,344,000	64,872	47.4	44,415	6.3%
2015	348,777	24,571,667,000	73,869	47.5	45,228	5.2%
2016	353,936	25,763,656,000	78,473	47.9	47,289	4.9%
2017	360,846	30,708,249,000	84,101	48.5	49,394	3.6%
2018	368,534	32,749,753,000	87,829	49.7	47,934	3.3%

Sources:

(1) www.colliergov.net/your-government/divisions-a-e/comprehensive-planning/population-and-demograph
(2) https://fred.stlouisfed.org/series/PI12021
(3) https://fred.stlouisfed.org/series/PCPI12021
(4) https://fred.stlouisfed.org/series/B01002001E012021
(5) www.collierschools.com/Page/349
(6) www.floridajobs.org

COLLIER COUNTY, FLORIDA
PRINCIPAL EMPLOYERS
(unaudited)

	2018			2009		
Employer	Employees	Rank	Percent of Total County Employment	Employees	Rank	Percent of Total County Employment
Collier County Public Schools	5,606	1	3.84%	4,728	2	4.06%
NCH Healthcare System	4,315	2	2.96%	5,000	1	4.29%
Arthex, Inc	2,355	4	1.61%			
Collier County Government (excl. Sheriff)	2,313	3	1.59%	2,276	5	1.95%
Collier County Sheriff's Office	1,405	5	0.96%	1,387	7	1.19%
Publix Supermarkets	1,257	6	0.86%	3,246	3	2.79%
Ritz Carlton Hotel	1,100	7	0.75%	-		-
Seminole Casino - Immokalee	1,068	8	0.73%	-		-
JW Marriott - Marco Island	1,050	9	0.72%	2,328	4	2.00%
Naples Grande Beach Resort (1)	700	10	0.48%	-		-
Other employers	124,840		85.50%	97,580		83.73%
Totals	146,009		100.00%	116,545		100.00%

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

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

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

	Fiscal Year									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Function:										
General government	1,299	1,351	1,262	1,217	1,216	1,203	1,222	1,219	1,252	1,342
Public safety	1,089	1,112	1,124	1,096	1,072	1,061	1,061	1,062	1,053	1,064
Physical environment	73	73	70	69	67	67	69	66	66	69
Transportation	224	219	211	192	187	187	199	213	234	257
Economic environment	30	29	26	27	28	26	28	27	22	22
Human services	58	58	56	56	53	51	50	50	54	55
Culture and recreation	337	324	304	298	294	289	293	293	308	328
Water and Sewer	414	410	384	342	340	342	344	344	335	335
Solid Waste	43	31	28	27	28	29	27	27	27	27
Emergency Medical Services	199	194	193	193	172	172	172	172	183	185
Airport Authority	15	15	15	14	14	16	16	16	16	16
Collier Area Transit	5	4	4	3	3	3	3	1	1	1
Total	3,786	3,820	3,677	3,534	3,474	3,446	3,484	3,490	3,551	3,701

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

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

	Fiscal Year									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Function:										
Police:										
Physical arrests	9,266	8,269	9,359	9,347	11,277	11,277	11,297	20,180	13,310	15,671
Parking violations	894	1,068	867	931	964	1,182	1,175	1,479	1,283	1,297
Traffic violations	17,157	15,473	14,462	16,355	19,868	22,211	19,237	19,680	22,051	28,308
Fire:										
Fires reported	**	**	31	82	37	52	46	468	498	533
Emergency responses (exclude fires)	**	**	839	1,093	1,080	1,024	764	569	825	760
Number of calls answered	804	795	870	1,175	1,117	1,076	810	1,037	1,323	1,293
Transportation:										
Collier Area Transit ridership	944,931	996,687	1,082,519	1,177,029	1,181,530	1,361,294	1,207,866	1,154,702	1,064,910	1,109,710
Street resurfacing (lane miles)	40	38	34	34	80	78	142	131	85	97
Culture and recreation:										
Beach parking stickers issued	143,500	149,490	139,828	134,051	181,878	122,415	114,778	312,144	98,093	132,218
Library circulation	2,253,555	2,193,351	2,349,418	2,302,017	2,578,588	2,578,589	2,768,648	2,760,427	2,969,238	3,034,439
Water:										
New connections	2,776	1,951	2,023	2,204	1,878	1,417	1,189	921	909	704
Wastewater:										
Average daily sewage treatment (millions of gallons)	18,030	18,555	17,864	17,090	17,150	16,954	15,834	14,747	14,326	13,769

** - Due to the consolidation of Fire Districts, this information is no longer being tracked.

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

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

	Fiscal Year									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Function:										
Public Safety:										
Police stations	7	7	7	7	7	7	7	7	7	7
Patrol units	272	270	274	276	276	275	275	275	275	275
Fire:										
Fire stations	4	4	4	4	4	3	3	3	3	3
Highways and streets:										
Streets (miles)	1,166	1,161	1,159	1,149	1,151	1,184	1,184	1,184	1,184	1,184
Streetlights	5,083	5,074	5,182	4,958	4,958	4,868	4,781	4,759	4,701	4,485
Traffic signals	377	374	365	360	370	353	297	295	283	283
Culture and recreation:										
Parks acreage	1,521	1,521	1,521	1,521	1,521	1,521	1,520	1,511	1,473	1,473
Parks	61	61	61	61	61	61	61	60	59	59
Swimming pools	9	8	8	8	8	8	8	8	8	8
Tennis courts	45	45	45	45	45	45	45	45	45	45
Community centers	9	9	9	9	8	8	8	8	8	8
Libraries	10	10	10	10	10	10	10	10	10	10
Number of volumes in libraries	593,378	557,188	567,248	605,408	683,237	692,229	673,131	741,389	797,823	797,978
Water:										
Number of customers	71,614	66,010	61,830	59,443	57,548	55,878	54,190	53,181	51,796	51,499
Water mains (miles)	1,132	1,067	1,015	986	925	888	888	886	886	886
Maximum daily capacity (per million gallons)	30,956	32,243	33,877	31,376	30,460	30,120	29,988	29,616	28,368	33,340
Wastewater:										
Sanitary sewers (miles)	1,156	1,085	1,021	1,028	1,030	1,081	1,116	1,115	1,095	1,081
Primary and secondary drainage facilities	312	289	294	306	306	305	305	303	303	303

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

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SINGLE AUDIT/FEDERAL AND STATE SCHEDULE OF FINANCIAL ASSISTANCE

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

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

Honorable Board of County Commissioners
Collier County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Collier County, Florida (County), as of and for the year ended September 30, 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 February 15, 2019.

Internal Control Over Financial Reporting

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

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

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

Honorable Board of County Commissioners
Collier County, Florida

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the 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.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Naples, Florida
February 15, 2019



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

Honorable Board of County Commissioners
Collier County, Florida

Report on Compliance for Each Major Federal Program and State Project

We have audited Collier County, Florida's (County) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the requirements described in the State of Florida Department of Financial Services' *State Projects Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs and state projects for the year ended September 30, 2018. The County's major federal programs and state projects are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

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

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

A member of Nexia International

Opinion on Each Major Federal Program and State Project

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state projects for the year ended September 30, 2018.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with Chapter 10.550 and are described in the accompanying schedule of findings and questioned costs as item 2018-001. Our opinion on each major federal program and state project is not modified with respect to these matters.

The County's response to the noncompliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program or state project to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and state project and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.550, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we did identify a certain deficiency in internal control over compliance, described in the accompanying schedule of findings and questioned costs as item 2018-001, that we consider to be a significant deficiency.

Honorable Board of County Commissioners
Collier County, Florida

The County's response to the internal control over compliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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. Accordingly, this report is not suitable for any other purpose.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Naples, Florida
February 15, 2019

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

FEDERAL / STATE AGENCY PASS-THROUGH ENTITY FEDERAL PROGRAM / STATE PROJECT	CFDA / CSFA NUMBER	FEDERAL AWARD IDENTIFICATION / GRANT / CONTRACT NUMBER	EXPENDITURES	TRANSFERS TO SUBRECIPIENTS
U.S. Department of Agriculture				
Direct Programs:				
Rural Business Cooperative Service:				
Rural Business Development Grant	10.351	RO87213 53185	$ 13,601	$ -
Natural Resources Conservation Service:				
Emergency Watershed Protection Program	10.923	NR184209XXXXC028	3,924,916	-
Indirect Programs:				
Florida Department of Agriculture and Consumer Services:				
Child Nutrition Cluster:				
Summer Food Service Program for Children	10.559	018588	65,218	-
Total Child Nutrition Cluster			65,218	-
Total U.S. Department of Agriculture			4,003,735	-
U.S. Department of Housing and Urban Development				
Direct Programs:				
Assistant Secretary for Community Planning and Development:				
CDBG - Entitlement Grants Cluster:				
Community Development Block Grants/Entitlement Grants	14.218	B-02-UC-12-0016	49,422	49,422
Community Development Block Grants/Entitlement Grants	14.218	B-03-UC-12-0016	3,480	3,480
Community Development Block Grants/Entitlement Grants	14.218	B-04-UC-12-0016	8,912	8,912
Community Development Block Grants/Entitlement Grants	14.218	B-05-UC-12-0016	50,127	45,855
Community Development Block Grants/Entitlement Grants	14.218	B-07-UC-12-0016	141,472	141,472
Community Development Block Grants/Entitlement Grants	14.218	B-08-UN-12-0003	445,357	-
Community Development Block Grants/Entitlement Grants	14.218	B-11-UC-12-0016	5,000	5,000
Community Development Block Grants/Entitlement Grants	14.218	B-11-UN-12-0003	230,178	-
Community Development Block Grants/Entitlement Grants	14.218	B-12-UC-12-0016	39,346	39,346
Community Development Block Grants/Entitlement Grants	14.218	B-13-UC-12-0016	20,975	20,975
Community Development Block Grants/Entitlement Grants	14.218	B-14-UC-12-0016	272,195	272,195
Community Development Block Grants/Entitlement Grants	14.218	B-15-UC-12-0016	113,408	112,631
Community Development Block Grants/Entitlement Grants	14.218	B-16-UC-12-0016	1,349,579	342,135
Community Development Block Grants/Entitlement Grants	14.218	B-17-UC-12-0016	865,027	374,073
Total CFDA			3,594,478	1,415,496
Total CDBG - Entitlement Grants Cluster			3,594,478	1,415,496
Emergency Solutions Grant Program	14.231	E-16-UC-12-0016	37,059	26,071
Emergency Solutions Grant Program	14.231	E-17-UC-12-0016	141,241	102,591
Total CFDA			178,300	128,662
Home Investment Partnerships Program	14.239	M-09-UC-12-0217	28,337	-
Home Investment Partnerships Program	14.239	M-10-UC-12-0217	39,077	-
Home Investment Partnerships Program	14.239	M-11-UC-12-0217	6,864	-
Home Investment Partnerships Program	14.239	M-13-UC-12-0217	39,973	39,973
Home Investment Partnerships Program	14.239	M-14-UC-12-0217	100,596	4,155
Home Investment Partnerships Program	14.239	M-15-UC-12-0217	171,671	-
Home Investment Partnerships Program	14.239	M-17-UC-12-0217	52,322	-
Total CFDA			438,840	44,128
Total U.S. Department of Housing and Urban Development			4,211,618	1,588,286
U.S. Department of the Interior				
Direct Programs:				
Office of the Secretary of the Interior:				
Payments in Lieu of Taxes	15.226	Collier County	1,385,819	-

(Continued)

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

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

FEDERAL / STATE AGENCY PASS-THROUGH ENTITY FEDERAL PROGRAM / STATE PROJECT	CFDA / CSFA NUMBER	FEDERAL AWARD IDENTIFICATION / GRANT / CONTRACT NUMBER	EXPENDITURES	TRANSFERS TO SUBRECIPIENTS
U.S. Fish and Wildlife Service:				
Partners for Fish and Wildlife	15.631	F14AC00709	$ 5,006	$ -
National Wildlife Refuge Fund	15.659	Collier County	151,416	-
Total U.S. Department of the Interior			1,542,241	-
U.S. Department of Justice				
Direct Programs:				
Community Oriented Policing Services:				
Public Safety Partnership and Community Policing Grants	16.710	2012ULWX0008	65,650	-
Public Safety Partnership and Community Policing Grants	16.710	2013ULWX0047	22,775	-
Total CFDA			88,425	-
Criminal Division:				
Equitable Sharing Program	16.922	Collier County Sheriff	53,367	-
Office of Justice Programs:				
Drug Court Discretionary Grant Program	16.585	2017-DC-BX-0053	74,904	62,417
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2016-DJ-BX-0846	33,949	-
Indirect Programs:				
Florida Department of Law Enforcement:				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2017-JAGC-COLL-1-F9-136	22,974	-
Total CFDA			56,923	-
Florida Department of Legal Affairs:				
Crime Victim Assistance	16.575	VOCA-2017-Collier County Sheriff's -00017	174,979	-
Total U.S. Department of Justice			448,598	62,417
U.S. Department of Transportation				
Direct Programs:				
Federal Aviation Administration (FAA):				
Airport Improvement Program	20.106	3-12-0021-004-2017	49,105	-
Airport Improvement Program	20.106	3-12-0031-009-2016	33,153	-
Airport Improvement Program	20.106	3-12-0031-010-2016	2,012	-
Airport Improvement Program	20.106	3-12-0031-011-2017	914,527	-
Airport Improvement Program	20.106	3-12-0142-011-2016	18,050	-
Total CFDA			1,016,847	-
Federal Transit Administration (FTA):				
Federal Transit Cluster:				
Federal Transit Formula Grants	20.507	FL-90-X766-00	63,623	-
Federal Transit Formula Grants	20.507	FL-90-X853-00	203,636	-
Federal Transit Formula Grants	20.507	FL-95-X062-00	127,381	-
Federal Transit Formula Grants	20.507	FL-95-X085-00	2,699	-
Federal Transit Formula Grants	20.507	FL-95-X086-00	30,011	-
Federal Transit Formula Grants	20.507	FL-2016-056-00	1,390,850	-
Federal Transit Formula Grants	20.507	FL-2017-035-00	738,342	-
Federal Transit Formula Grants	20.507	FL-2017-055-00	6,300	-
Federal Transit Formula Grants	20.507	FL-2018-034-00	1,447,461	-
Federal Transit Formula Grants	20.507	FL-2018-098-00	79,977	-
Total CFDA			4,090,280	-
Bus and Bus Facilities Formula Program	20.526	FL-34-0019-00	89,268	-
Bus and Bus Facilities Formula Program	20.526	FL-34-0036-00	347,686	-
Bus and Bus Facilities Formula Program	20.526	FL-2017-017-00	35,153	-
Total CFDA			472,107	-
Total Federal Transit Cluster			4,562,387	-

(Continued)

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

FEDERAL / STATE AGENCY PASS-THROUGH ENTITY FEDERAL PROGRAM / STATE PROJECT	CFDA / CSFA NUMBER	FEDERAL AWARD IDENTIFICATION / GRANT / CONTRACT NUMBER	EXPENDITURES	TRANSFERS TO SUBRECIPIENTS
Indirect Programs:				
Florida Department of Transportation:				
Highway Planning and Construction Cluster:				
Highway Planning and Construction	20.205	G0B56	$ 461,483	$ -
Highway Planning and Construction	20.205	G0870	36,310	-
Highway Planning and Construction	20.205	G0B79	600,000	-
Highway Planning and Construction	20.205	G0B81	76,084	-
Highway Planning and Construction	20.205	G0L51	21,425	-
Highway Planning and Construction	20.205	G0L52	85,168	-
Highway Planning and Construction	20.205	G0L53	53,531	-
Highway Planning and Construction	20.205	G0L54	41,286	-
Highway Planning and Construction	20.205	G0L55	15,955	-
Highway Planning and Construction	20.205	G0L59	20,351	-
Highway Planning and Construction	20.205	G0R30	9,798	-
Highway Planning and Construction	20.205	G0S32	14,180	-
Highway Planning and Construction	20.205	G0Y70	130,173	-
Total CFDA			1,565,744	-
Total Highway Planning and Construction Cluster			1,565,744	-
Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research	20.505	G0581	55,679	-
Formula Grants for Rural Areas	20.509	G0738	401,521	-
Transit Services Programs Cluster:				
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	FL-16-0041	266,730	-
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	FL-16-0042	10,989	-
Total CFDA			277,719	-
Total Transit Services Programs Cluster			277,719	-
Total U.S. Department of Transportation			7,879,897	-
U.S. Department of the Treasury				
Direct Programs:				
Resources and Ecosystems Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast States	21.015	1 RDCGR060041-01-00	76,109	-
Total U.S. Department of the Treasury			76,109	-
U.S. Election Assistance Commission				
Indirect Programs:				
Florida Department of State:				
Help America Vote Act Requirements Payments	90.401	2017-2018-0001-CLL	31,295	-
Help America Vote Act Requirements Payments	90.401	2018-2019-001-CLL	3,591	-
Help America Vote Act Requirements Payments	90.401	2018-2019-002-CLL	15,426	-
Total U.S. Election Assistance Commission			50,312	-
U.S. Department of Health and Human Services				
Indirect Programs:				
Florida Department of Elder Affairs - Area Agency on Aging for Southwest Florida, Inc.:				
Aging Cluster:				
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	OAA 203.17	16,868	-
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	OAA 203.18	264,548	-
Total CFDA			281,416	-

(Continued)

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

FEDERAL / STATE AGENCY PASS-THROUGH ENTITY FEDERAL PROGRAM / STATE PROJECT	CFDA / CSFA NUMBER	FEDERAL AWARD IDENTIFICATION / GRANT / CONTRACT NUMBER	EXPENDITURES	TRANSFERS TO SUBRECIPIENTS
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	OAA 203.17	$ 98,137	$ -
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	OAA 203.18	380,410	-
Total CFDA			478,547	-
Nutrition Services Incentive Program	93.053	OAA 203.17	12,370	-
Nutrition Services Incentive Program	93.053	OAA 203.18	29,600	-
Total CFDA			41,970	-
Total Aging Cluster			801,933	-
National Family Caregiver Support, Title III, Part E	93.052	OAA 203.17	22,403	-
National Family Caregiver Support, Title III, Part E	93.052	OAA 203.18	79,246	-
Total CFDA			101,649	-
Florida Department of Revenue:				
Child Support Enforcement	93.563	COC11	193,007	-
Total U.S. Department of Health and Human Services			1,096,589	-
Corporation for National and Community Service				
Direct Programs:				
Retired and Senior Volunteer Program	94.002	15SRSFL015	44,779	-
Retired and Senior Volunteer Program	94.002	18SRSFL005	15,727	-
Total Corporation for National and Community Service			60,506	-
Executive Office of the President				
Direct Programs:				
High Intensity Drug Trafficking Areas Program	95.001	G17MI0015A	129,604	-
Total Executive Office of the President			129,604	-
U.S. Department of Homeland Security				
Indirect Programs:				
Executive Office of the Governor - Florida Division of Emergency Management:				
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	Z0001	11,087,017	-
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	Z0237	5,309,282	-
Total CFDA			16,396,299	-
Emergency Management Performance Grants	97.042	18-FG-7A-09-21-01-190	105,475	-
Fire Management Assistance Grant	97.046	Z0305	129,743	-
Homeland Security Grant Program	97.067	17-DS-V4-09-21-23-283	65,881	-
Homeland Security Grant Program	97.067	18-DS-X1-09-21-01-326	25,383	-
Homeland Security Grant Program	97.067	18-DS-X1-09-21-23-165	149,085	-
Homeland Security Grant Program	97.067	19-DS-X5-09-21-23-050	27,187	-
Total CFDA			267,536	-
Total U.S. Department of Homeland Security			16,899,053	-
TOTAL EXPENDITURES OF FEDERAL AWARDS			$ 36,398,262	$ 1,650,703

(Continued)

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

FEDERAL / STATE AGENCY PASS-THROUGH ENTITY FEDERAL PROGRAM / STATE PROJECT	CFDA / CSFA NUMBER	FEDERAL AWARD IDENTIFICATION / GRANT / CONTRACT NUMBER	EXPENDITURES	TRANSFERS TO SUBRECIPIENTS
Florida Executive Office of the Governor				
Direct Projects:				
Emergency Management Programs	31.063	18-BG-W9-09-21-01-189	$ 93,334	$ -
Emergency Management Programs	31.063	19-BG-21-09-21-01-019	16,126	-
Total Florida Executive Office of the Governor			109,460	-
Florida Department of Environmental Protection				
Direct Projects:				
Beach Management Funding Assistance Program	37.003	14CO1	33,986	-
Statewide Surface Water Restoration and Wastewater Projects	37.039	AB005	37,924	-
Statewide Surface Water Restoration and Wastewater Projects	37.039	S0859	85,551	-
Total CSFA			123,475	-
Total Florida Department of Environmental Protection			157,461	-
Florida Housing Finance Corporation				
Direct Projects:				
State Housing Initiatives Partnership Program (SHIP)	40.901	Collier County FY 2015-2016	716,278	-
State Housing Initiatives Partnership Program (SHIP)	40.901	Collier County FY 2016-2017	344,759	19,350
State Housing Initiatives Partnership Program (SHIP)	40.901	Collier County FY 2017-2018	162,627	-
Total CSFA			1,223,664	19,350
State Housing Initiatives Partnership (SHIP) Program	52.901	Collier County FY 2014-2015	501,406	79,995
Total Florida Housing Finance Corporation			1,725,070	99,345
Florida Department of State and Secretary of State				
Direct Projects:				
State Aid to Libraries	45.030	15-ST-08	54,627	-
State Aid to Libraries	45.030	16-ST-08	100,898	-
Total Florida Department of State and Secretary of State			155,525	-
Florida Department of Transportation				
Direct Projects:				
Aviation Grant Programs	55.004	G0E50	771,102	-
Aviation Grant Programs	55.004	G0E60	42,709	-
Aviation Grant Programs	55.004	G0E63	1,842	-
Aviation Grant Programs	55.004	G0O39	2,630	-
Aviation Grant Programs	55.004	G0O51	26,063	-
Total CSFA			844,346	-
Public Transit Block Grant Program	55.010	AQQ16	32,146	-
Public Transit Block Grant Program	55.010	G0Q98	800,020	-
Total CSFA			832,166	-
Public Transit Service Development Program	55.012	AQQ85	60,201	-
Public Transit Service Development Program	55.012	ARJ84	63,597	-
Public Transit Service Development Program	55.012	G0G64	48,277	-
Total CSFA			172,075	-
Transportation Regional Incentive Program (TRIP)	55.026	G0B39	440,316	-
Local Transportation Projects	55 039	G0T26	3,000	-
Indirect Projects:				
Commission for the Transportation Disadvantaged:				
Florida Commission for the Transportation Disadvantaged (CTD)				
Trip and Equipment Grant Program	55.001	G0M34	540,455	-
Florida Commission for the Transportation Disadvantaged (CTD)				
Trip and Equipment Grant Program	55.001	G0X18	187,657	-
Total CSFA			728,112	-

(Continued)

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

FEDERAL / STATE AGENCY PASS-THROUGH ENTITY FEDERAL PROGRAM / STATE PROJECT	CFDA / CSFA NUMBER	FEDERAL AWARD IDENTIFICATION / GRANT / CONTRACT NUMBER	EXPENDITURES	TRANSFERS TO SUBRECIPIENTS
Florida Commission for the Transportation Disadvantaged (CTD)				
Planning Grant Program	55.002	G0N23	$ 21,801	$ -
Total Florida Department of Transportation			3,041,816	-
Florida Department of Children and Families				
Direct Projects:				
Criminal Justice, Mental Health, and Substance Abuse Reinvestment Grant Program	60.115	LHZ54	329,658	308,159
Total Florida Department of Children and Families			329,658	308,159
Florida Department of Health				
Direct Projects:				
Emergency Medical Services (EMS) Matching Awards	64.003	M5002	103,249	-
County Grant Awards	64.005	C5011	1,799	-
County Grant Awards	64.005	C6011	16,432	-
Total CSFA			18,231	-
Total Florida Department of Health			121,480	-
Florida Department of Elder Affairs				
Indirect Projects:				
Area Agency on Aging for Southwest Florida, Inc.:				
Home Care for the Elderly	65.001	HCE 203.17	17,009	-
Home Care for the Elderly	65.001	HCE 203.18	12,993	-
Total CSFA			30,002	-
Alzheimer's Respite Services	65.004	ADI 203.17	316,600	-
Alzheimer's Respite Services	65.004	ADI 203.18	107,383	-
Total CSFA			423,983	-
Community Care for the Elderly	65.010	CCE 203.17	698,510	-
Community Care for the Elderly	65.010	CCE 203.18	196,653	-
Total CSFA			895,163	-
Total Florida Department of Elder Affairs			1,349,148	-
Florida Fish and Wildlife Conservation Commission				
Direct Projects:				
Bear Resistant Equipment	77.034	Collier County	3,087	-
Total Florida Fish and Wildlife Conservation Commission			3,087	-
TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE			$ 6,992,705	$ 407,504

COLLIER COUNTY, FLORIDA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
YEAR ENDED SEPTEMBER 30, 2018

1. Basis of Presentation

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

The information in the schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and Section 215.97, Florida Statutes. Therefore, some amounts presented in the Schedule may differ from amounts presented, or used in the preparation of, the basic financial statements for the fiscal year ended September 30, 2018.

2. Contingency

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

3. Indirect Cost Rate

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

4. Disaster Grants - Public Assistance (Presidentially Declared Disasters) (97.036)

After a presidentially declared disaster, FEMA provides Disaster Grants – Public Assistance (Presidentially Declared Disasters) (CFDA 97.036) to reimburse eligible costs associated with debris removal, emergency protective measures and the repair, restoration, reconstruction or replacement of public facilities or infrastructure damaged or destroyed. Reimbursements are provided in the form of cost-shared grants. Hurricane Irma (FEMA-4337-DR) made landfall in Collier County on September 10, 2017. In 2018, $7.1 million eligible expenditures were approved that were incurred in the prior year and are included in the SEFA.

5. Fire Management Assistance Grant (97.046)

After a fire declaration, FEMA provides Fire Management Assistant Grants (CFDA 97.046) to reimburse eligible costs associated with mitigation, management, and control of fires. Reimbursements are provided in the form of cost-shared grants. A Fire Management Assistance Declaration was declared in April 2017 for the Florida 30th Avenue Fire (FM-5178). In 2018, $129,743 eligible expenditures were approved that were incurred in the prior year and are included in the SEFA.

COLLIER COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED SEPTEMBER 30, 2018

Section I – Summary of Auditors' Results

Financial Statements

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

Federal Awards

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

Identification of Major Federal Programs

CFDA Number(s)	Name of Federal Program or Cluster
97.036	Disaster Grants-Public Assistance
20.106	Airport Improvement Program
15.226	Payments in Lieu of Taxes
10.923	Emergency Watershed Protection Program

Dollar threshold used to distinguish between Type A and Type B programs:	$ 1.088.472	
Auditee qualified as low-risk auditee?	X yes	____ no

State Financial Assistance

1. Internal control over state projects:
   - Material weakness(es) identified? _____ yes ____X____ no
   - Significant deficiency(ies) identified that are not considered to be material weakness(es)? ____X____ yes _____ none reported
2. Type of auditors' report issued on compliance for state projects: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with state requirements? ____X____ yes _____ no

Identification of Major State Projects

CSFA Number(s)	Name of State Project
65.004	Alzheimer's Respite Services
55.010	Public Transit Block Grant Program
55.001	Florida Commission for the Transportation Disadvantaged (CTD) Trip and Equipment Grant Program
40.901/52.901	State Housing Initiative Partnership Program

Dollar threshold used to distinguish between Type A and Type B state projects: $ 300,000

Section II – Financial Statement Findings

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

Section III – Findings and Questioned Costs – Major Federal Programs

Our audit did not disclose any matters required to be reported in accordance with 2 CFR 200.516(a).

COLLIER COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED SEPTEMBER 30, 2018

Section IV – Findings and Questioned Costs – Major State Projects

2018 – 001: Special Provisions of Rider Eligibility

State agency: Florida Department of Transportation

State program title: Florida Commission for the Transportation Disadvantaged (CTD) Trip and Equipment Grant Program

CSFA Number: 55.001

Award Period: July 1, 2017 to June 30, 2019

Type of Finding: Compliance; Significant Deficiency in Internal Control over Compliance

Criteria or specific requirement: Per Florida Statutes Chapter 427.0155 (7), F.A.C. 41-2.006 (4)(j), the CTC, in cooperation with the coordinating board and pursuant to criteria developed by the Florida Commission for the Transportation Disadvantaged (FCTD), must establish eligibility guidelines with regard to the recipients of non-sponsored transportation disadvantaged services that are purchased with Transportation Disadvantaged Trust Fund moneys. The program manual states that the two areas for which grant funds may be utilized include non-sponsored trips and capital equipment. A non-sponsored trip is a one-way trip for an eligible individual who meets the definition of transportation disadvantaged and is not sponsored by any other federal, state, or local government program.

Condition: Out of 60 sample selections tested, there was one file which could not be produced by the Collier staff due to misplacing the information. As such, we were unable to assess whether or not the related individual had completed and signed a CAT application or verify an ADA condition or TD condition and therefore could not determine if this applicant was an eligible individual for a non-sponsored trip during the audit period.

Questioned costs: $4.00 for a daily bus pass.

Context: Out of 60 sample selections tested, there was one file which could not be produced by the Collier staff due to misplacing the information. This missing file was not the same missing file noted in a monitoring report from the grantor.

Cause: CAT was unable to locate a current application or income verification. They believe it was misplaced as the individual selection appeared to be in the Match Route Software with an October 31, 2018 expiration date.

Effect: Noncompliance with Florida Statutes Chapter 427.0155 (7).

Repeat Finding: No.

Recommendation: We recommend that all applications for individuals accepted as eligible for the non-sponsored rides be maintained either electronically or physically in order to support the eligible assessment.

Views of responsible officials: There is no disagreement with the audit finding.

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MANAGEMENT LETTER

Honorable Board of County Commissioners
Collier County, Florida

Report on the Financial Statements

We have audited the financial statements of Collier County, Florida (County) as of and for the fiscal year ended September 30, 2018, and have issued our report thereon dated February 15, 2019.

Auditors' Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards;* Independent Auditors' Report on Compliance for Each Major Federal Program and State Project and Report on Internal Control over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountants' 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 February 15, 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 financial audit report. There were no findings and recommendations reported 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. This information has been included in the notes to the basic financial statements.

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Honorable Board of County Commissioners
Collier County, Florida

Financial Condition and Management

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

Pursuant to Sections 10.554(1)(i)5.c. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures 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 communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

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 did not note any special district component units that failed to provide the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

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 warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of this Letter

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

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Naples, Florida
February 15, 2019

CliftonLarsonAllen LLP
CLAconnect.com

INDEPENDENT ACCOUNTANTS' REPORT

Honorable Board of County Commissioners
Collier County, Florida

We have examined Collier County, Florida's (County) compliance with Section 218.415, Florida Statutes, regarding the investment of public funds and Section 365.172(10) and 365.172(2)(d), Florida Statutes, regarding emergency communications number E911 system fund during the year ended September 30, 2018. Management of the County is responsible for the County's compliance with the specified requirements. Our responsibility is to express an opinion on the County's compliance with the specified requirements 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 County complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the County complied with the specified 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 County's compliance with specified requirements.

In our opinion, the County complied, in all material respects, with Section 218.415, Florida Statutes, regarding the investment of public funds and Section 365.172(10) and 365.173(2) (d), Florida Statutes, regarding emergency communications number E911 system fund during the year ended September 30, 2018.

This report is intended solely for the information and use of the County and the Auditor General, state of Florida, and is not intended to be, and should not be, used by anyone other than these specified parties.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Naples, Florida
February 15, 2019

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ANNUAL DEBT REPORT (UNAUDITED)

Pursuant to the Collier County Debt Policy, the following Tables were prepared for the fiscal year ended September 30, 2018.

Table 1. Calculation of Collier County General Governmental Debt Ratio

Table 2. Calculation of Collier County Enterprise Debt Ratios

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TABLE 1
Calculation of Collier County General Governmental Debt Ratio
For the Fiscal Year Ended September 30, 2018

Bondable revenues, as defined by Collier County Debt Policy:		
Current Ad Valorem Taxes	$	336,629,501
Governmental Impact Fees		45,682,190
Half Cent Sales Tax		44,092,859
Developmental Fees		30,989,353
State Revenue Sharing		11,673,572
5th Cent Local Option Gas Tax		6,213,903
6th Cent Local Option Gas Tax		8,200,467
Constitutional Gas Tax		4,553,292
Seventh Cent Gas Tax		2,017,121
Ninth Cent Gas Tax		1,725,261
Parks and Recreation Fees		6,439,112
Tourist Development Tax		27,962,471
Court Facilities Fees		827,051
Communications Services Tax		4,498,036
Total bondable revenues	$	531,504,189
Fiscal 2018 governmental debt service requirements:		
Series 2012 Gas Tax Bonds		
Principal:	$	2,970,000
Interest:		898,150
Series 2014 Gas Tax Bonds		
Principal:		7,540,000
Interest:		1,839,044
Series 2010 Special Obligation Bonds		
Principal:		2,030,000
Interest:		1,112,281
Series 2010B Special Obligation Bonds		
Principal:		2,230,000
Interest:		479,250
Series 2011 Special Obligation Bonds		
Principal:		5,885,000
Interest:		2,794,631
Series 2013 Special Obligation Bonds		
Principal:		-
Interest:		2,846,975
Series 2017 Special Obligation Bond		
Principal:		113,000
Interest:		686,622
Commercial Paper Program		
Principal:		100,000
Interest:		133,296
Total fiscal 2018 governmental debt service requirements	$	31,658,249
Governmental debt ratio of fiscal year 2018 debt service requirements to total bondable revenues (13.0% maximum allowed by County policy)		6.0%

Notes:
Debt service is based upon current amortization tables for the fiscal year indicated. Debt prepayments, if any, are not included as debt service requirements.

TABLE 2
Calculation of Collier County Enterprise Debt Ratios
For the Fiscal Year Ended September 30, 2018

Collier County Water and Sewer District:		
Total Sales Revenues	$	142,618,486
Miscellaneous Revenues		3,138,879
Total Operating Revenues		145,757,365
Non-Operating Revenues		10,089,846
Gross Revenues		155,847,211
Less: Operation and Maintenance Expense (excluding Depreciation and Amortization)		90,511,063
Net Revenues Available for Debt Service (1)	$	65,336,148
Total Fiscal Year 2018 Debt Service on Bonds (2)	$	8,577,955
Net Revenues Debt Service Coverage on Bonded Debt (100% Required) - (1/2)		762%
Other Pledged Funds: System Development Fees (Impact Fees)	$	14,087,562
Total Pledged Funds Available for Debt Service (3)	$	79,423,710
Total Fiscal Year 2018 Debt Service on Bonds (4)	$	8,577,955
Total Pledged Funds Debt Service Coverage on Bonded Debt (125% Required) - (3/4)		926%
Total Pledged Funds Available for Debt Service After Payment of Bonds (5)	$	70,845,755
Total Fiscal Year 2018 Debt Service on Subordinated Indebtedness (6)	$	11,148,028
Calculated Coverage on Subordinated Indebtedness - (5/6)		636%
Total Pledged Funds Available for System Purposes	$	59,697,727

Notes:
Coverage calculations utilitize definitions of Gross Revenues, Net Revenues, System Development Fees and Pledged Funds established in Resolution CWS 85-5, as Amended and Restated.

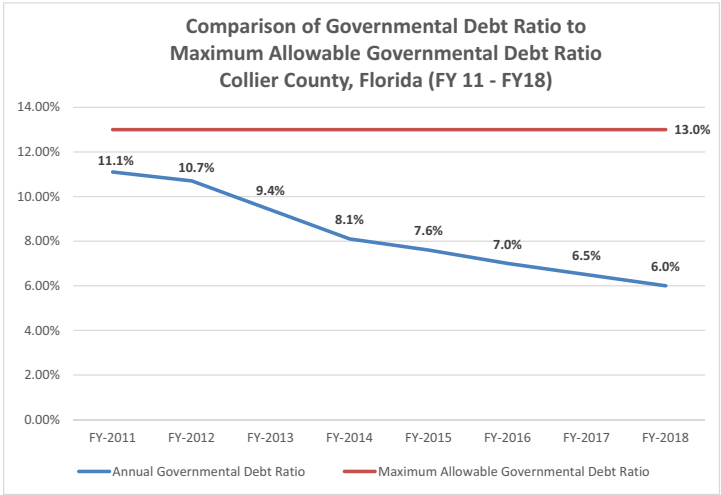
Summary Debt Statement for Fiscal Year 2018

General Governmental Debt:

While the Florida State Constitution and the Florida Statutes set no legal debt limit at the local level, prudent fiscal management requires a self-imposed level of restraint. Collier County's Debt Policy sets the maximum allowable governmental debt ratio at 13.0%, and the County continues to operate below this threshold. The governmental debt ratio is the ratio of debt service requirements to total bondable revenues, as defined by Collier County's Debt Policy. It should be noted that while ad valorem taxes are bondable for purposes of the governmental debt ratio calculation, they may only be pledged pursuant to voter referendum.

The governmental debt ratio decreased from 6.5%, for the fiscal year ended September 30, 2017, to 6.0% (see Table 1) for the fiscal year ended September 30, 2018, or less than half of the allowable ratio. The decrease in the debt ratio for FY-2018 is primarily the result of 10.2% growth in overall bondable revenues. Collections in governmental impact fees (non-water and wastewater) increased by 30.2% over FY-2017 primarily due to the overall increase in recent development activity. In keeping with the governmental impact fee trend, developmental fees, including permit and review fees, increased by 21.1% over FY-2017. In addition, Tourist Development Tax collections were 27.3% greater than FY-2017, largely due to the addition of a 5th Cent to the Tourist Development Tax in September of 2017.

Recent debt restructurings coupled with the growth of general governmental revenues have produced several consecutive years of decreases in the general governmental debt ratio, as shown in the chart below:



Summary of Existing and Newly Issued General Government Debt

Existing General Government Debt

In 2012, Collier County issued $38,680,000 in Gas Tax Refunding Revenue Bonds with interest rates ranging from 3.00% to 5.00% and final maturity on June 1, 2023. In 2014, Collier County issued the $89,780,000 Gas Tax Refunding Revenue Bond, Series 2014 (Bank Term Loan) with an interest rate of 2.33% and final maturity on June 1, 2025.

The pledge for the payment of all the Gas Tax Revenue Bonds is combined gas tax revenues. Fiscal year 2018 gas tax revenues covered the current year debt service payments on all outstanding Gas Tax Revenue Bonds at 171%.

New General Government Debt

Collier County issued the Series 2017 Special Obligation Refunding Revenue Note in the par amount of $43,713,000 on December 28, 2017. These bonds advance refunded portions of the County's outstanding Special Obligation Revenue Bonds, Series 2010. The final maturity of the Series 2017 Note is July 1, 2034, with an interest rate of 3.09%. The advanced refunding achieved a net present value savings of 6.73% on the refunded bonds and an aggregate debt service savings of $3,530,341. Subsequent to issuance of this debt, one of the provisions of the Tax Cuts and Jobs Act of 2017 eliminated tax-exempt advanced refunding bonds, effective December 31, 2017. Security for the County's Special Obligation Revenue Bonds is a covenant to appropriate in the annual budget by amendment, if necessary, from Non-Ad Valorem Revenues amounts sufficient pay debt service on the combined Special Obligation Bonds. On February 23, 2018, Standard and Poor's Global Ratings upgraded Collier County's Special Obligation Bonds to 'AAA'.

On April 30, 2018, Collier County issued a $12,000,000 variable rate commercial paper loan through the Florida Local Government Finance Commission's Pooled Commercial Paper Program to acquire land for the construction of the County's regional tournament caliber amateur sports complex.

Collier County issued $62,965,000 in Series 2018 Tourist Development Tax Revenue Bonds on October 24, 2018 to pay the costs to develop, acquire, construct, and equip a regional tournament caliber amateur sports complex. A lien and pledge upon the Tourist Development Tax provides security for the Tourist Development Tax Bonds. The Board of County Commissioners instituted a fifth penny of tourist tax revenue to provide the financial resources required to service the debt on the stadium complex.

Collier County Governmental Bonded Debt Ratings Table:

Current Ratings (as of 2/12/2019)	**Fitch**	**Moody's**	**Standard & Poor's**
Gas Tax Revenue Bonds	AA-	A2	A+
Special Obligation Bonds	AA	Aa2	AAA
Tourist Development Tax Bonds*	AA+	Aa3	-

* Standard & Poor's does not currently rate the Tourist Development Tax Bonds.

A rating of AA by Fitch Ratings denotes the expectations of very low default risk and indicates very strong capacity for payment of financial commitments. This capacity is not significantly vulnerable to foreseeable events. Fitch also uses intermediate +/- modifiers for each AA category.

A Moody's Investors Service rating of Aa is indicative of a high quality investment grade instrument with very low credit risk, whereas an A rating indicative of an upper-medium grade instrument subject to low credit risk. Moody's uses intermediate modifiers of 1 (higher) to 3 (lower) within the Aa and A ranges.

An obligation rated AAA has the highest rating assigned by Standard and Poor's Global Ratings. The obligor's capacity to meet its financial commitments on the obligation is extremely strong. An obligation rated A is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher-rated categories. However, the obligor's capacity to meet its financial commitments on the obligation is still strong. Standard and Poor's Global Ratings also uses intermediate +/- modifiers for each category to indicate relative standing within the major rating categories.

Collier County Enterprise Debt:

Currently, the Collier County Water and Sewer District (District) is the only County enterprise activity with bonded debt outstanding. The Collier County Debt Policy does not set a maximum allowable enterprise debt ratio, but coverage requirements related to the District's debt are set by bond covenants. Net revenues, defined as operating revenues plus specific non-operating revenues less operating expenses, excluding depreciation, must cover bonded debt service at 100%. Total pledged funds, defined as net revenues plus impact fees and special assessments, if applicable, must cover bonded debt at 125%. Net revenue coverage on bonded debt was 762% and total pledged funds coverage on bonded debt was 926% for FY-2018, up from 568% and 753%, respectively, for FY-2017.

Bonded debt coverages increased primarily due to a 7.6% decrease in operation and maintenance costs when compared to FY-2017, which included substantial costs related to Hurricane Irma. The District's calculated coverage on subordinated debt, all in the form of a bank loan with Synovus Bank, d.b.a. Florida Community Bank, increased from 460% to 636% (see Table 2) reflecting an increase in total pledged funds available for debt service. The total pledged funds coverage required by the subordinated loan agreement is equivalent to 115% of total subordinated debt service in each fiscal year, after payment of bonded debt service.

User rates for potable water, wastewater and irrigation water, as well as miscellaneous revenues, offset system operating, maintenance, debt service and capital costs. The District's water and sewer user rates increased by 2.9%, effective 10/01/2017. In July of 2018 the District's governing board adopted rate increases of 2.8% effective October 1, 2018; 2.9% effective October 1, 2019; and, 2.9% effective October 1, 2020, for fiscal years 2019, 2020 and 2021, respectively. Over recent years' the District has operated on a pay as you go basis, avoided borrowing and maintained financial stability. The District's current focus is the optimization of resources, risk based prioritization of capital projects and infrastructure expansion in the northeast service area to serve future residents and businesses.

On February 28, 2018, the Collier County issued $35,965,000 in Series 2018 Water and Sewer Revenue Bonds for purposes of acquiring the Golden Gate Utility System and paying associated costs of issuance. Effective as of the transfer date the Golden Gate Utility System was included in the Collier County Water-Sewer District service area.

Collier County Enterprise Debt Ratings Table:

Current Ratings (as of 2/12/2019)	**Fitch**	**Moody's**	**Standard & Poor's***
Water and Sewer Revenue Bonds	AAA	Aa1	-

* Standard & Poor's does not currently rate County Water and Sewer Revenue Bonds.

A rating of AAA by Fitch Ratings denotes the lowest expectation of default risk. A rating of AAA is only assigned in cases of exceptionally strong capacity for payment of financial commitments. This capacity is highly unlikely to be adversely affected by foreseeable events.

A Moody's Investors Service rating of Aa is indicative of a high quality, investment grade instrument with very low credit risk. Moody's uses intermediate modifiers of 1 (higher) to 3 (lower) within the Aa range.

Collier County, Florida
Clerk of the Circuit Court

Financial Statements and
Supplemental Reports

Year Ended September 30, 2018

Collier County, Florida
Clerk of the Circuit Court

Financial Statements and Other Reports

Year Ended September 30, 2018

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INDEPENDENT AUDITORS' REPORT

Honorable Crystal K. Kinzel
Clerk of the Circuit Court
Collier County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of each major fund and the aggregate remaining fund information of the Collier County, Florida Clerk of the Circuit Court (Clerk), as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the Clerk's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund and the aggregate remaining fund information of the Clerk as of September 30, 2018, and the respective changes in financial position and budgetary comparisons for the General Fund, Court Services Fund and Other Special Revenue Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of each major fund and the aggregate remaining fund information only for that portion of the major funds and the aggregate remaining fund information of Collier County, Florida that is attributable to the Clerk. They do not purport to, and do not, present fairly the financial position of Collier County as of September 30, 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.

Other Matters

Required Supplementary Information

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

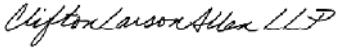
Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Clerk's basic financial statements. The combining statements, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Honorable Crystal K. Kinzel
Clerk of the Circuit Court

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 3, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Clerk's 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 Clerk's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Naples, Florida
January 3, 2019

Collier County, Florida
Clerk of the Circuit Court

Balance Sheet – Governmental Funds

September 30, 2018

	General	Court Services	Other Special Revenue	Total Governmental Funds
Assets				
Cash and cash equivalents	$ 2,312,630	$ 1,553,666	$ 4,504,448	$ 8,370,744
Accounts receivable	67,301	46,985	-	114,286
Allowance for doubtful accounts	(54,255)	(46,985)	-	(101,240)
Due from Collier County, Florida Board of County Commissioners	5,516	-	-	5,516
Due from other governments	9,918	34,316	-	44,234
Prepaid expenses	-	-	10,937	10,937
Total assets	$ 2,341,110	$ 1,587,982	$ 4,515,385	$ 8,444,477
Liabilities and fund balances				
Liabilities:				
Vouchers payable and accrued liabilities	$ 909,199	$ 320,765	$ 42,705	$ 1,272,669
Due to Collier County, Florida Board of County Commissioners	623,430	-	-	623,430
Due to other governments	-	1,267,217	-	1,267,217
Deposits	808,481	-	-	808,481
Total liabilities	2,341,110	1,587,982	42,705	3,971,797
Fund balance:				
Nonspendable	-	-	10,937	10,937
Restricted	-	-	4,461,743	4,461,743
Total fund balance	-	-	4,472,680	4,472,680
Total liabilities and fund balance	$ 2,341,110	$ 1,587,982	$ 4,515,385	$ 8,444,477

See accompanying Notes to Financial Statements.

Collier County, Florida
Clerk of the Circuit Court

Statement of Revenues, Expenditures, and Changes in Fund Balance Governmental Funds

Year Ended September 30, 2018

	General	Court Services	Other Special Revenue	Total Governmental Funds
Revenues:				
Intergovernmental	$ -	$ 402,809	$ -	$ 402,809
Charges for services	3,418,183	6,827,098	1,140,307	11,385,588
Miscellaneous	595	-	-	595
Interest income	66,775	44,246	39,332	150,353
Total revenues	3,485,553	7,274,153	1,179,639	11,939,345
Expenditures:				
General government:				
Personal services	7,442,409	4,968,094	982,364	13,392,867
Operating	1,858,487	554,060	-	2,412,547
Capital outlay	386,830	-	-	386,830
Total expenditures	9,687,726	5,522,154	982,364	16,192,244
Excess (deficiency) of revenues over (under) expenditures	(6,202,173)	1,751,999	197,275	(4,252,899)
Other financing sources (uses):				
Transfers in:				
Collier County, Florida Board of County Commissioners appropriations	6,823,000	-	-	6,823,000
Transfers out:				
Distribution of excess fees to State of Florida	-	(1,768,419)	-	(1,768,419)
Distribution of excess appropriations to Collier County, Florida Board of County Commissioners	(620,827)	-	-	(620,827)
Total other financing sources (uses)	6,202,173	(1,768,419)	-	4,433,754
Net change in fund balance	-	(16,420)	197,275	180,855
Fund balances – beginning of year	-	16,420	4,275,405	4,291,825
Fund balances – end of year	$ -	$ -	$ 4,472,680	$ 4,472,680

See accompanying Notes to Financial Statements.

Collier County, Florida
Clerk of the Circuit Court

Statement of Revenues, Expenditures, and
Changes in Fund Balance – Budget and Actual
General Fund

Year Ended September 30, 2018

	Budget			Variance With Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues:				
Charges for services	$ 2,933,400	$ 2,993,400	$ 3,418,183	$ 424,783
Miscellaneous	-	-	595	595
Interest income	15,000	15,000	66,775	51,775
Total revenues	2,948,400	3,008,400	3,485,553	477,153
Expenditures:				
General government:				
Personal services	7,940,600	7,470,000	7,442,409	27,591
Operating expenditures	1,625,500	1,973,500	1,858,487	115,013
Capital outlay	205,300	387,900	386,830	1,070
Total expenditures	9,771,400	9,831,400	9,687,726	143,674
Excess (deficiency) of revenues over (under) expenditures	(6,823,000)	(6,823,000)	(6,202,173)	620,827
Other financing sources (uses):				
Transfers in:				
Collier County, Florida Board of County Commissioners appropriations	6,823,000	6,823,000	6,823,000	-
Transfers out:				
Distribution of excess appropriations to Collier County, Florida Board of County Commissioners	-	-	(620,827)	(620,827)
Total other financing sources (uses)	6,823,000	6,823,000	6,202,173	(620,827)
Net change in fund balance	-	-	-	-
Fund balance – beginning of year	-	-	-	-
Fund balance – end of year	$ -	$ -	$ -	$ -

See accompanying Notes to Financial Statements.

Collier County, Florida
Clerk of the Circuit Court

Statement of Revenues, Expenditures, and
Changes in Fund Balance – Budget and Actual
Court Services Fund

Year Ended September 30, 2018

	Budget			Variance With Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues:				
Intergovernmental	$ 458,456	$ 458,456	$ 402,809	$ (55,647)
Charges for services	5,949,785	5,949,785	6,827,098	877,313
Interest income	10,000	10,000	44,246	34,246
Total revenues	6,418,241	6,418,241	7,274,153	855,912
Expenditures:				
General government:				
Personal services	6,010,085	5,670,185	4,968,094	702,091
Operating expenditures	408,156	748,056	554,060	193,996
Total expenditures	6,418,241	6,418,241	5,522,154	896,087
Excess of revenues over expenditures	-	-	1,751,999	1,751,999
Other financing (uses):				
Transfers out:				
Distribution of excess fees to State of Florida	-	-	(1,768,419)	(1,768,419)
Total other financing (uses)	-	-	(1,768,419)	(1,768,419)
Net change in fund balance	-	-	(16,420)	(16,420)
Fund balance – beginning of year	-	-	16,420	16,420
Fund balance – end of year	$ -	$ -	$ -	$ -

See accompanying Notes to Financial Statements.

Collier County, Florida
Clerk of the Circuit Court

Statement of Revenues, Expenditures, and
Changes in Fund Balance – Budget and Actual
Other Special Revenue Fund

Year Ended September 30, 2018

	Budget			Variance With Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues:				
Charges for services	$ 1,170,000	$ 1,170,000	$ 1,140,307	$ (29,693)
Interest income	13,100	13,100	39,332	26,232
Total revenues	1,183,100	1,183,100	1,179,639	(3,461)
Expenditures:				
General government:				
Personal services	1,271,900	1,271,900	982,364	289,536
Operating expenditures	1,249,200	1,329,200	-	1,329,200
Capital outlay	1,656,300	1,576,899	-	1,576,899
Total expenditures	4,177,400	4,177,999	982,364	3,195,635
Net change in fund balance	(2,994,300)	(2,994,899)	197,275	3,192,174
Fund balance – beginning of year	3,085,480	3,644,557	4,275,405	630,848
Fund balance – end of year	$ 91,180	$ 649,658	$ 4,472,680	$ 3,823,022

See accompanying Notes to Financial Statements.

Collier County, Florida
Clerk of the Circuit Court

Statement of Fiduciary Net Position
Agency Funds

September 30, 2018

Assets	
Cash and cash equivalents	$ 22,971,495
Total assets	$ 22,971,495
Liabilities	
Due to the Collier County,	
Florida Board of County Commissioners	$ 295,390
Due to other governments	799,880
Deposits	21,876,225
Total liabilities	$ 22,971,495

See accompanying Notes to Financial Statements.

1. Summary of Significant Accounting Policies

Reporting Entity

The Collier County, Florida Clerk of the Circuit Court (Clerk) is an elected constitutional officer as provided for by the Constitution of the State of Florida. The Clerk's Budget is presented pursuant to Chapter 218, *Florida Statutes*. Additionally, a budget is submitted to the Florida Clerks of Court Operations Corporation for the Court Services Fund.

The financial statements presented include the general fund, special revenue funds, and agency funds of the Clerk's office. The accompanying financial statements were prepared for the purpose of complying with Section 218.39(2), *Florida Statutes*, and Chapter 10.550, *Rules of the Auditor General - Local Governmental Entity Audits,* which allows the Clerk to only present fund financial statements. These financial statements present only the portion of the funds of Collier County, Florida that are attributable to the Clerk. They are not intended to present fairly the financial position and results of operations of Collier County, Florida in conformity with accounting principles generally accepted in the United States of America.

The financial activities of the Clerk, as a constitutional officer, are included in the Collier County, Florida Comprehensive Annual Financial Report. There are no separate legal entities (component units) for which the Clerk is considered to be financially accountable.

The general operations of the Clerk are funded by: fees from third parties, transfer in lieu of fees from the Collier County, Florida Board of County Commissioners (Board), appropriations from the State of Florida, and interest income. Pursuant to Chapter 218 *Florida Statutes*, funds remaining in the general fund at fiscal year-end, in excess of amounts expended, are returned to the Board. Excess revenues returned to the Board are reflected as transfers out in the Clerk's general fund. Court-related operations are funded by the collection of fines, fees costs and service charges, and a child support grant. Any surplus of revenues after expenditures in this fund is remitted to the State in January of the next year. Special revenue funds are retained by the Clerk and budgeted according to requirements of each source.

The State transitioned the Clerk in July, 2013 to be self-funded from fees and fines. Pursuant to Section 28.37, Florida Statute, any surplus revenues over expenditures will be returned to the State.

Measurement Focus, Basis of Accounting, and Basis of Presentation

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

Collier County, Florida
Clerk of the Circuit Court

Notes to Financial Statements

September 30, 2018

1. Summary of Significant Accounting Policies (continued)

Governmental Funds

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

The Clerk reports the following major governmental funds:

General Fund – The general fund is used to account for all revenue and expenditures applicable to the general operations of the Clerk, which are not accounted for in another fund. All operating revenue not specifically restricted or designated as to use, is recorded in the general fund.

Court Services Fund – The court services fund is a special revenue fund established to account for court-related filing fees, service charges, fines, court costs, appropriations and expenses of the Clerk as mandated by Sections 28.35 and 28.37(5), *Florida Statutes.*

Other Special Revenue Fund – The other special revenue fund is a special revenue fund used to account for revenues mandated by Section 28.24(12)(d), *Florida Statutes*, to be held in trust by the Clerk and used exclusively for equipment and maintenance of equipment, personnel training, and technical assistance in modernizing the public records system of the office; and revenues mandated by Section 28.24(12)(e).

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

Charges for services, interest income, and other revenues are recognized as they are earned and become measurable and available to pay liabilities of the current period.

1. Summary of Significant Accounting Policies (continued)

Governmental Funds (continued)

With the implementation of Revision 7 to Article V on July 1, 2004, the Clerk's activities are classified as court-related and non-court-related. The Clerk's general fund activity, which is classified as non-court-related, is funded through service charges for recording instruments and documents into the official records, interest income and through transfers in from the Board of County Commissioners.

Court-related operations are funded by the collection of fines, fees costs and service charges, and a child support grant. Any surplus of revenues after expenditures in this fund is remitted to the State in January of the next year.

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

Capital outlays expended in governmental funds are capitalized in the basic financial statements of Collier County, Florida rather than in the governmental funds of the Clerk.

Additionally, the Clerk reports the following fund type:

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

Cash Equivalents

Cash equivalents are defined as highly liquid investments with original maturities of three months or less. The Clerk does not currently hold investments.

Collier County, Florida
Clerk of the Circuit Court

Notes to Financial Statements

September 30, 2018

1. Summary of Significant Accounting Policies (continued)

Compensated Absences

All full-time employees of the Clerk are allowed to accumulate an unlimited number of hours of unused sick leave and up to 240 hours of unused vacation leave (with limited exceptions per the employee manual). Upon termination, employees receive 100% of allowable accumulated vacation hours and a percentage of unused sick leave, depending on years of service. Vacation leave and sick leave are included in governmental funds when the payments are made to employees. The Clerk is not legally required to accumulate financial resources for these un-matured obligations. Accordingly, the liability for compensated absences is not reported in the Clerk's funds, but rather is reported in the basic financial statements of Collier County, Florida.

Prepaid Expenses

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid expenses.

Use of Estimates

The preparation of these financial statements requires management of the Clerk to make a number of estimates and assumptions relating to the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the period. Actual results could differ slightly from those estimates.

Fund Balance Reporting and Governmental Fund-Type Definitions

Fund balances are classified either as non-spendable or as spendable. Spendable fund balances are further classified in a hierarchy based on the extent to which there are external and/or internal constraints in how fund balance amounts may be spent.

Non-spendable fund balances include amounts that cannot be spent because they are not in spendable form or are legally or contractually required to be maintained intact.

1. Summary of Significant Accounting Policies (continued)

Fund Balance Reporting and Governmental Fund-Type Definitions (continued)

Spendable fund balances are classified based on a hierarchy of the Clerk's ability to control the spending of these fund balances and are reported in the following categories: restricted, committed, assigned and unassigned. The Clerk's fund balances for the special revenue funds fall into the spendable restricted category. Fund balances maintained in the special revenue funds are restricted pursuant to certain *Florida Statutes* and have been presented as restricted fund balances in the fund financial statements in accordance with GASB Statement No. 54.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the Clerk considers restricted funds to have been spent first.

When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Clerk considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Clerk has provided otherwise in its commitment or assignment actions.

2. Budgetary Process

Florida Statutes govern the preparation, adoption, and administration of the Clerk's annual budget. The Clerk prepares and approves the budget for the Clerk's non-court functions, including special revenue fund and the budget related to the recording function based on anticipated fees. The budget of the Clerk for services to the Board is submitted to the Board.

Pursuant to Section 28.36, *Florida Statutes*, a balanced court-related budget must be prepared on or before June 1 (for the period starting the next October 1 through September 30) and submitted to the Florida Clerks of Court Operations Corporation (Corporation).

If the Clerk estimates that projected revenues are insufficient to meet anticipated expenditures, the Clerk must report the revenue deficit to the Corporation. Once the Corporation verifies the revenue deficit, the Clerk can increase fees up to the maximum amounts specified by law to resolve the deficit. If a deficit is still projected, a request can be submitted to release funds from the Department of Revenue Clerks of the Court Trust Fund. For the year ending September 30, 2018, the Clerk had sufficient revenues to meet expenditures.

2. Budgetary Process (continued)

The budget is prepared on a basis consistent with accounting principles generally accepted in the United States of America, except for the classification and presentation of the distribution of excess court revenue to the State for the court services fund, which is treated as other financing use (transfer out) for budgetary purposes and as an expenditure in the statement of revenues, expenditures, and changes in fund balance in the court services fund. The annual budget serves as the legal authorization for expenditures. Any subsequent amendments to the Board approved transfer must be approved by the Board; amendments to the Clerk's fee budget are at the discretion of the Clerk, and any amendments that increase or decrease the court budget must be approved by the Corporation for the court services fund. Budgetary changes within the court services fund not affecting the overall budget are made at the discretion of the Clerk.

Expenditures may not legally exceed appropriations at the fund level. Appropriations lapse at year-end. Budgetary control is maintained at the departmental major object expenditure level. Budgetary changes within major object expenditure categories are made at the discretion of the Clerk.

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

3. Cash and Cash Equivalents

At September 30, 2018, the carrying value of the Clerk's cash and cash equivalents was as follows:

Type	Maturity	Carrying Value	Credit Rating
Cash on hand	N/A	$ 7,900	N/A
Demand deposits	N/A	31,334,339	N/A
Total cash and cash equivalents		$ 31,342,239	

The Clerk maintains a cash pool for the deposits of all governmental and agency funds. Each fund type's portion of these balances is presented as cash and cash equivalents in the accompanying financial statements. Interest income is allocated to each fund based on its proportionate balance in the pool.

3. Cash and Cash Equivalents (continued)

Cash and cash equivalents as of September 30, 2018 are reported as $8,370,744 and $22,971,495 in the governmental funds and fiduciary funds, respectively.

Custodial Credit Risk

At September 30, 2018, the Clerk's deposits were entirely covered by Federal Depository Insurance or by collateral pledged with the State Treasurer pursuant to Chapter 280, *Florida Statutes.* Under this Chapter, in the event of default by a participating financial institution (a qualified public depository), all participating institutions are obligated to reimburse the governmental entity for the loss.

Credit Risk

The Clerk's policy is to follow the guidance in Section 219.075, *Florida Statutes,* regarding the deposit of funds received and the investment of surplus funds. Sections 219.075 and 218.415, *Florida Statutes*, authorize the Clerk to invest in Florida PRIME or any intergovernmental investment pool authorized pursuant to the Florida Inter-local Cooperation Act; Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency; direct obligations of the United States Treasury, federal agencies and instrumentalities, or interest-bearing time deposits or savings accounts in banks organized under the laws of the United States and doing business and situated in the State of Florida, savings and loan associations which are under state supervision, or in federal savings and loan associations located in the State of Florida and organized under federal law and federal supervision, provided that any such deposits are secured by collateral as may be prescribed by law. Additionally, *Florida Statutes* allow local governments to place public funds with institutions that participate in a collateral pool under the Florida Security for Public Deposits Act. The pool is administered by the State Treasurer, who may make additional assessments to ensure that no public funds will be lost.

Interest Rate Risk

Investment of Clerk's funds is based on maintaining 24 hour liquidity. All Clerks funds are held in local banks or short term investment instruments.

Collier County, Florida
Clerk of the Circuit Court

Notes to Financial Statements

September 30, 2018

4. Interest Income and Investment of County Funds

Pursuant to *Florida Statutes*, Section 28.33, the Clerk invests all County funds in excess of those required to meet expenses. Interest income is allocated to each fund based on its proportionate balance in the pool. Interest income of $66,775 is reported in the general fund for the year ended September 30, 2018, as the portion of interest earned on Clerk funds.

5. Capital Assets

Capital assets used by the governmental fund type operations are capitalized in the basic financial statements of Collier County, Florida rather than in the governmental funds of the Clerk. Upon acquisition, such assets are recorded as expenditures in the governmental funds of the Clerk and are capitalized at cost in the basic financial statements of Collier County, Florida. Capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at acquisition value on the date received.

The Clerk maintains custodial responsibility for capital assets used by the office. No depreciation expense has been provided on capital assets in these financial statements. However, depreciation expense on these assets is recorded in the basic financial statements of Collier County, Florida.

The following is a summary of changes in capital assets, which are reported in the basic financial statements of Collier County, Florida:

	October 1, 2017	Additions	Deductions	Transfer-out	September 30, 2018
Capital assets depreciated:					
Machinery and equipment	$7,052,760	$ 386,830	$ (13,286)	$(984,955)	$ 6,441,349
Less accumulated depreciation	(5,399,387)	(731,618)	13,286	974,463	(5,143,256)
Total capital assets depreciated	1,653,373	(344,788)	-	(10,492)	1,298,093
Total capital assets, net	$1,653,373	$(344,788)	$ -	$ (10,492)	$ 1,298,093

6. Long-Term Liabilities

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

	October 1, 2017	Additions	Deletions	September 30, 2018
Accrued compensated absences	$ 1,842,997	$ 869,452	$ (895,033)	$ 1,817,416

Of these liabilities, $890,534 is expected to be paid during the fiscal year ending September 30, 2019. These long-term liabilities are not reported in the financial statements of the Clerk since they have not matured.

7. Pension Plans

Background

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

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

Collier County, Florida
Clerk of the Circuit Court

Notes to Financial Statements

September 30, 2018

7. Pension Plans (continued)

Florida Retirement System Pension Plan

Plan Description

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

- *Regular Class* – Members of the FRS who do not qualify for membership in the other classes.
- *Elected County Officers Class* – Members who hold specified elective offices in local government.
- *Senior Management Service Class (SMSC)* – Members in senior management level positions.
- *Special Risk Class* – Members who are special risk employees, such as law enforcement officers, meet the criteria to qualify for this class.

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

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

7. Pension Plans (continued)

Benefits Provided

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

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

Detailed information about the County's proportionate share of FRS's net pension liability, deferred outflows/inflows of resources, and pension expense are reported in the government-wide statements of the County.

Retiree Health Insurance Subsidy Program

Plan Description

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

Collier County, Florida
Clerk of the Circuit Court

Notes to Financial Statements

September 30, 2018

7. Pension Plans (continued)

Benefits Provided

For the fiscal year ended June 30, 2018, eligible retirees and beneficiaries received a monthly HIS payment of $5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of $30 and a maximum HIS payment of $150 per month, pursuant to Section 112.363, *Florida Statutes*. To be eligible to receive a HIS Plan benefit, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Detailed information about the County's proportionate share of HIS's net pension liability, deferred outflows/inflows of resources, and pension expense are reported in the government-wide statements of the County.

FRS Investment Plan

The Florida State Board of Administration (SBA) administers the defined contribution plan officially titled the FRS Investment Plan (Investment Plan). The Investment Plan is reported in the SBA's annual financial statements and in the State of Florida Comprehensive Annual Financial Report.

As provided in Section 121.4501, *Florida Statutes*, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. Clerk employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.), as the FRS defined benefit plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering the plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06% of payroll and by forfeited benefits of plan members.

7. Pension Plans (continued)

FRS Investment Plan (continued)

For all membership classes, employees are immediately vested in their own contributions and are vested after 1 year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Non-vested employer contributions are placed in a suspense account for up to 5 years. If the employee returns to FRS-covered employment within the 5-year period, the employee will regain control over their account. If the employee does not return within the 5-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended June 30, 2018, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the Clerk.

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

Contributions

Participating employer contributions are based upon statewide rates established by the State of Florida. The Clerk's contributions made to the plans during the years ended September 30, 2018, 2017, and 2016 were $877,162, $802,245, and $750,024, respectively, equal to the actuarially determined contribution requirements for each year.

Additional information about pension plans can be found in the Collier County comprehensive annual financial report or County-wide financial statements.

Collier County, Florida
Clerk of the Circuit Court

Notes to Financial Statements

September 30, 2018

8. Related Party Transactions

At September 30, 2018, the Clerk had a receivable due from the Board totaling $5,516. The Board provided funding for the Clerk in the amount of $6,823,000. The Supervisor of Elections provided funding in the amount of a $47,000 fee for financial services performed by the Clerk. At September 30, 2018, the Clerk had a payable due to the Board of $918,820, comprised as follows:

Distribution of excess fees	$ 620,827
Amounts due for various services	2,603
Agency funds due	295,390
Total due to Board of County Commissioners	$ 918,820

9. Risk Management

Collier County, Florida (County) is exposed to various risks of loss, including, but not limited to, general liability, health and life, property and casualty, auto and physical damage, and workers' compensation. The County is substantially self-insured and accounts for and finances its risk of uninsured losses through an internal service fund. All liabilities associated with these self-insured risks are reported in the basic financial statements of the County. During the year ended September 30, 2018, the Clerk was charged $2,288,607 by the County for participation in the risk management program.

The County retains the first $500,000 per claim for workers' compensation, and has purchased outside excess coverage for up to the statutory limits for each injury and illness. The County also provides coverage for up to $500,000 per occurrence for general liability and $300,000 per occurrence for auto liability coverage and has purchased outside excess coverage for up to $5 million per claim. Negligence claims in excess of the statutory limits set in Section 768.28, *Florida Statutes*, which provide for limited sovereign immunity of $200,000/$300,000 per occurrence can only be recovered through an act of the State Legislature. Property claims are subject to a 5% wind deductible and a $50,000 deductible for all other perils. The County retains the first $100,000 per claim/$200,000 per occurrence for public official errors and omissions and crime coverage and has purchased outside excess coverage for up to $5 million per claim. There have been no significant reductions in insurance coverage in the last year. Settled claims have not exceeded the insurance provided by third party carriers in any of the last three years.

The County is self-insured for health claims covering all of its employees and their eligible dependents. The County retains the first $450,000 per covered member and has purchased outside excess coverage for all claims exceeding this amount. An actuarial valuation is performed each year to estimate the amounts needed to pay prior and future claims and to establish reserves.

10. Other Postemployment Healthcare Benefits (OPEB) Plan

In accordance with Section 112.0801, *Florida Statutes*, the Clerk participates with Collier County in offering retiring employees the opportunity to continue participation in the County's health insurance plan. The participating retirees pay 100% of the premium cost applicable to an active employee. The liability and expense for other postemployment benefits, calculated in accordance with Governmental Accounting Standards Board Statement No. 75 *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, are reported in the financial statements of the County.

11. Claims and Contingencies

Litigation

The Clerk is routinely involved as defendant, plaintiff and as a "party in interest" in carrying out its statutorily and constitutionally assigned tasks. During the year ended September 30, 2018, the Clerk was involved in approximately 111,826 collection cases. These are court actions designed to collect fees and costs imposed by the courts in criminal cases. The Clerk was involved in 3,237 bond forfeiture actions. Those cases involve collecting forfeitures of criminal appearance bonds. There are 8 active actions for foreclosure of property in which the Clerk has been a named defendant.

The Clerk has no other pending litigation.

	Clerk's Agency	Court Registry	Jury and Ordinary Witness	Total
Assets				
Cash and cash equivalents	$ 4,719,911	$ 18,240,163	$ 11,421	$ 22,971,495
Total assets	$ 4,719,911	$ 18,240,163	$ 11,421	$ 22,971,495
Liabilities				
Due to Collier County, Florida Board of County Commissioners	$ 295,390	$ -	$ -	$ 295,390
Due to other governments	788,459	-	11,421	799,880
Deposits	3,636,062	18,240,163	-	21,876,225
Total liabilities	$ 4,719,911	$ 18,240,163	$ 11,421	$ 22,971,495



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

Honorable Crystal K. Kinzel
Clerk of the Circuit Court
Collier County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of each major fund and the aggregate remaining fund information of the Collier County, Florida Clerk of the Circuit Court (Clerk), as of and for the year ended September 30, 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 January 3, 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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Clerk's internal control. Accordingly, we do not express an opinion on the effectiveness of the Clerk's internal control.

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

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

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the 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.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Naples, Florida
January 3, 2019

CliftonLarsonAllen LLP
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MANAGEMENT LETTER

Honorable Crystal K. Kinzel
Clerk of the Circuit Court
Collier County, Florida

Report on the Financial Statements

We have audited the financial statements of the Collier County, Florida Clerk of the Circuit Court (Clerk), as of and for the fiscal year ended September 30, 2018 and have issued our report thereon dated January 3, 2019.

Auditors' Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountants' Report on an examination conducted in accordance with *AICPA Professional Standards*, 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 January 3, 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 findings or recommendations made in the preceding annual financial audit report.

Official Title and Legal Authority

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

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 note any such findings.

Purpose of this Letter

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

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Naples, Florida
January 3, 2019

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INDEPENDENT ACCOUNTANTS' REPORT

Honorable Crystal K. Kinzel
Clerk of the Circuit Court
Collier County, Florida

We have examined the Collier County, Florida Clerk of the Circuit Court's (Clerk) compliance with Section 218.415, *Florida Statutes*, regarding the investment of public funds; Section 61.181, *Florida Statutes*, regarding clerks of the courts alimony and child support payments; and Sections 28.35 and 28.36, *Florida Statutes*, regarding clerks of the courts performance standards and budgets, during the year ended September 30, 2018. Management of the Clerk is responsible for the Clerk's compliance with the specified requirements. Our responsibility is to express an opinion on the Clerk's compliance with the specified requirements 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, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Clerk complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgement, 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 Section 218.415, *Florida Statutes*, regarding the investment of public funds; Section 61.181, *Florida Statutes*, regarding clerks of the courts alimony and child support payments; and Sections 28.35 and 28.36, *Florida Statutes*, regarding clerks of the courts performance standards and budgets during the year ended September 30, 2018.

This report is intended solely for the information and use of the Clerk and the Auditor General, State of Florida and is not intended to be, and should not be, used by anyone other than these specified parties.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Naples, Florida
January 3, 2019

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Collier County, Florida
Property Appraiser

Financial Statements and
Supplemental Reports

Year Ended September 30, 2018

Collier County, Florida
Property Appraiser

Financial Statements and Other Reports

Year Ended September 30, 2018

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INDEPENDENT AUDITORS' REPORT

Honorable Abe Skinner
Property Appraiser
Collier County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the general fund of the Collier County, Florida Property Appraiser (Property Appraiser), as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the Property Appraiser's financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the general fund of the Property Appraiser as of September 30, 2018, and the changes in financial position and budgetary comparison of its general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of each major fund, only for that portion of the major funds of Collier County, Florida that is attributable to the Property Appraiser. They do not purport to, and do not, present fairly the financial position of Collier County, Florida as of September 30, 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 these matters.

Other Matters

Required Supplementary Information

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 21, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the Property Appraiser's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Property Appraiser's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Naples, Florida
January 21, 2019

Collier County, Florida
Property Appraiser

Balance Sheet – General Fund

September 30, 2018

Assets	
Cash and cash equivalents	$ 1,345,908
Total assets	$ 1,345,908
Liabilities and fund balance	
Liabilities:	
Accounts payable and accrued expenses	$ 64,000
Due to Collier County, Florida Board of County Commissioners	724,199
Due to other taxing districts	557,709
Total liabilities	1,345,908
Fund balance	-
Total liabilities and fund balance	$ 1,345,908

See accompanying Notes to Financial Statements.

Collier County, Florida
Property Appraiser

Statement of Revenues, Expenditures, and
Changes in Fund Balance
General Fund

Year Ended September 30, 2018

Revenues:	
Commissions and fees	$ 8,467,278
Interest	7,253
Miscellaneous	9,764
Total revenues	8,484,295
Expenditures:	
General government:	
Personal services	5,625,749
Operating	1,530,825
Capital outlay	45,813
Total expenditures	7,202,387
Excess of revenues over expenditures	1,281,908
Other financing uses:	
Distribution of excess fees and commissions to Collier County, Florida Board of County Commissioners	(724,199)
Distribution of excess fees and commissions to other governmental agencies	(557,709)
Total other financing uses	(1,281,908)
Net change in fund balance	-
Fund balance, beginning of year	-
Fund balance, end of year	$ -

See accompanying Notes to Financial Statements.

Collier County, Florida
Property Appraiser

Statement of Revenues, Expenditures, and
Changes in Fund Balance – Budget (Non-GAAP) and Actual
General Fund

Year Ended September 30, 2018

	Budget			Variance With Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues:				
Commissions and fees	$ 7,382,669	$ 7,500,018	$ 7,500,018	$ -
Interest Revenue	-	-	7,253	7,253
Miscellaneous	-	-	9,764	9,764
Total revenues	7,382,669	7,500,018	7,517,035	17,017
Expenditures:				
General government:				
Personal services	5,691,269	5,808,618	5,625,749	182,869
Operating	1,666,400	1,666,400	1,518,582	147,818
Capital outlay	25,000	25,000	-	25,000
Total expenditures	7,382,669	7,500,018	7,144,331	355,687
Excess of revenues over expenditures	-	-	372,704	372,704
Other financing uses:				
Distribution of excess fees to Collier County, Florida Board of County Commissioners	-	-	(335,950)	(335,950)
Distribution of excess commissions and fees to other governmental agencies	-	-	(36,754)	(36,754)
Total other financing uses	-	-	(372,704)	(372,704)
Net change in fund balance	-	-	-	-
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	$ -	$ -	$ -	$ -

See accompanying Notes to Financial Statements.

1. Summary of Significant Accounting Policies

The following is a summary of significant accounting principles and policies used in the preparation of the financial statements of the Collier County, Florida Property Appraiser (Property Appraiser).

Reporting Entity

The Property Appraiser is an elected official of the County, pursuant to the Constitution of the State of Florida, Article VIII, Section 1(d). The Property Appraiser is part of the primary government of the County. Although the Board and the Florida Department of Revenue approve the Property Appraiser's total operating budget, the Property Appraiser is responsible for the administration and the operation of the Property Appraiser's office. The Property Appraiser's financial statements include only the funds of the Property Appraiser's office. There are no separate legal entities (component units) for which the Property Appraiser is considered to be financially accountable.

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

Measurement Focus, Basis of Accounting, and Basis of Presentation

These financial statements have been prepared for the purpose of complying with Section 218.39(2), *Florida Statutes*, and Chapter 10.550, *Rules of the Auditor General – Local Governmental Entity Audits*, which allows the Property Appraiser to only present fund financial statements. These financial statements present only the portion of the funds of Collier County, Florida that are attributable to the Property Appraiser. They are not intended to present fairly the financial position and results of operations of Collier County, Florida in conformity with accounting principles generally accepted in the United States of America. The financial activities of the Property Appraiser, as a constitutional officer, are included in the Collier County, Florida Comprehensive Annual Financial Report.

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

Collier County, Florida
Property Appraiser

Notes to Financial Statements

September 30, 2018

1. Summary of Significant Accounting Policies (continued)

Governmental Funds

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

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

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

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

Florida Statutes provide that the amount by which revenues exceed annual expenditures be remitted to each governmental agency or the Board immediately following the fiscal year for which the funding was provided or following the fiscal year during which other revenue was recognized.

Capital outlays expended in the general fund operations are capitalized in the basic financial statements of Collier County, Florida rather than in the governmental funds of the Property Appraiser.

1. Summary of Significant Accounting Policies (continued)

Refund of "Excess Fees"

Florida Statutes further provide that the excess of revenues over expenditures held by the Property Appraiser be distributed to each governmental agency or the Board in the same proportion as the fees paid by each governmental agency bear to total fee revenues. The amount of this distribution is recorded as a liability and as an other financing use-transfer out in the accompanying financial statements.

Cash and Cash Equivalents

Cash and cash equivalents are highly liquid investments with original maturities of three months or less.

Compensated Absences

All full-time employees of the Property Appraiser are allowed to accumulate an unlimited number of hours of unused sick leave and up to 200 hours of unused vacation leave. Upon termination, employees receive 100% of allowable accumulated vacation hours and a percentage of unused sick leave, depending on years of service, not to exceed 1,040 hours. Vacation and sick leave payments are included in operating costs of the general fund when the payments are made to the employees. The Property Appraiser does not, nor is legally required to, accumulate financial resources for these unmatured obligations. Accordingly, the liability for compensated absences is not reported in the general fund of the Property Appraiser, but rather is reported in the basic financial statements of Collier County, Florida.

Prepaid Expenses

The Property Appraiser has elected to follow GASB Codification 1600.127 *Other Expenditure Recognition Alternatives* and expends maintenance costs as they are incurred and does not allocate the cost between periods.

Collier County, Florida
Property Appraiser

Notes to Financial Statements

September 30, 2018

1. Summary of Significant Accounting Policies (continued)

Use of Estimates

The preparation of the financial statements requires management of the Property Appraiser to make a number of estimates and assumptions relating to the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the period. Actual results could differ from those estimates.

2. Budgetary Process

Florida Statutes govern the preparation, adoption, and administration of the Property Appraiser's annual budget. The Property Appraiser prepares a budget for the general fund and submits it to the Florida Department of Revenue for approval. A copy of the approved budget is provided to the Board. Any subsequent amendments to the Property Appraiser's total budget must be approved by the Florida Department of Revenue. The annual budget serves as the legal authorization for expenditures. Expenditures may not legally exceed appropriations at the fund level. Appropriations lapse at year-end. Budget control is maintained at the departmental major object expenditure level. Budgetary changes within major object expenditure categories are made at the discretion of the Property Appraiser.

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

The Property Appraiser's budget is prepared under a budgetary basis of accounting that differs from generally accepted accounting principles (GAAP). Certain revenues received from non-ad valorem commissions and other sources are not recognized under the budgetary basis of accounting; however, the revenues have been recognized under GAAP.

The Property Appraiser's budget is prepared under a budgetary basis of accounting that differs from generally accepted accounting principles (GAAP). Certain revenues received from non-ad valorem commissions and expenditures of such revenue are not recognized under the budgetary basis of accounting; however, the revenues and related expenditures have been recognized under GAAP.

2. Budgetary Process (continued)

A reconciliation of revenues, expenditures, and other financing uses on a budgetary basis to a GAAP is as follows:

Total revenues - budgetary basis	$ 7,517,035
Revenues not budgeted:	
Non-ad valorem commissions are not budgeted	967,260
Total revenues - GAAP basis	$ 8,484,295
Total expenditures - budgetary basis	$ 7,144,331
Expenditures not budgeted:	
Non-ad valorem related expenditures are not budgeted	58,056
Total expenditures - GAAP basis	$ 7,202,387
Total other financing uses - budgetary basis	$ (372,704)
Other financing uses not budgeted:	
Distribution of non-ad valorem excess fees are not budgeted	(909,204)
Total other financing uses - GAAP basis	$ (1,281,908)

3. Cash

At September 30, 2018, the carrying value of the Property Appraiser's cash was as follows:

Type	Carrying Value
Cash on hand	$ 125
Demand deposits	1,345,783
Total cash	$ 1,345,908

Collier County, Florida
Property Appraiser

Notes to Financial Statements

September 30, 2018

3. Cash (continued)

Custodial Credit Risk

At September 30, 2018, the Property Appraiser's deposits were entirely covered by Federal Depository Insurance or by collateral pledged with the State Treasurer pursuant to Chapter 280, *Florida Statutes*. Under this Chapter, in the event of default by a participating financial institution (a qualified public depository), all participating institutions are obligated to reimburse the governmental entity for the loss.

Credit Risk

The Property Appraiser's policy is to follow the guidance in Section 219.075, *Florida Statutes*, regarding the deposit of funds received and the investment of surplus funds. Sections 219.075 and 218.415, *Florida Statutes*, authorize the Property Appraiser to invest in Florida PRIME (formerly the Local Government Surplus Funds Trust Fund) or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act; Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency; direct obligations of the United States Treasury; federal agencies and instrumentalities or interest-bearing time deposits or savings accounts in banks organized under the laws of the United States and doing business and situated in the State of Florida, savings and loan associations which are under state supervision; or in federal savings and loan associations located in the State of Florida and organized under federal law and federal supervision, provided that any such deposits are secured by collateral as may be prescribed by law.

Interest Rate Risk

The Property Appraiser has no specific investment policy regarding interest rate risk.

4. Capital Assets

Capital assets used by the Property Appraiser are capitalized in the basic financial statements of Collier County, Florida rather than in the governmental funds of the Property Appraiser. Upon acquisition, such assets are recorded as expenditures in the general fund of the Property Appraiser, and are capitalized at cost in the basic financial statements of Collier County, Florida. Capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at acquisition value on the date received. The Property Appraiser maintains custodial responsibility for the capital assets used by the office. No depreciation expense has been provided on capital assets in these financial statements. However, depreciation expense on these assets is recorded in the basic financial statements of Collier County, Florida.

The following is a summary of changes in capital assets for the year ended September 30, 2018:

	October 1, 2017	Additions	Deductions	September 30, 2018
Improvements other than buildings	$ 15,332	$ -	$ -	$ 15,332
Machinery and equipment	1,513,629	45,813	-	1,559,442
Total capital assets	1,528,961	45,813	-	1,574,774
Less: accumulated depreciation	(1,301,167)	(79,353)	-	(1,380,520)
Total capital assets, net	$ 227,794	$ (33,540)	$ -	$ 194,254

5. Long-Term Liabilities

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

	October 1, 2017	Increase	Decrease	September 30, 2018
Accrued compensated absences	$ 331,159	$ 343,645	$ (323,857)	$ 350,947

5. Long-Term Liabilities (continued)

Of these liabilities, approximately $150,000 is expected to be paid during the fiscal year ending September 30, 2018, which will be included in the operating costs of the general fund when expended. These long-term liabilities are not reported in the financial statements of the Property Appraiser since they have not matured.

6. Pension Plans

Background

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

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

6. Pension Plans (continued)

Florida Retirement System Pension Plan

Plan Description

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

- *Regular Class* – Members of the FRS who do not qualify for membership in the other classes.
- *Elected County Officers Class* – Members who hold specified elective offices in local government.
- *Senior Management Service Class (SMSC)* – Members in senior management level positions.
- *Special Risk Class* – Members who are special risk employees, such as law enforcement officers, meet the criteria to qualify for this class.

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

Collier County, Florida
Property Appraiser

Notes to Financial Statements

September 30, 2018

6. Pension Plans (continued)

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

Benefits Provided

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

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

Detailed information about the County's proportionate share of FRS's net pension liability, deferred outflows/inflows of resources, and pension expense are reported in the government-wide statements of the County.

6. Pension Plans (continued)

Retiree Health Insurance Subsidy Program

Plan Description

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

Benefits Provided

For the fiscal year ended June 30, 2018, eligible retirees and beneficiaries received a monthly HIS payment of $5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of $30 and a maximum HIS payment of $150 per month, pursuant to Section 112.363, *Florida Statutes*. To be eligible to receive a HIS Plan benefit, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Detailed information about the County's proportionate share of HIS's net pension liability, deferred outflows/inflows of resources, and pension expense are reported in the government-wide statements of the County.

FRS Investment Plan

The Florida State Board of Administration (SBA) administers the defined contribution plan officially titled the FRS Investment Plan (Investment Plan). The Investment Plan is reported in the SBA's annual financial statements and in the State of Florida Comprehensive Annual Financial Report.

As provided in Section 121.4501, *Florida Statutes*, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. Property Appraiser employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds.

Collier County, Florida
Property Appraiser

Notes to Financial Statements

September 30, 2018

6. Pension Plans (continued)

Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.), as the FRS defined benefit plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06 percent of payroll and by forfeited benefits of plan members.

For all membership classes, employees are immediately vested in their own contributions and are vested after 1 year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Non-vested employer contributions are placed in a suspense account for up to 5 years. If the employee returns to FRS-covered employment within the 5-year period, the employee will regain control over their account. If the employee does not return within the 5-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended June 30, 2018, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the Property Appraiser.

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

6. Pension Plans (continued)

Contributions

The contribution requirements of the Property Appraiser are established and may be amended by the State of Florida. The Property Appraiser's employer contributions to the plan for the years ended September 30, 2018, 2017, and 2016, were $472,786, $409,812, and $451,635, respectively, equal to the required contributions for each year.

Additional information about pension plans can be found in the County's comprehensive annual financial report or County-wide financial statements.

7. Other Postemployment Benefits

In accordance with Section 112.0801, *Florida Statutes*, the Property Appraiser participates with Collier County in offering retiring employees the opportunity to continue participation in the County's health insurance plan. The participating retirees pay 100% of the premium cost applicable to an active employee. The liability and expense for other postemployment benefits, calculated in accordance with Governmental Accounting Standards Board Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, are reported in the financial statements of the County.

8. Related-Party Transactions

During the fiscal year ended September 30, 2018, the Board paid fees to the Property Appraiser that amounted to $7,181,252. At September 30, 2018, the Property Appraiser had a payable due to the Board as follows:

Distribution of excess commissions and fees	$ 724,199

Collier County, Florida
Property Appraiser

Notes to Financial Statements

September 30, 2018

9. Risk Management

Collier County, Florida (County) is exposed to various risks of loss including but not limited to, general liability, health and life, property and casualty, auto and physical damage, and workers' compensation. The County is substantially self-insured and accounts for and finances its risk of uninsured losses through an internal service fund. All liabilities associated with these self-insured risks are reported in the basic financial statements of the County. The Property Appraiser participates in the County's self-insurance program. During the year ended September 30, 2018, the Property Appraiser was charged $1,062,126 by the County for participation in the risk management program.

The County retains the first $500,000 per claim for workers' compensation, and has purchased outside excess coverage for up to the statutory limits for each injury or illness. The County also provides coverage for up to $500,000 per occurrence for general liability and $300,000 per occurrence for auto liability coverage and has purchased outside excess coverage for up to $5 million per claim. Negligence claims in excess of the statutory limits set in Section 768.20, *Florida Statutes*, which provide for limited sovereign immunity of $200,000/$300,000 per occurrence can only be recovered through an act of the State Legislature. Property claims are subject to a 5% wind deductible and a $50,000 deductible for all other perils. The County retains the first $100,000 per claim/$200,000 per occurrence for public official errors and omissions and crime coverage and has purchased outside excess coverage for up to $5 million per claim. There have been no significant reductions in insurance coverage in the last year. Settled claims have not exceeded the insurance provided by third party carriers in any of the last three years.

The County is self-insured for health claims covering all of its employees and their eligible dependents. The County retains the first $450,000 per covered member and has purchased outside excess coverage for all claims exceeding this amount. An actuarial valuation is performed each year to estimate the amounts needed to pay prior and future claims and to establish reserves.

10. Commitments and Contingencies

Litigation

The Property Appraiser is involved as a defendant or plaintiff in certain litigation and claims arising from the ordinary course of operations. In the opinion of the Property Appraiser and legal counsel, the range of potential recoveries or liabilities will not materially affect the financial position of the Property Appraiser.

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

Honorable Abe Skinner
Property Appraiser
Collier County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the general fund of the Collier County, Florida Property Appraiser (Property Appraiser), as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the Property Appraiser's financial statements, and have issued our report thereon dated January 21, 2019.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify a deficiency in internal control described below as 2018-001 that we consider to be a material weakness.

2018-001

Criteria: Management is responsible for establishing and maintaining internal controls to ensure that transactions are properly recorded and reported in the financial statements in accordance with accounting principles generally accepted in the United States of America.

Condition: Management did not make journal entries required for the financial statements to be correctly stated. These entries were to record a payable for non-ad valorem excess fees distributed after year-end and to correct fund balance.

Cause: Management neglected to make these journal entries.

Effect: The financial statements were misstated.

Recommendation: We recommend that detailed review of the financial statements be performed on a monthly basis.

Management's Response: Management will ensure that a thorough review of the financial statements occurs and that all necessary journal entries are recorded.

Property Appraiser's Response to Findings

The Property Appraiser's response to the findings identified in our audit is described above. The Property Appraiser's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the Property Appraiser'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 Property Appraiser's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Naples, Florida
January 21, 2019



MANAGEMENT LETTER

Honorable Abe Skinner
Property Appraiser
Collier County, Florida

Report on the Financial Statements

We have audited the financial statements of the general fund of the Collier County, Florida Property Appraiser (Property Appraiser) as of and for the year ended September 30, 2018, and have issued our report thereon dated January 21, 2019.

Auditors' Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountants' Report on an examination conducted in accordance with *AICPA Professional Standards,* 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 January 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. There were no findings and recommendations made in the preceding annual financial audit report.

Official Title and Legal Authority

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

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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 made recommendations as listed in the following schedule of findings and response.

The Property Appraiser's response to the finding identified in our audit is described in the accompanying schedule of findings and response. The Property Appraiser's response was not subjected to auditing procedures applied in the audit and, accordingly, we express no opinion on the response.

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 the Property Appraiser and applicable management, and is not intended to be, and should not be, used by anyone other than these specified parties.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Naples, Florida
January 21, 2019

COLLIER COUNTY, FLORIDA
PROPERTY APPRAISER
SCHEDULE OF FINDINGS AND RESPONSE
SEPTEMBER 30, 2018

2018-002 Allocation of non-ad valorem excess fees

Criteria: The allocation of non-ad valorem excess fees remitted to the non-ad valorem assessment districts should be based on the percentage of non-ad valorem fees collected from each district as compared to the total non-ad valorem assessments fees collected.

Condition: During the audit, we noted that the allocation of non-ad valorem excess fees calculated for each of the non-ad valorem assessment districts was incorrect.

Cause: An incorrect tax roll recapitulation was used to determine the allocation of excess fees.

Effect: This error resulted in the non-ad valorem assessment districts receiving an incorrect amount of excess fees.

Recommendation: We recommend that the calculation be thoroughly reviewed prior to the journal entry being made and the credit given to the non-ad valorem assessment districts.

Management's response: The allocation of the non-ad valorem excess fees will be corrected for next year's billing using the appropriate percentages.

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INDEPENDENT ACCOUNTANTS' REPORT

Honorable Abe Skinner
Property Appraiser
Collier County, Florida

We have examined the Collier County Property Appraiser, Collier County, Florida's (Property Appraiser) compliance with Section 218.415, *Florida Statutes*, regarding the investment of public funds during the year ended September 30, 2018. Management of the Property Appraiser is responsible for the Property Appraiser's compliance with the specified requirements. Our responsibility is to express an opinion on the Property Appraiser's compliance with the specified requirements 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, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Property Appraiser complied with the specified 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 Section 218.415, *Florida Statutes*, regarding the investment of public funds during the year ended September 30, 2018.

This report is intended solely for the information and use of the Property Appraiser and the Auditor General, State of Florida, and is not intended to be, and should not be, used by anyone other than these specified parties.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Naples, Florida
January 21, 2019

Collier County, Florida
Sheriff

Financial Statements and
Supplemental Reports

Year Ended September 30, 2018

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Collier County, Florida
Sheriff

Financial Statements and Other Reports

Year Ended September 30, 2018

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Honorable Kevin Rambosk
Sheriff

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INDEPENDENT AUDITORS' REPORT

Honorable Kevin Rambosk
Sheriff
Collier County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of each major fund and the aggregate remaining fund information of the Collier County, Florida Sheriff (Sheriff), as of and for the year ended September 30, 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.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

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Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund and the aggregate remaining fund information for the Sheriff as of September 30, 2018, and the respective changes in financial position and, where applicable, cash flows and budgetary comparison thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matters

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of each major fund, and the aggregate remaining fund information, only for that portion of the major funds, and the aggregate remaining fund information, of Collier County that is attributable to the Sheriff. They do not purport to, and do not, present fairly the financial position of Collier County as of September 30, 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.

Other Matters

Required Supplementary Information

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

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Sheriff's financial statements. The combining statements, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the financial statements. The combining statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining statements are fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 17, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Sheriff's 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.

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Naples, Florida
January 17, 2019

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Collier County, Florida
Sheriff

Balance Sheet – Governmental Funds

September 30, 2018

	General	Grant Special Revenue Fund	Prisoner Welfare	Federal Equitable Sharing	Other Non-Major Special Revenue Funds	Total
Assets						
Cash and cash equivalents	$ 11,467,710	$ 774,762	$ 2,237,555	$ 690,459	$ –	$ 15,170,486
Accounts receivable	61,225	–	–	–	–	61,225
Other receivable	5,100	–	21,053	–	–	26,153
Due from other funds	226,134	–	61,819	–	–	287,953
Due from other governments	5,533,433	134,428	–	–	–	5,667,861
Due from Collier County, Florida Board of County Commissioners	35,284	41,451	–	–	238,856	315,591
Total assets	$ 17,328,886	$ 950,641	$ 2,320,427	$ 690,459	$ 238,856	$ 21,529,269
Liabilities and fund balances						
Liabilities:						
Accounts payable	$ 2,548,894	$ 5,140	$ 9,929	$ 8,300	$ 40,874	$ 2,613,137
Accrued expenses	8,486,226	33,456	–	–	19,164	8,538,846
Due to other funds	500,000	–	35,896	–	178,818	714,714
Due to Collier County, Florida Board of County Commissioners	4,969,930	–	–	–	–	4,969,930
Due to other governments	823,836	–	–	–	–	823,836
Unearned revenue	–	4,998	–	–	–	4,998
Total liabilities	17,328,886	43,594	45,825	8,300	238,856	17,665,461
Fund balances:						
Restricted	–	907,047	2,274,602	682,159	–	3,863,808
Total liabilities and fund balances	$ 17,328,886	$ 950,641	$ 2,320,427	$ 690,459	$ 238,856	$ 21,529,269

See accompanying Notes to Financial Statements.

Collier County, Florida
Sheriff

Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds

Year Ended September 30, 2018

	General	Grant Special Revenue Fund	Prisoner Welfare	Federal Equitable Sharing	Other Non-Major Special Revenue Funds	Total
Revenues:						
Grant revenue	$ 5,446,182	$ 861,814	$ –	$ –	$ –	$ 6,307,996
Charges for services	1,661,195	–	793,986	–	–	2,455,181
Other revenue	–	–	–	5,928	–	5,928
Total revenues	7,107,377	861,814	793,986	5,928	–	8,769,105
Expenditures:						
General government:						
Personal services	4,355,279	–	–	–	–	4,355,279
Operating expenditures	71,546	–	–	–	–	71,546
Capital outlay	3,787	–	–	–	–	3,787
Public safety:					–	
Personal services	135,904,297	529,656	247,476	–	829,344	137,510,773
Operating expenditures	25,347,273	192,463	144,607	53,367	1,787,563	27,525,273
Capital outlay	12,099,412	185,824	–	–	98,305	12,383,541
Debt Service - principal	55,478	–	–	–	–	55,478
Debt Service - interest	7,707	–	–	–	–	7,707
Total expenditures	177,844,779	907,943	392,083	53,367	2,715,212	181,913,384
Excess (deficiency) of revenues over (under) expenditures	(170,737,402)	(46,129)	401,903	(47,439)	(2,715,212)	(173,144,279)
Other financing sources (uses):						
Transfers in:						
Collier County, Florida Board of County Commissioners appropriations	174,720,200	–	–	–	–	174,720,200
Collier County, Florida Board of County Commissioners	967,364	–	–	–	2,715,212	3,682,576
Transfers out:						
Distribution of excess appropriations to Collier County, Florida Board of County Commissioners	(4,950,162)	–	–	–	–	(4,950,162)
Total other financing sources	170,737,402	–	–	–	2,715,212	173,452,614
Net change in fund balances	–	(46,129)	401,903	(47,439)	–	308,335
Fund balances – beginning of year	–	953,176	1,872,699	729,598	–	3,555,473
Fund balances – end of year	$ –	$ 907,047	$ 2,274,602	$ 682,159	$ –	$ 3,863,808

See accompanying Notes to Financial Statements.

Collier County, Florida
Sheriff

Statement of Revenues, Expenditures and Changes in Fund Balances – Budget (Non-GAAP) and Actual General Fund

Year Ended September 30, 2018

	Budget			Variance With Budget Positive (Negative)
	Original	Final	Actual	
Revenues:				
Grant Revenue	$ –	$ –	$ –	$ –
Charges for services	–	1,826,000	1,661,195	(164,805)
Total revenues	–	1,826,000	1,661,195	(164,805)
Expenditures:				
General government:				
Personal services	4,137,400	4,137,400	4,355,279	(217,879)
Operating expenditures	177,700	177,700	71,546	106,154
Capital outlay	–	–	3,787	(3,787)
Public safety:				
Personal services	137,171,100	138,904,100	135,904,297	2,999,803
Operating expenditures	26,217,200	26,310,200	24,522,912	1,787,288
Capital outlay	7,016,800	7,016,800	11,195,759	(4,178,959)
Total expenditures	174,720,200	176,546,200	176,053,580	492,620
Excess of expenditures over revenues	(174,720,200)	(174,720,200)	(174,392,385)	327,815
Other financing sources (uses):				
Transfers in:				
Collier County, Florida Board of County Commissioners appropriations	174,720,200	174,720,200	174,720,200	–
Transfers out:				
Distribution of excess appropriations to Collier County, Florida Board of County Commissioners	–	–	(327,815)	(327,815)
Total other financing sources (uses)	174,720,200	174,720,200	174,392,385	(327,815)
Net change in fund balance	–	–	–	–
Fund balance – beginning of year	–	–	–	–
Fund balance – end of year	$ –	$ –	$ –	$ –

Total revenues - budgetary basis	$ 1,661,195
Revenues not budgeted:	
Revenues for disaster cost reimbursements that are not budgeted	5,446,182
Total revenues - GAAP basis	$ 7,107,377
Total expenditures - budgetary basis	$ 176,053,580
Expenditures not budgeted:	
Expenditures for disaster mutual aid that are not budgeted	823,835
Expenditures for multi-period projects that are not budgeted	967,364
Total expenditure - GAAP basis	$ 177,844,779
Total other financing sources (uses) - budgetary basis	$ 174,392,385
Transfers in from Collier County Florida Board of County Commissioners (non-appropriations)	967,364
Transfers out to Collier County Florida Board of County Commissioners (disaster cost reimbursements)	(4,622,347)
Total other financing sources (uses) - GAAP basis	$ 170,737,402

See accompanying Notes to Financial Statements.

Collier County, Florida
Sheriff

Statement of Net Position – Internal Service Fund

September 30, 2018

Assets:	
Cash and cash equivalents	$ 2,004,225
Investments	8,098,342
Due from stop loss	2,407
Due from other funds	500,000
Interest receivable	21,619
Total assets	10,626,593
Liabilities:	
Self insurance claims payable	2,884,000
Deferred revenue	83,595
Total liabilities	2,967,595
Net position:	
Unrestricted	7,658,998
Total net position	$ 7,658,998

See accompanying Notes to Financial Statements.

Collier County, Florida
Sheriff

Statement of Revenues, Expenses, and Changes in Net Position – Internal Service Fund

Year Ended September 30, 2018

Operating revenues:		
Charges for services	$	25,544,474
Operating expenses:		
Claims and claims expenses		23,876,520
Reinsurance premiums		1,242,669
Administrative and other expenses		45,803
Total operating expenses		25,164,992
Operating income		379,482
Nonoperating revenues:		
Interest income, net of management fees		104,696
Realized gain on sale of investments		5,136
Decrease in fair value of investments		(16,860)
Total nonoperating revenues		92,972
Change in net position		472,454
Net position – beginning of year		7,186,544
Net position – end of year	$	7,658,998

See accompanying Notes to Financial Statements.

Collier County, Florida
Sheriff

Statement of Cash Flows – Internal Service Fund

Year Ended September 30, 2018

Operating activities		
Cash payments for claims and claims related services	$	(23,652,520)
Cash payments for reinsurance premiums		(1,242,669)
Cash payments for administrative services and supplies		(45,803)
Cash received from other funds for services		24,000,000
Cash received from retirees for services		1,126,981
Net cash provided by operating activities		185,989
Investing activities		
Interest earnings, net of management fees		94,428
Purchase of securities		(5,941,757)
Proceeds from sales of securities		5,841,691
Net cash used by investing activities		(5,638)
Net decrease in cash, cash equivalents, and investments		180,351
Cash, cash equivalents, and investments – beginning of year		1,823,874
Cash, cash equivalents, and investments – end of year	$	2,004,225
Reconciliation of operating loss to net cash provided by operating activities		
Operating income	$	379,482
Adjustments to reconcile operating income to net cash provided by operating activities:		
Increase in other receivables		(1,088)
Increase in due to/from other funds		(500,000)
Increase in self-insurance claims payable		224,000
Increase in deferred revenue		83,595
Net cash provided by operating activities	$	185,989

See accompanying Notes to Financial Statements.

Collier County, Florida
Sheriff

Statement of Fiduciary Net Position –
Agency Funds

September 30, 2018

Assets:		
Cash and cash equivalents	$	634,937
Due from individuals and businesses		26,778
Total assets	$	661,715
Liabilities:		
Due to other funds	$	73,239
Due to Collier County, Florida		
Board of County Commissioners		20,777
Due to individuals and businesses		567,699
Total liabilities	$	661,715

See accompanying Notes to Financial Statements.

Collier County, Florida
Sheriff

Notes to Financial Statements

September 30, 2018

1. Summary of Significant Accounting Policies

Reporting Entity

The Collier County, Florida Sheriff (Sheriff) is an elected constitutional officer as provided for by the Constitution of the State of Florida. Pursuant to Chapter 129, *Florida Statutes,* the Sheriff's budget is submitted to the Collier County, Florida Board of County Commissioners (Board) for approval. The Sheriff is the chief law enforcement officer of Collier County, Florida (County) and is responsible for operating the County's corrections facilities.

The financial statements include the general fund, special revenue funds, proprietary fund (internal service fund), and agency funds of the Sheriff's office. The accompanying financial statements were prepared for the purpose of complying with Section 218.39(2), *Florida Statutes,* and Chapter 10.550, *Rules of the Auditor General - Local Governmental Entity Audits,* which allows the Sheriff to only present fund financial statements. These financial statements present only the portion of the funds of Collier County, Florida that are attributable to the Sheriff. They are not intended to present fairly the financial positions and results of operations of Collier County, Florida in conformity with accounting principles generally accepted in the United States of America. There are no separate legal entities (component units) for which the Sheriff is financially accountable.

Chapter 10.550, *Rules of the Auditor General - Local Governmental Entity Audits,* requires the Sheriff to only present fund financial statements. Accordingly, due to the omission of government-wide financial statements and related disclosures, including management's discussion and analysis, these financial statements do not constitute a complete presentation of the financial position of the Sheriff as of September 30, 2017 and the changes in its financial position and its cash flows, where applicable, for the year then ended, in conformity with Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments,* but otherwise constitute financial statements prepared in conformity with accounting principles generally accepted in the United States of America.

As a result of the budgetary oversight by the Board and the financial dependency on the Board, the financial activities of the Sheriff are included in the Collier County, Florida Comprehensive Annual Financial Report.

1. Summary of Significant Accounting Policies (continued)

Measurement Focus, Basis of Accounting, and Basis of Presentation

Transfers are provided by appropriations from the Board pursuant to law. Estimated receipts and budgeted fund balances must equal appropriations. The Sheriff is required to refund to the Board all excess appropriations annually; therefore, no unappropriated general fund balance is carried forward.

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

Governmental Funds

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

The modified accrual basis of accounting is used by governmental funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become measurable and available to finance liabilities of the current fiscal year). For this purpose, the Sheriff considers revenues to be available if they are collected within 60 days after year-end with the exception of grants, which have a period of availability of one year. Grants are recognized as revenue as soon as all eligibility requirements have been met. Expenditures are recorded when the related fund liability is incurred, except for compensated absences, which are recognized as expenditures to the extent they have matured.

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

Other revenue is recognized as earned and becomes measurable and available to pay liabilities of the current period.

Collier County, Florida
Sheriff

Notes to Financial Statements

September 30, 2018

1. Summary of Significant Accounting Policies (continued)

Governmental Funds (continued)

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

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

The Sheriff has four major governmental funds:

General Fund – The general fund is used to account for the general operations of the Sheriff and includes all transactions which are not accounted for in another fund.

Grant Special Revenue Fund – This fund is used to account for the proceeds of federal and state grant revenues that are legally restricted to specified purposes. It also includes funds donated to the Collier County Sheriff's Office. Donated funds are used in accordance with how each donor designates the use of funds. The majority of donated funds are usually designated for youth programs, however, funds have also been donated for officer safety, use by specific districts/substations for community activities, or other programs/activities in the community.

Prisoner Welfare Fund – This fund is used to account for the proceeds of inmate-related services and is legally restricted to specified purposes, which benefit the inmate population.

Federal Equitable Sharing Fund – The revenue from this fund is the result of joint investigations with federal agencies that result in the equitable sharing of the net proceeds of the forfeiture.

The Sheriff also has the following non-major funds:

Reported as Other Non-major Special Revenue Funds

Confiscated Trust Fund – This fund is used to account for the proceeds of funds collected pursuant to Florida Statute 932.705. Funds are used for local match for grants, drug abuse education and prevention programs, and for other law enforcement purposes as the Board deems appropriate.

1. Summary of Significant Accounting Policies (continued)

Governmental Funds (continued)

Civil Citation – This fund is used to account for the proceeds of funds collected pursuant to Florida Statute 775.083. Funds are used for local match for grants and to defray the costs for crime prevention programs in the county.

Education Trust Fund – This fund is used to account for the proceeds of funds collected pursuant to Florida Statute 943.25. Funds are used to defray training costs.

E911 – This fund is used to account for the proceeds of funds collected pursuant to Florida Statute 365.172. Funds are used to pay certain costs associated with the Emergency 911 System.

Criminal Justice Education and Training – This fund is used to account for the proceeds of funds collected pursuant to Florida Statute 943.25. Funds are used to defray training costs.

Domestic Violence Training Fund – This fund is used to account for the proceeds of funds collected pursuant to Florida Statute 938.08. Funds are used to defray of incarcerating persons sentenced under Florida Statute 741.283 and to provide additional training to law enforcement personnel in combating domestic violence.

Fund balances reported in these funds are to be used for the specified purpose of the respective fund.

Fiduciary Funds

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

Proprietary Fund

Internal Service Fund – This fund is used to account for the health and dental insurance services provided to departments and retirees of the Sheriff on a cost-reimbursement basis. Proprietary funds are accounted for using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Collier County, Florida
Sheriff

Notes to Financial Statements

September 30, 2018

1. Summary of Significant Accounting Policies (continued)

Cash Equivalents and Investments

Cash equivalents are defined as highly liquid investments with original maturities of three months or less.

The Sheriff invests funds throughout the year with Florida PRIME, an investment pool administered by the State Board of Administration (SBA), under the regulatory oversight of the State of Florida. Investments in Florida PRIME are made pursuant to Chapter 125.31, *Florida Statutes*. Florida PRIME is considered a qualifying external investment pool that meets all the necessary criteria to elect to measure all of the investments at amortized cost. Therefore, the fair value of the Sheriff's position in the pool is the same as the value of the pool shares. The investments are not categorized because they are not evidenced by securities that exist in physical or book entry form. Throughout the year, and as of September 30, 2018, Florida PRIME contained certain floating and adjustable rate securities. These investments represented 24.1% of Florida PRIME's portfolio at September 30, 2018.

In accordance with GASB Statement No. 79, as a participant in a qualifying external investment pool, the Sheriff should disclose the presence of any limitations or restrictions on withdrawals (such as redemption notice periods, maximum transaction amounts, and the qualifying external investment pool's authority to impose liquidity fees or redemption gates in the notes to the financial statements.

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

1. Summary of Significant Accounting Policies (continued)

Cash Equivalents and Investments (continued)

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

At September 30, 2018, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100 percent of their account value.

Compensated Absences

All full-time employees of the Sheriff are allowed to accumulate an unlimited number of hours of unused sick time and up to 500 hours of unused vacation leave. As of September 15, 2017, the Sheriff authorized unused vacation balances to be temporarily raised to 600 hours, effective through December 31, 2018. This change was made as the result of Hurricane Irma which prevented most members from taking any vacation time prior to, during, and for a period after the hurricane because of required work schedules during the declared state of emergency. Upon termination, employees receive 100% of allowable accumulated vacation hours. If the member leaves in good standing they will also receive a percentage of unused sick leave, depending on years of service, not to exceed 2,000 hours. Vacation time and sick leave are included in operating costs when the payments are made to the employees. The Sheriff does not, nor is the Sheriff legally required to, accumulate expendable financial resources for these unmatured obligations. Accordingly, the liability for compensated absences is not reported in the governmental funds, but rather is reported in the basic financial statements for the County.

Use of Estimates

The preparation of the financial statements requires management of the Sheriff to make a number of estimates and assumptions relating to the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the period. Significant items subject to such estimates and assumptions include the self-insurance claims payable. Actual results could differ from those estimates.

Collier County, Florida
Sheriff

Notes to Financial Statements

September 30, 2018

1. Summary of Significant Accounting Policies (continued)

Fund Balance Reporting and Governmental Fund-Type Definitions

Fund balances are classified either as non-spendable or as spendable. Spendable fund balances are further classified in a hierarchy based on the extent to which there are external and/or internal constraints in how fund balance amounts may be spent.

Non-spendable fund balances include amounts that cannot be spent because they are not in spendable form or are legally or contractually required to be maintained intact. The Sheriff did not have any non-spendable fund balances as of September 30, 2018.

Spendable fund balances are classified based on a hierarchy of the Sheriff's ability to control the spending of these fund balances and are reported in the following categories: restricted, committed, assigned, and unassigned. The Sheriff's fund balances for the Grant Special Revenue Fund, Prisoner Welfare Fund, and Federal Equitable Sharing Fund fall into this category.

Fund balances maintained in the Grant Special Revenue Fund, Prisoner Welfare Fund, and the Federal Equitable Sharing Fund are constrained for specific purposes that are externally imposed by donors, grantors, laws, or regulations or imposed by law through constitutional provisions or enabling legislation, and are reports as restricted fund balances.

2. Budgetary Process

Florida Statutes govern the preparation, adoption, and administration of the Sheriff's annual budget. The Sheriff prepares a budget for the general fund and submits it to the Board for approval. The budget is prepared on a basis consistent with accounting principles generally accepted in the United States of America, except that the proceeds from capital leases and the related capital outlay are not budgeted and certain expenditures for long-term projects which are reimbursed by the Board are also not budgeted. Any subsequent amendments to the budget must be approved by the Board. The annual budget serves as the legal authorization for expenditures.

Expenditures may not legally exceed appropriations at the fund level. Appropriations lapse at year-end. Budgetary control is maintained at the departmental major object expenditure level. Budgetary changes within the major object expenditure categories are made at the discretion of the Sheriff.

The Sheriff does not budget for the grant special revenue fund as it is funded by federal and state grants and is governed by those documents. Additionally, the prisoner welfare and federal equitable sharing funds do not have legally adopted budgets.

2. Budgetary Process (continued)

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.

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Collier County, Florida
Sheriff

Notes to Financial Statements

September 30, 2018

3. Cash, Cash Equivalents and Investments

At September 30, 2018, the carrying value of the Sheriff's cash, cash equivalents, and investments was as follows:

Type	Maturity	Carrying Value	Credit Rating *
Cash on hand	N/A	$ 33,126	N/A
Demand deposits	N/A	17,007,651	N/A
Local government surplus funds trust fund:			
Florida Prime	N/A	768,870	AAAm
Total cash and cash equivalents		17,809,647	
Money Market	N/A	67,692	Not rated
Federal Farm Credit Bank	11/19/2018	249,565	AA+
Federal Home Loan Bank	8/28/2019	247,652	AA+
Federal Home Loan Bank	10/19/2020	490,970	AA+
Federal Home Loan Bank	2/12/2021	247,930	AA+
Federal Home Loan Bank	12/13/2019	492,130	AA+
Federal Farm Credit Bank	7/12/2019	494,375	AA+
Federal Farm Credit Bank	8/16/2021	143,923	AA+
Federal Farm Credit Bank	2/20/2020	494,650	AA+
Federal Home Loan Mortgage Corp.	5/25/2021	537,312	AA+
Federal Home Loan Mortgage Corp.	9/29/2020	246,038	AA+
Federal National Mortgage Association	2/26/2019	497,900	AA+
Federal National Mortgage Association	2/5/2020	487,444	AA+
Treasury Note	10/31/2019	246,845	AA+
Treasury Note	9/30/2019	485,975	AA+
Treasury Note	2/15/2019	432,399	AA+
Treasury Note	9/30/2018	499,775	AA+
Treasury Note	12/31/2018	498,940	AA+
Treasury Note	3/31/2019	497,070	AA+
Treasury Note	10/31/2020	244,523	AA+
Treasury Note	6/30/2019	495,235	AA+
Total Investments		8,098,343	
Total cash, cash equivalents and investments		$ 25,907,990	

*Credit ratings are Moody ratings except for Florida Prime which is a Standard & Poor rating.

3. Cash, Cash Equivalents and Investments (continued)

The total cash, cash equivalent and investments balances at September 30, 2018, were as follows:

General fund	$	11,467,710
Grant special revenue fund		774,762
Prisoner welfare fund		2,237,555
Federal equitable sharing fund		690,459
Other non-major special revenue funds		–
Internal service fund		10,102,567
Agency funds		634,937
Total	$	25,907,990

Custodial Credit Risk

At September 30, 2018, the Sheriff's demand deposits were entirely covered by Federal Depository Insurance or by collateral pledged with the State Treasurer pursuant to Chapter 280, *Florida Statutes*. Under this Chapter, in the event of default by a participating financial institution (a qualified public depository), all participating institutions are obligated to reimburse the government entity for the loss.

The investments in the Internal Service Fund are part of the Florida Sheriffs Multiple Employers Trust (FSMET) and are administered by Hunt Insurance Group. FMSET's policy requires execution of a third-party custodial safekeeping agreement for purchased securities and collateral, and requires that securities be held in the Sheriff's name.

Credit Risk

The Sheriff's policy is to follow the guidance in Sections 218.415 and 219.075, *Florida Statutes*, regarding the deposit of funds received and the investment of surplus funds. The Sheriff's Investment Policy authorizes investments in Florida PRIME (formerly the Local Government Surplus Funds Trust Fund), or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act, as provided in s. 163.01, F.S.; Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency; interest-bearing time deposits or savings accounts in qualified public depositories, as defined in s. 280.02, F.S.; and direct obligations of the U.S. Treasury.

Collier County, Florida
Sheriff

Notes to Financial Statements

September 30, 2018

3. Cash, Cash Equivalents and Investments (continued)

Credit Risk (continued)

Additionally, *Florida Statutes* allow local governments to place public funds with institutions that participate in a collateral pool under the Florida Security for Public Deposits Act. The pool is administered by the State Treasurer, who may make additional assessments to ensure that no public funds will be lost.

Florida PRIME is administered by the State Board of Administration. Florida PRIME consisted of money market appropriate assets. At September 30, 2018, the Sheriff had $768,870 invested in Florida PRIME. Florida PRIME is rated "AAAm" by Standard & Poor's Ratings Services.

Interest Rate Risk

The Sheriff has no specific investment policy regarding interest rate risk.

Concentration of Credit Risk

The Sheriff's investments are included in the internal service fund which is used to account for the Sheriff's self-insured health plan. FSMET administers the investments for the Sheriff's self-insured health plan and has an investment policy that allows for the investment of funds that exceed one month's required funding by more than $100,000. Investments can be made in government securities. The Sheriff's portfolio managed by FSMET includes investments in U.S. government instrumentalities, and demand deposits. There are also demand deposits that are not managed by FSMET and are available dollars managed by the Sheriff to cover daily operations.

The portion of the Sheriff's portfolio invested in FSMET is detailed as follows, at September 30, 2018:

	% of Portfolio
Money Market	1%
Treasury Note	42%
Federal Home Loan Mortgage Corp.	10%
Federal National Mortgage Association	12%
Federal Farm Credit Bank	17%
Federal Home Loan Bank	18%
Total	100%

3. Cash, Cash Equivalents and Investments (continued)

Fair Value Measurements

The Sheriff categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The Sheriff has the following recurring fair value measurements as of September 30, 2018:

- U.S. Treasury Notes classified as level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities.

- U.S. Agency obligations classified as level 2 of the fair value hierarchy are valued using quoted prices for similar assets in active markets.

4. Capital Assets

Capital assets used by the Sheriff are capitalized in the basic financial statements of Collier County, Florida rather than in the governmental funds of the Sheriff. Upon acquisition, such assets are recorded as expenditures in the governmental funds of the Sheriff and are capitalized at cost in the basic financial statements of the County. Capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are recorded at acquisition value on the date received. The Sheriff maintains custodial responsibility for the capital assets used by his office. No depreciation expense has been provided on capital assets in these financial statements. However, depreciation expense on these assets is recorded in the basic financial statements of Collier County, Florida.

In FY18 the Sheriff implemented a change in accounting principal. The change was from a depreciation method of recording a full year of depreciation in the year the asset was placed in service to recording depreciation monthly for the months the asset is in service. As a result, accumulated depreciation as of October 1, 2017, decreased by $4,260,196 and the restatement is reflected in the table below.

Collier County, Florida
Sheriff

Notes to Financial Statements

September 30, 2018

4. Capital Assets (continued)

The following is a summary of changes in capital assets which are reported in the basic financial statements of Collier County, Florida:

	October 1, 2017 as restated	Additions	Deductions/ Reclassifications	September 30, 2018
Governmental Activities				
Capital assets not depreciated:				
Construction in Progress	$ 7,416,212	$ 1,191,981	$ (4,675,836)	$ 3,932,357
Total capital assets not depreciated	7,416,212	1,191,981	(4,675,836)	3,932,357
Capital assets depreciated :				
Machinery and equipment	70,349,424	17,739,157	(5,280,262)	82,808,319
Total capital assets depreciated	70,349,424	17,739,157	(5,280,262)	82,808,319
Less accumulated depreciation:				
Machinery and equipment	(54,770,229)	(7,319,820)	5,250,472	(56,839,577)
Total Accumulated depreciation	(54,770,229)	(7,319,820)	5,250,472	(56,839,577)
Total Depreciable capital assets, net	15,579,195	10,419,337	(29,790)	25,968,742
Total Governmental Activities capital assets, net	$ 22,995,407	$ 11,611,318	$ (4,705,626)	$ 29,901,099

5. Long-Term Liabilities

The Sheriff has entered into certain capital lease agreements under which the related equipment will become the property of the Sheriff's Office when all terms of the lease agreements are met.

	Stated Interest Rate	Present Value of Remaining Payments as of September 30, 2018
Governmental fund activities:		
Telephone system	4.82%	$ 129,754
Total Capital Lease Obligations		$ 129,754

5. Long-Term Liabilities (continued)

Equipment and related accumulated depreciation under capital leases is as follows:

	Governmental Activities
Equipment	$ 276,128
Less: accumulated depreciated	(213,247)
Less: disposal	–
Net Value	$ 62,881

As of September 30, 2018, capital lease annual amortization are as follows:

Year ending September 30:	Governmental Activities
2019	$ 63,185
2020	63,185
2021	10,532
Total minimum lease payments	136,902
Less: amount representing interest	(7,148)
Present value of remain payments	$ 129,754

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

	October 1, 2017	Additions	Deductions/ Reclassifications	September 30, 2018
Capital lease agreements	$ 185,232	$ –	$ (55,478)	$ 129,754
Compensated Absences	18,133,560	2,625,681	(1,283,533)	19,475,708
Total	$ 18,318,792	$ 2,625,681	$ (1,339,011)	$ 19,605,462

Of these liabilities, approximately $763,000 is expected to be paid during the fiscal year ending September 30, 2018. These long-term liabilities are not reported in the financial statements of the Sheriff since they have not matured.

Collier County, Florida
Sheriff

Notes to Financial Statements

September 30, 2018

6. Interfund Balances and Transfers

Due from and due to other funds at September 30, 2017, were as follows:

	Due From	Due To
General Fund	$ 226,134	$ 500,000
Prisoner Welfare Fund	61,819	35,896
Internal Service Fund	500,000	–
Other non-major special revenue funds	–	178,818
Agency Funds	–	73,239
Total	$ 787,953	$ 787,953

Interfund receivables and payables generally represent recurring activities between funds.

7. Related Party Transactions

The Board provided funding for the Sheriff for the year of $174,720,200. At September 30, 2018, the Sheriff had a payable due to the Board of $4,990,707 comprised of the following:

General fund:	
Distributions of excess appropriations	$ 327,816
Distribution of interest collected	11,681
FEMA reimbursement	4,622,346
Miscellaneous payables	8,087
Agency fund	20,777
Total	$ 4,990,707

Additionally, the Sheriff had a receivable from the Board related to services provided to the County of $315,591 at September 30, 2018.

Agency Funds

The Sheriff's Office administers funds for the Collier County Sheriff's Office Explorers Program. The program is funded by donations from employees through payroll deduction and donations from outside organizations. The program is designed for students to explore the opportunity to learn about and interact with law enforcement and to help stimulate further interest in the possibility of a law enforcement career.

8. Pension Plans

Background

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

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

Collier County, Florida
Sheriff

Notes to Financial Statements

September 30, 2018

8. Pension Plans (continued)

Florida Retirement System Pension Plan

Plan Description

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

- *Regular Class* – Members of the FRS who do not qualify for membership in the other *classes*.
- *Elected County Officers Class* – Members who hold specified elective offices in local government.
- *Senior Management Service Class (SMSC)* – Members in senior management level positions.
- *Special Risk Class* – Members who are special risk employees, such as law enforcement officers, meet the criteria to qualify for this class.

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

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

8. Pension Plans (continued)

Benefits Provided

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

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

Detailed information about the County's proportionate share of FRS's net pension liability, deferred outflows/inflows of resources, and pension expense are reported in the government-wide statements of the County.

Retiree Health Insurance Subsidy Program

Plan Description

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

Collier County, Florida
Sheriff

Notes to Financial Statements

September 30, 2018

8. Pension Plans (continued)

Benefits Provided

For the fiscal year ended June 30, 2018, eligible retirees and beneficiaries received a monthly HIS payment of $5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of $30 and a maximum HIS payment of $150 per month, pursuant to Section 112.363, *Florida Statutes*. To be eligible to receive a HIS Plan benefit, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Detailed information about the County's proportionate share of HIS's net pension liability, deferred outflows/inflows of resources, and pension expense are reported in the government-wide statements of the County.

FRS Investment Plan

The Florida State Board of Administration (SBA) administers the defined contribution plan officially titled the FRS Investment Plan (Investment Plan). The Investment Plan is reported in the SBA's annual financial statements and in the State of Florida Comprehensive Annual Financial Report.

As provided in Section 121.4501, *Florida Statutes*, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. Sheriff employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.), as the FRS defined benefit plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06 percent of payroll and by forfeited benefits of plan members.

8. Pension Plans (continued)

For all membership classes, employees are immediately vested in their own contributions and are vested after 1 year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Non-vested employer contributions are placed in a suspense account for up to 5 years. If the employee returns to FRS-covered employment within the 5-year period, the employee will regain control over their account. If the employee does not return within the 5-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended June 30, 2018, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the Sheriff.

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

Contributions

Participating employer contributions are based upon statewide rates established by the State of Florida. The Sheriff's contributions made to the plans during the years ended September 30, 2018, 2017, and 2016 were $17,500,632, $16,967,099, and $15,023,011, respectively, equal to the actuarially determined contribution requirements for each year.

Additional information about pension plans can be found in the County's comprehensive annual financial report.

Collier County, Florida
Sheriff

Notes to Financial Statements

September 30, 2018

9. Other Postemployment Benefits

The Sheriff follows the provisions of GASB Statement No. 75 *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions,* for its other postemployment benefits (OPEB). The liability, expense, deferred outflows of resources and deferred inflows of resources for OPEB, calculated in accordance with GASB Statement No. 75, are reported in the financial statements of the County.

Plan Description

The Sheriff administers a single-employer defined benefit plan (OPEB Plan) and can amend the benefit provisions. Prior to 2010, the Sheriff offered an OPEB Plan that subsidized the cost of health care for retirees who have six years of creditable service with the Sheriff and who receive a monthly retirement benefit from the Florida Retirement System. The Sheriff subsidizes approximately 20% for both single coverage and family coverage for qualifying individuals. In 2010, the subsidy was no longer made available to eligible retirees who chose to continue their health insurance coverage. Approximately 36% of retirees receive the subsidy. Additionally, in accordance with Florida Statute 112.0801, Sheriff's employees who retire and immediately begin receiving benefits from the FRS have the option of paying premiums to continue in the Sheriff's health insurance plan at the same group rate as for active employees.

Participant Data

At September 30, 2018, the date of the latest actuarial valuation, the Sheriff's plan participation consisted of:

Active employees	1,153
Inactive employees or beneficiaries currently receiving benefit payments	129

Funding Policy

The Sheriff has the authority to establish and amend funding policy. The OPEB Plan is currently being funded on a pay-as-you go basis. No trust or agency fund has been established for the plan.

9. Other Postemployment Benefits (continued)

Total OPEB Liability

The Sheriff's OPEB liability of $19,492,224 was measured as of September 30, 2018, and was determined by an actuarial valuation as of October 1, 2018. The following table shows the changes in the Sheriff's total OPEB liability for the year ended September 30, 2018.

	Total OPEB Liability
Balance, as of October 1, 2017	$ 18,260,466
Changes:	
Service cost	520,082
Interest	503,525
Differences between expected and actual experience	2,048,462
Changes in assumptions or other inputs	(898,977)
Employer contributions	(941,061)
Net changes	1,232,031
Balance, as of September 30, 2018	$ 19,492,497

The following presents the total OPEB liability of the Sheriff, as well as what the Sheriff's total OPEB liability would be if it were calculated using a discount rate one percentage point lower or one percentage point higher than the current discount rate:

	1% Decrease (2.25%)	Discount Rate (3.25%)	1% Increase (4.25%)
Total OPEB Liability	$ 21,325,122	$ 19,492,497	$ 17,873,887

The following presents the total OPEB liability of the Sheriff, as well as what the Sheriff's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% point lower (5% decreasing to 4.0%) or 1% point higher (7% decreasing to 6%) than the current healthcare cost trend rates:

	Healthcare rate sensitivity		
	1% Decrease (5% decreasing to 4%)	Discount Rate (6% decreasing to 5%)	1% Increase (7% decreasing to 6%)
Total OPEB Liability	$ 17,798,126	$ 19,492,497	$ 21,430,289

Collier County, Florida
Sheriff

Notes to Financial Statements

September 30, 2018

9. Other Postemployment Benefits (continued)

Deferred Outflows and Inflows of Resources Related to OPEB

For the year ended September 30, 2018, the Sheriff's OPEB expense was $1,012,248. In addition the Sheriff reported deferred outflow of resources and deferred inflow of resources from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 2,048,462	$ 72,247
Changes in assumptions	–	898,977

Amounts reported as deferred outflows of resources are being amortized over 7.17 years and will be recognized as follows:

Year ending September 30	Amount
2019	$ 148,959
2020	148,959
2021	148,959
2022	148,959
2023	148,959
Thereafter	332,443

Actuarial Methods and Assumptions

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

9. Other Postemployment Benefits (continued)

Actuarial Methods and Assumptions (continued)

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

The actuarial methods are:

Actuarial cost method	Entry Age Actuarial

The actuarial assumptions are:

Discount rate	3.25% (Based on 20 year AA municipal bond rate)
Healthcare cost trend rate	6% decreasing to 5% in 2021 and thereafter
Salary increase	None
New employees	None

Mortality rates were based on the RP-2014 Mortality Fully Generational tables using Projection Scale MP-2017.

The following changes have been made since the prior year valuation:

- The discount rate was changed from 2.75% to 3.25%.
- The mortality assumption has been updated from RP-2014 Mortality Fully Generational using Projection Scale MP-2016 to RP-2014 Mortality Fully Generational using Projection Scale MP-2017.

Collier County, Florida
Sheriff

Notes to Financial Statements

September 30, 2018

10. Self-Insurance Program

The Sheriff's Office participates in the Statewide Florida Sheriff's Self-Insurance Fund (the Fund) for its professional liability insurance. The Fund is managed by representatives of the participating Sheriff offices and provides professional liability insurance to participating agencies. The Fund provides liability insurance coverage subject to the following limitations: $5,000,000 for any one incident, and $10,000,000 for an annual aggregate. The Sheriff also participates in the Fund for workers' compensation coverage. The Florida Sheriffs Workers' Compensation Self Insurance Program is a self-insurance program providing coverage for the first $500,000 of every claim. Reinsurance is purchased by the Program to cover claims exceeding $500,000 (or $350,000 where applicable) up to $15,000,000. Reinsurance coverage up to $20,000,000 any one person on a catastrophic basis is available when applicable. Settled claims have not exceeded the insurance provided by third-party carriers in any of the past three years.

Premiums charged to participating Sheriffs are based upon amounts believed by the Fund management to meet the estimated annual payout during the fiscal year and to pay for the estimated operating costs of the program. All liabilities associated with these self-insured risks are reported in the basic financial statements of the Fund.

The Sheriff has also established a self-funded employee health plan for active employees and retirees. An internal service fund is used to account for the activities of the plan. Excess coverage has been purchased which provides specific claim excess coverage for any one incident exceeding $200,000. In FY18 there were two covered individuals who had higher deductible amounts because of a history of high claims. One individual had a deductible of $325,000 and the other had a deductible of $350,000. Specific claim excess coverage for these individuals was for claims exceeding $325,000 and $350,000, respectively. The maximum annual individual stop loss payment amount is unlimited. Payments to the internal service fund are based on actuarial estimates of amounts needed to pay prior year and current year claims including claims incurred but not yet reported.

The Sheriff's Office uses a Third-Party Administrator (TPA) to administer and pay claims for the health plan. Meritain Health, Inc. has been the TPA since July 1, 2013.

Changes in the balance of estimated insurance claims payable for the fiscal year ended September 30, 2018 and 2017 is as follows:

Fiscal year ending:	Balance October 1	New Claims and Changes in Estimates	Claim Payments	Balance September 30
2017	$ 2,379,000	$ 19,699,382	$ (24,738,382)	$ 2,660,000
2018	$ 2,660,000	$ 24,067,975	$ (23,843,975)	$ 2,884,000

11. Commitments and Contingencies

Litigation

The Sheriff is involved in various claims and legal actions arising in the ordinary course of operations. In the opinion of management, the ultimate disposition of these matters will not have a material adverse effect on the Sheriff.

Federal and State Grants

Grant funds received by the Sheriff are subject to audit by grantor agencies. Audits of these grants may result in disallowed costs, which may constitute a liability of the Sheriff. In the opinion of management, disallowed costs, if any, would be immaterial to the financial position of the Sheriff.

Purchase Commitment

On July 9, 2018, the Sheriff signed a Letter of Intent with Alan Jay Ford Lincoln Mercury, Inc. to purchase 85 2019 Ford Police Interceptor vehicles for $2,609,075 obligating the Sheriff to purchase these vehicles. Delivery of these vehicles is scheduled for January 2019. Payment is to be made within 30 days of delivery.

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Collier County, Florida
Sheriff

Required Supplementary Information

Schedule of Changes in Total OPEB Liability and Related Ratios

September 30, 2018

	2018	2017
Total OPEB Liability		
Service cost	$ 520,082	$ 491,420
Interest	503,525	502,621
Differences between expected and actual experience	2,048,462	(83,607)
Changes in assumptions or other inputs	(898,977)	–
Employer contributions	(941,061)	(871,353)
Net change in total OPEB Liability	1,232,031	39,081
Total OPEB Liability, beginning	18,260,466	18,221,385
Total OPEB Liability, ending	$ 19,492,497	$ 18,260,466
Covered-employee payroll	$ 80,473,682	$ 91,192,818
Total OPEB Liability as a percentage of covered-employee payroll	24.22%	20.02%

Notes to Schedule

Changes in Assumptions:

- Change in the discount rate of 2.75% as of September 30, 2017 to 3.25% as of September 30, 2018.
- As of September 30, 2018 the mortality assumption has been updated from RP-2014 Mortality Fully Generational using Projection Scale MP-2016 to RP-2014 Mortality Fully Generational using Projection Scale MP-2017.

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

Collier County, Florida
Sheriff

Combining Statement of Fiduciary Net Position – Agency Funds

September 30, 2018

	Civil Trust	Evidence Trust	Flexible Spending	Inmate Trust	Explorers	Total Agency Funds
Assets:						
Cash and cash equivalents	$ 46,051	$ 228,942	$ 199,888	$ 140,755	$ 19,301	$ 634,937
Due from individuals and businesses	–	–	–	26,778	–	26,778
Total assets	$ 46,051	$ 228,942	$ 199,888	$ 167,533	$ 19,301	$ 661,715
Liabilities:						
Due to other funds	$ –	$ –	$ –	$ 73,239	$ –	$ 73,239
Due to Collier County, Florida Board of County Commissioners	11,589	–	–	9,188	–	20,777
Due to individuals and businesses	34,462	228,942	199,888	85,106	19,301	567,699
Total liabilities	$ 46,051	$ 228,942	$ 199,888	$ 167,533	$ 19,301	$ 661,715

Collier County, Florida
Sheriff

Statement of Changes in Assets and Liabilities – Agency Funds

September 30, 2018

	October 1, 2017	Additions	Deletions	September 30, 2018
Assets:				
Cash and cash equivalents	$ 565,455	$ 634,937	$ (565,455)	$ 634,937
Due from individuals and businesses	3,156	26,778	(3,156)	26,778
Total assets	$ 568,611	$ 661,715	$ (568,611)	$ 661,715
Liabilities:.				
Due to other funds	$ 34,961	$ 73,239	$ (34,961)	$ 73,239
Due to Collier County, Florida Board of County Commissioners	15,499	20,777	(15,499)	20,777
Due to individuals and businesses	518,151	567,699	(518,151)	567,699
Total liabilities	$ 568,611	$ 661,715	$ (568,611)	$ 661,715

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

Honorable Kevin Rambosk
Sheriff
Collier County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of each major fund and the aggregate remaining fund information of the Collier County, Florida Sheriff (Sheriff), as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the Sheriff's basic financial statements, and have issued our report thereon dated January 17, 2019.

Internal Control Over Financial Reporting

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as described in the accompanying schedule of findings and responses, we did identify certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and responses as item 2018-001 to be a material weaknesses.

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. We consider the deficiencies described in the accompanying schedule of findings and responses as item 2018-002 to be a significant deficiency.

Compliance and Other Matters

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

Sheriff's Response to Findings

The Sheriff's response to the findings identified in our audit is described in the accompanying schedule of findings and responses. The Sheriff's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Naples, Florida
January 17, 2019

2018-001

Criteria: Management is responsible for establishing and maintaining internal controls to ensure that transactions are properly recorded and reported in the financial statements in accordance with accounting principles generally accepted in the United States of America.

Condition: The accounts of the internal service fund are not maintained within the general ledger of the current financial application. Rather, the transactions are maintained in summary form on a monthly basis using Excel. A reconciliation of the internal service fund is not performed throughout the year and audit adjustments were required to correct balances and activity reported in the financial statements.

Cause: Management has not implemented policies and procedures to account for and reconcile activity in the internal service funds.

Effect: Material audit adjustments were required to correct the internal service fund amounts reported in the financial statements.

Recommendation: We recommend that management develop policies and procedures to reconcile internal service fund activity monthly and ensure that the finance department staff have the proper training and understanding to perform and review the reconciliations.

Management's response: The transactions of the internal service fund are now maintained in the general ledger of the new financial system. We have developed procedures to ensure that information on the internal service fund is received and reviewed monthly. This includes fund financial statements prepared by our outside investment monitor, supporting bank and investment statements and supporting calculations of investment income and fees. Finance Department staff has met with CLA and will meet with our outside investment monitor to ensure that Finance Department team members understand and are able to perform and review reconciliations on the information.

Collier County, Florida
Sheriff

Schedule of Findings and Responses

September 30, 2018

2018-002

Criteria: Management is responsible for establishing and maintaining internal controls to ensure that transactions are properly recorded and reported in the financial statements in accordance with accounting principles generally accepted in the United States of America.

Condition: Depreciation reported on certain assets placed into service during 2018 was incorrectly calculated by the Sheriff's accounting system. Management's review did not detect the error.

Cause: The Sheriff implemented a new accounting system during 2018 and certain capital assets classified as construction in-progress, upon being placed into service, were depreciated using a service date that was incorrect.

Effect: Depreciation expense is overstated by approximately $194,000 in the financial statements. If this issue in the Sheriff's accounting system is not corrected, depreciation expense will be overstated each time a construction in-progress asset is placed into service.

Recommendation: We recommend that management develop policies and procedures to recalculate the system calculated deprecation regularly throughout the year. In addition, we recommend that management work with their vendor to determine a solution to ensure the system's capital asset module properly calculates deprecation on all capital assets.

Management's response: This issue is as a system constraint in how the depreciation was calculated on certain assets. We are working with the system vendor to correct the issue as much as is possible This issue was isolated to CIP assets that were imported into the new system from the legacy system. There are some remaining CIP assets from the legacy system that will be placed into service over the next 2-3 years. Since we identified the issue, affected assets and timeframe, we now have a plan in place to monitor and make necessary adjustments to ensure that depreciation is accurately reported in the financial statements.



MANAGEMENT LETTER

Honorable Kevin Rambosk
Sheriff
Collier County, Florida

Report on the Financial Statements

We have audited the financial statements of the Collier County, Florida Sheriff (Sheriff), as of and for the fiscal year ended September 30, 2018 and have issued our report thereon dated January 17, 2019.

Auditors' Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*; and our Independent Accountants' 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 January 17, 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 annual financial audit report.

Official Title and Legal Authority

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

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 the Sheriff and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Naples, Florida
January 17, 2019

CliftonLarsonAllen LLP
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INDEPENDENT ACCOUNTANTS' REPORT

Honorable Kevin Rambosk
Sheriff
Collier County, Florida

We have examined the Collier County, Florida Sheriff's (Sheriff) compliance with Section 218.415, *Florida Statutes*, regarding the investment of public funds during the year ended September 30, 2018. Management of the Sheriff is responsible for the Sheriff's compliance with the specified requirements. Our responsibility is to express an opinion on the Sheriff's compliance with the specified requirements 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, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Sheriff complied with the specified 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 Section 218.415, *Florida Statutes*, regarding the investment of public funds during the year ended September 30, 2018.

This report is intended solely for the information and use of the Sheriff and the Auditor General, State of Florida, and is not intended to be and should not be used by anyone other than these specified parties.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Naples, Florida
January 17, 2019

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Honorable Kevin Rambosk
Sheriff
Collier County, Florida

We have performed the procedures enumerated below, which were agreed to by management of the Collier County, Florida Sheriff (Sheriff) on the Sheriff's policies and procedures as defined by the Sheriff over its investigative funds for the year ended September 30, 2018. The Sheriff's management is responsible for the Sheriff's compliance with those procedures and policies. The sufficiency of these procedures is solely the responsibility of the parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures we performed and our findings are summarized as follows:

We randomly selected 25 investigative fund disbursements during the fiscal year ended September 30, 2018 (the population sampled included transactions from October 1, 2017 through September 30, 2018), and performed the following procedures with respect to the Sheriff's policies and procedures over investigative funds:

1. We obtained the "Disbursement for Investigation" form and observed the form was properly completed and authorized by appropriate personnel. No exceptions were noted.

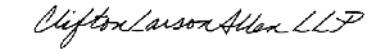
2. We obtained the "Purchase of Evidence/Information Voucher" and observed the form was properly completed to reflect the expenses incurred within the investigation procedures, the investigative expenditures were properly supported, and the use of funds was for authorized purposes. No exceptions were noted.

3. We observed the unused funds returned, if applicable, agreed to the corresponding deposit and bank statement detail and observed the amount deposited agreed to the amount returned per the "Receipt for Funds Received" form detail. No exceptions were noted.

Honorable Kevin Rambosk
Sheriff

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to, and did not, conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the policies and procedures as defined by the Sheriff over its investigative funds. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the management of the Sheriff and is not intended to be, and should not be, used by anyone other than this specified party.



CliftonLarsonAllen LLP

Naples, Florida
January 17, 2019

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Collier County, Florida
Supervisor of Elections

Financial Statements and
Supplemental Reports

Year Ended September 30, 2018

Collier County, Florida
Supervisor of Elections

Financial Statements and Other Reports

Year Ended September 30, 2018

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INDEPENDENT AUDITORS' REPORT

Honorable Jennifer J. Edwards
Supervisor of Elections
Collier County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of each major fund of the Collier County, Florida Supervisor of Elections (Supervisor), as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the Supervisor's financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund of the Supervisor as of September 30, 2018, and the respective changes in financial position and budgetary comparison of its general fund thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of each major fund, only for that portion of the major funds of Collier County, Florida that is attributable to the Supervisor. They do not purport to, and do not, present fairly the financial position of Collier County, Florida as of September 30, 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.

Other Matters

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated January 18, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Supervisor's 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.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Naples, Florida
January 18, 2019

Collier County, Florida
Supervisor of Elections

Balance Sheet – Governmental Funds

September 30, 2018

	General	Grant Special Revenue	Total
Assets			
Cash and cash equivalents	$ 484,924	$ 258,493	$ 743,417
Due from other funds	-	395	395
Total assets	$ 484,924	$ 258,888	$ 743,812
Liabilities and fund balance			
Liabilities:			
Accounts payable	$ 181,447	$ -	$ 181,447
Accrued liabilities	102,416	-	102,416
Due to other funds	395	-	395
Due to Collier County, Florida Board of County Commissioners	200,666	-	200,666
Total liabilities	484,924	-	484,924
Fund balances:			
Restricted	-	258,888	258,888
Total fund balances	-	258,888	258,888
Total liabilities and fund balances	$ 484,924	$ 258,888	$ 743,812

See accompanying Notes to Financial Statements

Collier County, Florida
Supervisor of Elections

Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds

Year Ended September 30, 2018

	General	Grant Special Revenue	Total
Revenues:			
Intergovernmental	$ -	$ 308,278	$ 308,278
Interest	-	922	922
Total revenues	-	309,200	309,200
Expenditures:			
General government:			
Personal services	2,035,267	-	2,035,267
Operating	1,435,968	47,905	1,483,873
Capital outlay	40,839	7,086	47,925
Total expenditures	3,512,074	54,991	3,567,065
Excess (deficiency) of expenditures over revenues	(3,512,074)	254,209	(3,257,865)
Other financing sources (uses):			
Transfers in:			
General Fund	-	4,679	4,679
Collier County, Florida Board of County Commissioners appropriations	3,702,100	-	3,702,100
Transfers out:			
Special revenue fund	(4,679)	-	(4,679)
Distribution of excess appropriations:			
Collier County, Florida Board of County Commissioners	(185,347)	-	(185,347)
Total other financing sources (uses)	3,512,074	4,679	3,516,753
Net change in fund balances	-	258,888	258,888
Fund balances – beginning of the year	-	-	-
Fund balances – end of the year	$ -	$ 258,888	$ 258,888

See accompanying Notes to Financial Statements

Collier County, Florida
Supervisor of Elections

Statement of Revenues, Expenditures, and
Changes in Fund Balances – Budget and Actual
General Fund

Year Ended September 30, 2018

	Budget			Variance With Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues	$ -	$ -	$ -	$ -
Expenditures:				
General government:				
Personal services	2,204,200	2,204,200	2,035,267	168,933
Operating	1,477,900	1,445,216	1,435,968	9,248
Capital outlay	20,000	48,005	40,839	7,166
Total expenditures	3,702,100	3,697,421	3,512,074	185,347
Excess (deficiency)of expenditures over revenues	(3,702,100)	(3,697,421)	(3,512,074)	185,347
Other financing sources (uses):				
Transfers in:				
Collier County, Florida Board of County Commissioners appropriations	3,702,100	3,702,100	3,702,100	-
Transfers out:				
Special Revenue Fund	-	(4,679)	(4,679)	-
Distribution of excess appropriations:				
Collier County, Florida Board of County Commissioners	-	-	(185,347)	(185,347)
Total other financing sources (uses)	3,702,100	3,697,421	3,512,074	(185,347)
Net change in fund balance	-	-	-	-
Fund balance – beginning of the year	-	-	-	-
Fund balance – end of the year	$ -	$ -	$ -	$ -

See accompanying Notes to Financial Statements

Collier County, Florida
Supervisor of Elections

Notes to Financial Statements

September 30, 2018

1. Summary of Significant Accounting Policies

Reporting Entity

The Collier County, Florida Supervisor of Elections (Supervisor) is an elected constitutional officer as provided for by the Constitution of the State of Florida. Pursuant to Chapter 129, *Florida Statutes*, the Supervisor of Elections' budget is submitted to the Collier County, Florida Board of County Commissioners (Board) for approval.

The financial statements presented include the general fund and grant special revenue fund of the Supervisor's office. The accompanying financial statements have been prepared for the purpose of complying with Section 218.39(2), *Florida Statutes*, and Chapter 10.550, *Rules of the Auditor General – Local Governmental Entity Audits*, which allows the Supervisor to only present fund financial statements. These financial statements present only the portion of the funds of Collier County, Florida that are attributable to the Supervisor. They are not intended to present fairly the financial position and results of operations of Collier County, Florida in conformity with accounting principles generally accepted in the United States of America.

The financial activities of the Supervisor, as a constitutional officer, are included in the Collier County, Florida Comprehensive Annual Financial Report. There are no separate legal entities (component units) for which the Supervisor is considered to be financially accountable.

The general operations of the Supervisor are funded by appropriations from the Collier County, Florida Board of County Commissioners (Board), and grant revenue is funded from the State of Florida. Pursuant to Chapter 218, *Florida Statutes*, funds remaining in the general fund at fiscal year-end, in excess of amounts expended, are returned to the Board. Excess revenues returned to the Board are reflected as transfers out in the Supervisor's general fund. The special revenue fund of the Supervisor is not budgeted and is governed by grant agreements.

As a result of the budgetary oversight by the Board and financial dependency on the Board, the financial activities of the Supervisor are included in the Collier County, Florida Comprehensive Annual Financial Report.

1. Summary of Significant Accounting Policies (continued)

Measurement Focus, Basis of Accounting, and Basis of Presentation

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

Governmental Funds

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

The Supervisor has the following major governmental funds:

General Fund – The general fund is used to account for the general operations of the Supervisor, and includes all revenues and expenditures which are not accounted for in another fund.

Grant Special Revenue Fund – The grants fund is used to account for the activities of voter education and poll worker training grants from the State of Florida.

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

The appropriations from the Board are the primary source of funds considered to be susceptible to accrual.

Intergovernmental revenues are recognized when eligibility requirements are met and related amounts are available from the grantor.

Collier County, Florida
Supervisor of Elections

Notes to Financial Statements

September 30, 2018

1. Summary of Significant Accounting Policies (continued)

Governmental Funds (continued)

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

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

Capital outlays expended in general fund operations are capitalized in the basic financial statements of Collier County, Florida rather than in the governmental funds of the Supervisor.

Cash Equivalents

Cash equivalents are defined as highly liquid investments with original maturities of three months or less.

Compensated Absences

All full-time employees of the Supervisor are allowed to accumulate an unlimited number of hours of unused sick time and up to 440 hours of unused vacation leave. Effective October 1, 2007, the vacation leave limit was increased to 480 hours, with Supervisor approval. Upon termination, employees receive 100% of allowable accumulated vacation hours and a percentage of unused sick leave, depending on years of service. Vacation time and sick leave are included in operating costs of the general fund when the payments are made to employees. The Supervisor does not, nor is legally required to accumulate financial resources for these unmatured obligations. Accordingly, the liability for compensated absences is not reported in the general fund of the Supervisor, but rather is reported in the basic financial statements of Collier County, Florida.

1. Summary of Significant Accounting Policies (continued)

Use of Estimates

The preparation of the financial statements requires management of the Supervisor to make a number of estimates and assumptions relating to the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the period. Actual results could differ from those estimates.

Fund Balance Reporting and Governmental Fund-Type Definitions

Fund balances are classified either as non-spendable or as spendable. Spendable fund balances are further classified in a hierarchy based on the extent to which there are external and/or internal constraints in how fund balance amounts may be spent.

Non-spendable fund balances include amounts that cannot be spent because they are not in spendable form or are legally or contractually required to be maintained intact. The Supervisor did not have any non-spendable fund balances as of September 30, 2018.

Spendable fund balances are classified based on a hierarchy of the Supervisor's ability to control the spending of these fund balances and are reported in the following categories: restricted, committed, assigned and unassigned. The Supervisor's fund balances for the Grant Special Revenue Fund fall into the spendable restricted category. Fund balances maintained in the Grant Special Revenue Fund are restricted pursuant to specific grant agreements, and have been presented in the fund financial statements in accordance with GASB Statement No. 54.

Collier County, Florida
Supervisor of Elections

Notes to Financial Statements

September 30, 2018

2. Budgetary Process

Florida Statutes govern the preparation, adoption and administration of the Supervisor's annual budget. The Supervisor submits a budget for the general fund to the Board for approval. The budget is prepared on a basis consistent with accounting principles generally accepted in the United States of America. The annual budget serves as the legal authorization for expenditures. Any subsequent amendments to the Supervisor's total budget must be approved by the Board.

Expenditures may not legally exceed appropriations at the fund level. Appropriations lapse at year-end. Budgetary control is maintained at the departmental major object expenditure level. Budgetary changes within major object expenditure categories are made at the discretion of the Supervisor.

The Supervisor does not budget for the grant special revenue fund as it is funded by state grants and is governed by those documents.

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

3. Cash and Cash Equivalents

At September 30, 2018, the carrying value of the Supervisor's cash and cash equivalents was as follows:

Type	Carrying Value	Credit Rating
Cash on hand	$ 200	N/A
Demand deposits	743,217	N/A
Total cash and cash equivalents	$ 743,417	

3. Cash and Cash Equivalents (continued)

Custodial Credit Risk

At September 30, 2018, the Supervisor's deposits were entirely covered by Federal Depository Insurance or by collateral pledged with the State Treasurer pursuant to Chapter 280, *Florida Statutes*. Under this Chapter, in the event of default by a participating financial institution (a qualified public depository), all participating institutions are obligated to reimburse the governmental entity for the loss.

Credit Risk

The Supervisor's policy is to follow the guidance in Section 219.075, *Florida Statutes*, regarding the deposit of funds received and the investment of surplus funds. Sections 219.075 and 218.415, *Florida Statutes*, authorize the Supervisor to invest in Florida PRIME (formerly the Local Government Surplus Funds Trust Fund) or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act; Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency; direct obligations of the United States Treasury; federal agencies and instrumentalities or interest-bearing time deposits or savings accounts in banks organized under the laws of the United States and doing business and situated in the State of Florida, savings and loan associations which are under state supervision, or in federal savings and loan associations located in the State of Florida and organized under federal law and federal supervision, provided that any such deposits are secured by collateral as may be prescribed by law. The pool is administered by the State Treasurer, who may make additional assessments to ensure that no public funds will be lost.

Interest Rate Risk

The Supervisor has no specific investment policy regarding interest rate risk.

Collier County, Florida
Supervisor of Elections

Notes to Financial Statements

September 30, 2018

4. Capital Assets

Capital assets used by the Supervisor are capitalized in the basic financial statements of Collier County, Florida rather than in the governmental funds of the Supervisor. Upon acquisition, such assets are recorded as expenditures in the general fund of the Supervisor and are capitalized at cost in the basic financial statements of Collier County, Florida. Capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at acquisition value on the date received.

The Supervisor maintains custodial responsibility for the capital assets used by the office. No depreciation expense has been provided on capital assets in these financial statements. However, depreciation expense is recorded in the basic financial statements of Collier County, Florida.

The following is a summary of changes in capital assets, which are reported in the basic financial statements of Collier County, Florida:

	October 1, 2017	Additions	Deductions	September 30, 2018
Machinery and equipment	$ 1,240,230	$ 47,925	$ (593,766)	$ 694,389
Less accumulated depreciation	(1,058,704)	(67,481)	593,766	(532,419)
Machinery and equipment, net	$ 181,526	$ (19,556)	$ -	$ 161,970

5. Long-Term Liabilities

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

	October 1, 2017	Additions	Deletions	September 30, 2018
Accrued compensated absences	$ 196,168	$ 133,057	$ 122,789	$ 206,436

Of these liabilities, approximately $121,797 is expected to be paid during the fiscal year ending September 30, 2019, which will be included in the operating costs of the general fund when expended. These long-term liabilities are not reported in the financial statements of the Supervisor since they have not matured.

6. Pension Plans

Background

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

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

Florida Retirement System Pension Plan

Plan Description

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

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

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

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

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

6. Pension Plans (continued)

Florida Retirement System Pension Plan (continued)

Plan Description (continued)

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

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

6. Pension Plans (continued)

Florida Retirement System Pension Plan (continued)

Benefits Provided

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

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

Detailed information about the County's proportionate share of FRS's net pension liability, deferred outflows/inflows of resources, and pension expense are reported in the government-wide statements of the County.

Retiree Health Insurance Subsidy Program

Plan Description

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

Collier County, Florida
Supervisor of Elections

Notes to Financial Statements

September 30, 2018

6. Pension Plans (continued)

Retiree Health Insurance Subsidy Program (continued)

Benefits Provided

For the fiscal year ended June 30, 2018, eligible retirees and beneficiaries received a monthly HIS payment of $5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of $30 and a maximum HIS payment of $150 per month, pursuant to Section 112.363, *Florida Statutes*. To be eligible to receive a HIS Plan benefit, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Detailed information about the County's proportionate share of HIS's net pension liability, deferred outflows/inflows of resources, and pension expense are reported in the government-wide statements of the County.

FRS Investment Plan

The Florida State Board of Administration (SBA) administers the defined contribution plan officially titled the FRS Investment Plan (Investment Plan). The Investment Plan is reported in the SBA's annual financial statements and in the State of Florida Comprehensive Annual Financial Report.

As provided in Section 121.4501, *Florida Statutes*, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. Supervisor employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.), as the FRS defined benefit plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06 percent of payroll and by forfeited benefits of plan members.

6. Pension Plans (continued)

FRS Investment Plan (continued)

For all membership classes, employees are immediately vested in their own contributions and are vested after 1 year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Non-vested employer contributions are placed in a suspense account for up to 5 years. If the employee returns to FRS-covered employment within the 5-year period, the employee will regain control over their account. If the employee does not return within the 5-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended June 30, 2018, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the Supervisor.

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

Contributions

Participating employer contributions are based upon statewide rates established by the State of Florida. The Supervisor's contributions made to the plans during the years ended September 30, 2018, 2017 and 2016, were $130,124 $115,546 and $114,600 respectively, equal to the actuarially determined contribution requirements for each year.

Additional information about pension plans can be found in the County's comprehensive annual financial report.

Collier County, Florida
Supervisor of Elections

Notes to Financial Statements

September 30, 2018

7. Related-Party Transactions

For the year ended September 30, 2018, the Board provided funding for the Supervisor that amounted to $3,702,100. At September 30, 2018, the Supervisor had a payable due to the Board of $200,666 comprised as follows:

Distribution of excess appropriations	$ 185,347
Distribution of interest earnings	13,646
Amounts due for various services	1,674
Total due to Board of County Commissioners	$ 200,666

8. Risk Management

Collier County, Florida (County) is exposed to various risks of loss including, but not limited to, general liability, health and life, property and casualty, auto and physical damage and workers' compensation. The County is substantially self-insured and accounts for and finances its risk of uninsured losses through an internal service fund. All liabilities associated with these self-insured risks are reported in the basic financial statements of the County. The Supervisor participates in the County's self-insurance program. During the year ended September 30, 2018, the Supervisor was charged $264,792 by the County for participation in the risk management program.

The County retains the first $500,000 per claim for workers' compensation, and has purchased outside excess coverage for up to statutory limit for each injury or illness. The County also provides coverage for up to $500,000 per occurrence for general liability and $300,000 per occurrence for auto liability coverage and has purchased outside excess coverage for up to $5 million per claim. Negligence claims in excess of the statutory limits set in Section 768.28, *Florida Statutes*, which provide for limited sovereign immunity of $200,000/$300,000 per occurrence can only be recovered through an act of the State Legislature. Property claims are subject to a 5 percent wind deductible and a $50,000 deductible for all other perils. The County retains the first $100,000 per claim/$200,000 per occurrence for public official errors and omissions and crime coverage and has purchased outside excess coverage for up to $5 million per claim. There have been no significant reductions in insurance coverage in the last year. Settled claims have not exceeded the insurance provided by third-party carriers in any of the last three years.

8. Risk Management (continued)

The County is self-insured for health claims covering all of its employees and their eligible dependents. The County retains the first $450,000 per covered member and has purchased outside excess coverage for all claims exceeding this amount. An actuarial valuation is performed each year to estimate the amounts needed to pay prior and future claims and to establish reserves.

9. Other Postemployment Benefits

In accordance with Section 112.0801, *Florida Statutes*, the Supervisor participates with Collier County in offering retiring employees the opportunity to continue participation in the County's health insurance plan. The participating retirees pay 100% of the premium cost applicable to an active employee. The liability and expense for other postemployment benefits, calculated in accordance with Governmental Accounting Standards Board Statement No. 75 *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, are reported in the financial statements of the County.

10. Contingencies

Grant funds received by the Supervisor are subject to audit by grantor agencies. Audits of these grants may result in disallowed costs, which may constitute a liability of the office of the Supervisor. In the opinion of management, disallowed costs, if any, would not have a significant impact on the financial position of the Supervisor.

11. Transfers

Transfers between funds are for the purpose of providing matching funds to the Supervisor's grants. Transfers were required in the amount of $4,679 for the year ending September 30, 2018.

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

Honorable Jennifer J. Edwards
Supervisor of Elections
Collier County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of each major fund of the Collier County, Florida Supervisor of Elections (Supervisor), as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the Supervisor's financial statements, and have issued our report thereon dated January 18, 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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Supervisor's internal control. Accordingly, we do not express an opinion on the effectiveness of the Supervisor's internal control.

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

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

Honorable Jennifer J. Edwards
Supervisor of Elections

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the 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.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Naples, Florida
January 18, 2019

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MANAGEMENT LETTER

Honorable Jennifer J. Edwards
Supervisor of Elections
Collier County, Florida

Report on the Financial Statements

We have audited the financial statements of the Collier County, Florida Supervisor of Elections (Supervisor) as of and for the fiscal year ended September 30, 2018 and have issued our report thereon dated January 18, 2019.

Auditors' Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountants' 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 January 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 findings and recommendations reported in the preceding annual financial audit report.

Official Title and Legal Authority

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

Honorable Jennifer J. Edwards
Supervisor of Elections

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 note any such findings.

Purpose of this Letter

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

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Naples, Florida
January 18, 2019

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INDEPENDENT ACCOUNTANTS' REPORT

Honorable Jennifer J. Edwards
Supervisor of Elections
Collier County, Florida

We have examined the Collier County, Florida Supervisor of Elections' (Supervisor) compliance with Section 218.415, *Florida Statutes*, regarding the investment of public funds, during the year ended September 30, 2018. Management of the Supervisor is responsible for the Supervisor's compliance with the specified requirements. Our responsibility is to express an opinion on the Supervisor's compliance with the specified requirements 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, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Supervisor complied with the specified 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 Supervisor's compliance with specified requirements.

In our opinion, the Supervisor complied, in all material respects, with Section 218.415, *Florida Statutes*, regarding the investment of public funds during the year ended September 30, 2018.

This report is intended solely for the information and use of the Supervisor and the Auditor General, State of Florida, and is not intended to be and should not be used by anyone other than these specified parties.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Naples, Florida
January 18, 2019

Collier County, Florida
Tax Collector

Financial Statements and
Supplemental Reports

Years Ended September 30, 2018 and 2017

Collier County, Florida
Tax Collector

Financial Statements and Other Reports

Years Ended September 30, 2018 and 2017

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INDEPENDENT AUDITORS' REPORT

Honorable Larry H. Ray
Tax Collector
Collier County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the general fund and the aggregate remaining fund information of the Collier County, Florida Tax Collector (Tax Collector), as of and for the years ended September 30, 2018 and 2017, 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.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

A member of Nexia International

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the general fund and the aggregate remaining fund information of the Tax Collector as of September 30, 2018 and 2017, and the respective changes in financial position for the years then ended and the budgetary comparison for the general fund thereof for the year ended September 30, 2018, in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of each major fund, and the aggregate remaining fund information, only for that portion of the major funds, and the aggregate remaining fund information, of Collier County, Florida that is attributable to the Tax Collector. They do not purport to, and do not, present fairly the financial position of Collier County, Florida as of September 30, 2018 and 2017, and the changes in its financial position for the fiscal years then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 21, 2018 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Tax Collector's 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.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Naples, Florida
December 21, 2018

Collier County, Florida
Tax Collector

Balance Sheets – General Fund

	September 30, 2018	2017
Assets		
Cash and cash equivalents	$ 9,349,680	$ 7,222,230
Accounts receivable	-	4,678
Due from other funds	100,595	62,712
Prepaid rent	29,608	28,921
Prepaid expense	3,606	6,842
Security deposit	4,628	4,628
Total assets	$ 9,488,117	$ 7,330,011
Liabilities and fund balance		
Liabilities:		
Accounts payable	$ 154,028	$ 191,873
Due to Collier County, Florida Board of County Commissioners	8,175,198	6,255,593
Due to other governmental agencies	1,138,651	787,451
Other current liabilities	20,240	95,094
Total liabilities	9,488,117	7,330,011
Fund balance	-	-
Total liabilities and fund balance	$ 9,488,117	$ 7,330,011

See accompanying Notes to Financial Statements.

Collier County, Florida
Tax Collector

Statements of Revenues, Expenditures, and Changes in Fund Balance
General Fund

	Year Ended September 30, 2018	2017
Revenues:		
Commissions and fees	$ 22,625,793	$ 20,996,583
Miscellaneous	249,076	453,665
Total revenues	22,874,869	21,450,248
Expenditures:		
General government:		
Personal services	10,684,424	10,507,089
Operating	2,252,976	2,125,375
Capital outlay	623,620	1,774,740
Total expenditures	13,561,020	14,407,204
Excess of revenues over expenditures	9,313,849	7,043,044
Other financing uses:		
Distribution of excess commissions and fees to Collier County, Florida Board of County Commissioners	(8,175,198)	(6,255,593)
Distribution of excess commissions and fees to other governmental agencies	(1,138,651)	(787,451)
Total other financing uses	(9,313,849)	(7,043,044)
Net change in fund balance	-	-
Fund balance, beginning of year	-	-
Fund balance, end of year	$ -	$ -

See accompanying Notes to Financial Statements.

Collier County, Florida
Tax Collector

Statement of Revenues, Expenditures, and
Changes in Fund Balance – Budget to Actual
General Fund

Year Ended September 30, 2018

	Budget			Variance With Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues:				
Commissions and fees	$ 21,456,508	$ 21,456,508	$ 22,625,793	$ 1,169,285
Miscellaneous	250,200	250,200	249,076	(1,124)
Total revenues	21,706,708	21,706,708	22,874,869	1,168,161
Expenditures:				
General government:				
Personal services	11,374,486	11,390,778	10,684,424	706,354
Operating	2,610,418	2,610,418	2,252,976	357,442
Capital outlay	627,587	627,587	623,620	3,967
Total expenditures	14,612,491	14,628,783	13,561,020	1,067,763
Balance of revenues over expenditures	7,094,217	7,077,925	9,313,849	2,235,924
Other financing uses:				
Distribution of excess commissions and fees to Collier County, Florida Board of County Commissioners	(6,226,924)	(6,212,624)	(8,175,198)	(1,962,574)
Distribution of excess commissions and fees to other governmental agencies	(867,293)	(865,301)	(1,138,651)	(273,350)
Total other financing uses	(7,094,217)	(7,077,925)	(9,313,849)	(2,235,924)
Net change in fund balance	-	-	-	-
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	$ -	$ -	$ -	$ -

See accompanying Notes to Financial Statements.

Collier County, Florida
Tax Collector

Statements of Fiduciary Net Position
Agency Funds

	September 30, 2018	2017
Assets		
Cash and cash equivalents	$ 6,354,628	$ 6,271,609
Accounts receivable	32,959	50,324
Total assets	$ 6,387,587	$ 6,321,933
Liabilities		
Due to other funds	$ 100,594	$ 62,712
Due to Collier County, Florida Board of County Commissioners	1,139,571	879,823
Due to other governmental agencies	5,077,456	5,342,341
Due to individuals and businesses	69,966	37,057
Total liabilities	$ 6,387,587	$ 6,321,933

See accompanying Notes to Financial Statements.

1. Summary of Significant Accounting Policies

Reporting Entity

The Tax Collector is an elected official of the County, pursuant to the Constitution of the State of Florida, Article VIII, Section 1(d). The Tax Collector is part of the primary government of the County. Although the Florida Department of Revenue approves the Tax Collector's operating budget, the Tax Collector is responsible for the administration and the operation of the Tax Collector's office. Upon approval, the operating budget is provided to the Collier County Board of County Commissioners (Board). The Tax Collector's financial statements include only the funds of the Tax Collector's office. There are no separate legal entities (component units) for which the Tax Collector is considered to be financially accountable.

Measurement Focus, Basis of Accounting, and Basis of Presentation

These financial statements have been prepared for the purpose of complying with Section 218.39(2), *Florida Statutes*, and Chapter 10.550, *Rules of the Auditor General – Local Governmental Entity Audits*, which allows the Tax Collector to only present fund financial statements. These financial statements present only the portion of the funds of Collier County, Florida that are attributable to the Tax Collector. They are not intended to present fairly the financial position and results of operations of Collier County, Florida in conformity with accounting principles generally accepted in the United States of America.

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

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

Collier County, Florida
Tax Collector

Notes to Financial Statements

September 30, 2018 and 2017

1. Summary of Significant Accounting Policies (continued)

Governmental Funds

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

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

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

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

Florida Statutes provide that the amount by which revenues exceed annual expenditures be remitted to each governmental agency or the Board immediately following the fiscal year for which the funding was provided or following the fiscal year during which other revenue was recognized.

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

1. Summary of Significant Accounting Policies (continued)

Fiduciary Funds

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

Refund of "Excess Fees"

Florida Statutes further provide that the excess of revenues over expenditures held by the Tax Collector be distributed to each governmental agency or the Board in the same proportion as the fees paid by each governmental agency bear to total fee revenues. The amount of this distribution is recorded as a liability and as an other financing use-transfer out in the accompanying financial statements.

Compensated Absences

All full-time employees of the Tax Collector are allowed to accumulate an unlimited number of hours of unused sick leave and up to 240 hours of unused vacation leave. Upon termination, employees receive 100% of allowable accumulated vacation hours and a percentage of unused sick leave, depending on years of service. Vacation and sick leave payments are included in operating costs of the general fund when the payments are made to the employees. The Tax Collector does not, nor is legally required to, accumulate financial resources for these unmatured obligations. Accordingly, the liability for compensated absences is not reported in the general fund of the Tax Collector, but rather is reported in the basic financial statements of Collier County, Florida.

Collier County, Florida
Tax Collector

Notes to Financial Statements

September 30, 2018 and 2017

1. Summary of Significant Accounting Policies (continued)

Property Taxes

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

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

Chapter 197, *Florida Statutes*, governs property tax collections as follows:

Current Taxes

All property taxes become due and payable on November 1, and are delinquent on April 1 of the following year. Discounts are allowed for early payment of 4% in November; 3% in December; 2% in January; and 1% for payment in February.

Unpaid Taxes – Sale of Tax Certificates

The Tax Collector advertises, as required by *Florida Statutes*, and sells tax certificates on all real property for unpaid taxes. The taxes assessed on the property are struck off the tax roll to the purchaser of the tax certificate. Certificates not sold are struck off to the County. The Tax Collector must receive payment before the certificates are delivered. Any person owning land upon which a tax certificate has been sold may redeem the tax certificate by paying the Tax Collector the face amount of the tax certificate plus interest and other costs.

Tax Deeds

Two years after the purchase of a tax certificate the owner may file an application for tax deed sale. The County, as a certificate owner, exercises similar procedures. Tax deeds are issued to the highest bidder for the property which is sold at public auction. The Clerk of the Circuit Court administers these sales.

1. Summary of Significant Accounting Policies (continued)

Use of Estimates

The preparation of these financial statements requires management of the Tax Collector to make a number of estimates and assumptions relating to the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the period. Actual results could differ from those estimates.

2. Budgetary Process

Florida Statutes govern the preparation, adoption, and administration of the Tax Collector's annual budget. The Tax Collector submits a budget for the general fund to the Florida Department of Revenue for approval. A copy of the approved budget is provided to the Board. Any subsequent amendments to the Tax Collector's total budget must be approved by the Florida Department of Revenue. The budget for the general fund is prepared on a basis consistent with accounting principles generally accepted in the United States of America. The annual budget serves as the legal authorization for expenditures.

Expenditures may not legally exceed appropriations at the fund level. Appropriations lapse at year-end. Budget control is maintained at the departmental major object expenditure level. Budgetary changes within major object expenditure categories are made at the discretion of the Tax Collector.

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

Collier County, Florida
Tax Collector

Notes to Financial Statements

September 30, 2018 and 2017

3. Cash

At September 30, 2018 and 2017, the carrying value of the Tax Collector's cash was as follows:

Type	2018 Carrying Value	2017 Carrying Value
Cash on hand	$ 35,897	$ 36,338
Demand deposits	15,668,411	13,457,501
Total cash and cash equivalents	$ 15,704,308	$ 13,493,839

Such amounts are reported as $9,349,680 and $6,354,628 for 2018 and $7,222,230 and $6,271,609 for 2017 in the general and agency funds, respectively.

Custodial Credit Risk

At September 30, 2018, the Tax Collector's deposits were entirely covered by Federal Depository Insurance or by collateral pledged with the State Treasurer pursuant to Chapter 280, *Florida Statutes*. Under this Chapter, in the event of default by a participating financial institution (a qualified public depository), all participating institutions are obligated to reimburse the governmental entity for the loss.

Credit Risk

The Tax Collector's policy is to follow the guidance in Section 219.075, *Florida Statutes*, regarding the deposit of funds received and the investment of surplus funds. Sections 219.075 and 218.415, *Florida Statutes*, authorize the Tax Collector to invest in Florida PRIME or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act; Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency; direct obligations of the United States Treasury; federal agencies and instrumentalities or interest-bearing time deposits or savings accounts in banks organized under the laws of the United States and doing business and situated in the State of Florida, savings and loan associations which are under state supervision, or in federal savings and loan associations located in the State of Florida and organized under federal law and federal supervision, provided that any such deposits are secured by collateral as may be prescribed by law.

3. Cash (continued)

Interest Rate Risk

The Tax Collector has no specific investment policy regarding interest rate risk.

4. Capital Assets

Capital assets used by the Tax Collector are capitalized in the basic financial statements of Collier County, Florida rather than in the governmental funds of the Tax Collector. Upon acquisition, such assets are recorded as expenditures in the general fund of the Tax Collector, and are capitalized at cost in the basic financial statements of Collier County, Florida.

Capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their estimated fair value on the date received. The Tax Collector maintains custodial responsibility for the capital assets used by the office. No depreciation expense has been provided on capital assets in these financial statements. However, depreciation expense on these assets is recorded in the basic financial statements of Collier County, Florida.

The following is a summary of changes in capital assets for the year ended September 30, 2018:

	October 1, 2017	Additions	Deletions/ Reclassifications	September 30, 2018
Capital Assets not depreciated:				
Construction in progress	$ 1,698,143	$ 566,454	$ (2,023,823)	$ 240,774
Total assets not depreciated	1,698,143	566,454	(2,023,823)	240,774
Infrastructure	11,735	-	-	11,735
Improvements other than buildings	109,084	-	-	109,084
Machinery and equipment	1,884,111	57,166	(42,089)	1,899,188
Total Capital Assets	3,703,073	623,620	(2,065,912)	2,260,781
Less accumulated depreciation:	(1,713,395)	(106,287)	35,338	(1,784,344)
Total capital assets, net	$ 1,989,678	$ 517,333	$ (2,030,574)	$ 476,437

Collier County, Florida
Tax Collector

Notes to Financial Statements

September 30, 2018 and 2017

4. Capital Assets (continued)

The following is a summary of changes in capital assets for the year ended September 30, 2017:

	October 1, 2016	Additions	Deletions/ Reclassifications	September 30, 2017
Capital Assets not depreciated:				
Construction in progress	$ 20,384	$ 1,689,350	$ (11,591)	$ 1,698,143
Total assets not depreciated	20,384	1,689,350	(11,591)	1,698,143
Infrastructure	11,735	-	-	11,735
Improvements other than buildings	111,914	-	(2,830)	109,084
Machinery and equipment	2,380,408	85,390	(581,687)	1,884,111
Total Capital Assets	2,524,441	1,774,740	(596,108)	3,703,073
Less accumulated depreciation:	(2,189,005)	(118,775)	594,385	(1,713,395)
Total capital assets, net	$ 335,436	$ 1,655,965	$ (1,723)	$ 1,989,678

5. Long-Term Liabilities

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

	October 1, 2017	Increase	Decrease	September 30, 2018
Accrued compensated absences	$ 1,232,879	$ 633,595	$ (715,460)	$ 1,151,014

	October 1, 2016	Increase	Decrease	September 30, 2017
Accrued compensated absences	$ 1,173,838	$ 681,407	$ (622,366)	$ 1,232,879

5. Long-Term Liabilities (Continued)

Of these liabilities, approximately $665,000 is expected to be paid during the fiscal year ending September 30, 2019, which will be included in the operating costs of the general fund when expended. These long-term liabilities are not reported in the financial statements of the Tax Collector since they have not matured.

6. Pension Plans

Background

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

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

Collier County, Florida
Tax Collector

Notes to Financial Statements

September 30, 2018 and 2017

6. Pension Plans (continued)

Florida Retirement System Pension Plan

Plan Description

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

- *Regular Class* – Members of the FRS who do not qualify for membership in the other classes.
- *Elected County Officers Class* – Members who hold specified elective offices in local government.
- *Senior Management Service Class (SMSC)* – Members in senior management level positions.
- *Special Risk Class* – Members who are special risk employees, such as law enforcement officers, meet the criteria to qualify for this class.

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

6. Pension Plans (continued)

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

Benefits Provided

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

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

Detailed information about the County's proportionate share of FRS's net pension liability, deferred outflows/inflows of resources, and pension expense are reported in the government-wide statements of the County.

Collier County, Florida
Tax Collector

Notes to Financial Statements

September 30, 2018 and 2017

6. Pension Plans (continued)

Retiree Health Insurance Subsidy Program

Plan Description

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

Benefits Provided

For the fiscal year ended June 30, 2018, eligible retirees and beneficiaries received a monthly HIS payment of $5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of $30 and a maximum HIS payment of $150 per month, pursuant to Section 112.363, *Florida Statutes*. To be eligible to receive a HIS Plan benefit, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Detailed information about the County's proportionate share of HIS's net pension liability, deferred outflows/inflows of resources, and pension expense are reported in the government-wide statements of the County.

FRS Investment Plan

The Florida State Board of Administration (SBA) administers the defined contribution plan officially titled the FRS Investment Plan (Investment Plan). The Investment Plan is reported in the SBA's annual financial statements and in the State of Florida Comprehensive Annual Financial Report.

6. Pension Plans (continued)

FRS Investment Plan (continued)

As provided in Section 121.4501, *Florida Statutes*, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. Tax Collector employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.), as the FRS defined benefit plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06% of payroll and by forfeited benefits of plan members.

For all membership classes, employees are immediately vested in their own contributions and are vested after 1 year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Non-vested employer contributions are placed in a suspense account for up to 5 years. If the employee returns to FRS-covered employment within the 5-year period, the employee will regain control over their account. If the employee does not return within the 5-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended June 30, 2018, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the Tax Collector.

Collier County, Florida
Tax Collector

Notes to Financial Statements

September 30, 2018 and 2017

6. Pension Plans (continued)

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

Contributions

Participating employer contributions are based upon statewide rates established by the State of Florida. The Tax Collector's contributions made to the plans during the years ended September 30, 2018, 2017, and 2016 were $716,867, $655,667, and $606,522, respectively, equal to the actuarially determined contribution requirements for each year.

Additional information about pension plans can be found in the County's comprehensive annual financial report or County-wide financial statements.

7. Other Postemployment Benefits (OPEB)

In accordance with Section 112.0801, *Florida Statutes,* the Tax Collector participates with Collier County in offering retiring employees the opportunity to continue participation in the County's health insurance plan. The participating retirees pay 100% of the premium cost applicable to an active employee. The liability and expense for other postemployment benefits, calculated in accordance with Governmental Accounting Standards Board Statement No. 75 *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions,* are reported in the financial statements of the County.

8. Related Party Transactions

During the fiscal years ended September 30, 2018 and 2017, the Board paid commissions and fees to the Tax Collector that amounted to $16,291,894 and $15,267,509, respectively.

At September 30, 2018 and 2017, the Tax Collector had a payable due to the Board of $9,314,769 and $7,135,416, respectively, comprised as follows:

	2018	2017
Distribution of unused commissions and fees	$ 8,175,198	$ 6,255,593
Agency funds due to the Board	1,139,571	879,823
Total	$ 9,314,769	$ 7,135,416

9. Risk Management

Collier County, Florida (County) is exposed to various risks of loss including but not limited to, general liability, health and life, property and casualty, auto and physical damage, and workers' compensation. The County is substantially self-insured and accounts for and finances its risk of uninsured losses through an internal service fund. All liabilities associated with these self-insured risks are reported in the basic financial statements of the County. The Tax Collector participates in the County's self-insurance program. During the years ended September 30, 2017 and 2016, the Tax Collector was charged $2,938,265 and $3,031,659, respectively, by the County for participation in the risk management program.

Collier County, Florida
Tax Collector

Notes to Financial Statements

September 30, 2018 and 2017

9. Risk Management (continued)

The County provides coverage for up to $500,000 per claim for workers' compensation, and has purchased outside excess coverage for up to the statutory limits for each injury or illness. The County also provides coverage for up to $500,000 per occurrence for general liability and $300,000 per occurrence for auto liability coverage and has purchased outside excess coverage for up to $5 million per claim. Negligence claims in excess of the statutory limits set in Section 768.20, *Florida Statutes*, which provide for limited sovereign immunity of $200,000/$300,000 per occurrence can only be recovered through an act of the State Legislature. Property claims are subject to a 5% wind deductible and a $50,000 deductible for all other perils. The County retains the first $100,000 per claim/$200,000 per occurrence for public official errors and omissions and crime coverage and has purchased outside excess coverage for up to $5 million per claim. There have been no significant reductions in insurance coverage in the last year. Settled claims have not exceeded the insurance provided by third-party carriers in any of the last three years.

The County is self-insured for health claims covering all of its employees and their eligible dependents. The County retains the first $450,000 per covered member and has purchased outside excess coverage for all claims exceeding this amount. An actuarial valuation is performed each year to estimate the amounts needed to pay prior and future claims and to establish reserves.

10. Commitments and Contingencies

Leases

The Tax Collector has noncancelable operating leases for certain office facilities that were utilized solely by the Tax Collector for fiscal year 2016. The two current leases include options for a 5-year renewal with an annual escalation clauses ranging from 1-5% annually. The following is a schedule of future minimum lease payments under the operating leases:

Fiscal year ending September 30:	
2019	$ 250,334
2020	199,976
2021	146,800

10. Commitments and Contingencies (continued)

Rental expense for all operating leases in the aggregate was $352,553 and $336,837 for the years ended September 30, 2018 and 2017, respectively. There were no contingent rentals or sublease rentals associated with leases in effect at September 30, 2018 or 2017.

Litigation

The Tax Collector is involved as a defendant or plaintiff in certain litigation and claims arising from the ordinary course of operations. In the opinion of the Tax Collector and legal counsel, the range of potential recoveries or liabilities will not materially affect the financial position of the Tax Collector.

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

Honorable Larry H. Ray
Tax Collector
Collier County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the general fund and the aggregate remaining fund information of the Collier County, Florida Tax Collector (Tax Collector), as of and for the year ended September 30, 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 December 21, 2018.

Internal Control Over Financial Reporting

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

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

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

Honorable Larry H. Ray
Tax Collector

Compliance and Other Matters

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

Purpose of this Report

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

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Naples, Florida
December 21, 2018

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MANAGEMENT LETTER

Honorable Larry H. Ray
Tax Collector
Collier County, Florida

Report on the Financial Statements

We have audited the financial statements of the general fund and the aggregate remaining fund information of the Collier County, Florida Tax Collector (Tax Collector) as of and for the year ended September 30, 2018, and have issued our report thereon dated December 21, 2018.

Auditors' Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and Compliance and Other Matters based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountants' 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 December 21, 2018 should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

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

A member of Nexia International

Honorable Larry H. Ray
Tax Collector

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 note any such findings.

Purpose of this Letter

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

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Naples, Florida
December 21, 2018

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INDEPENDENT ACCOUNTANTS' REPORT

Honorable Larry H. Ray
Tax Collector
Collier County, Florida

We have examined the Collier County Tax Collector, Collier County, Florida's (Tax Collector) compliance with Section 218.415, *Florida Statutes*, regarding the investment of public funds during the year ended September 30, 2018. Management of the Tax Collector is responsible for the Tax Collector's compliance with the specified requirements. Our responsibility is to express an opinion on the Tax Collector's compliance with the specified requirements 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, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Tax Collector complied with the specified 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 Section 218.415, *Florida Statutes*, regarding the investment of public funds during the year ended September 30, 2018.

This report is intended solely for the information and use of the Tax Collector and the Auditor General, State of Florida, and is not intended to be, and should not be, used by anyone other than these specified parties.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Naples, Florida
December 21, 2018

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APPENDIX D

CONSULTING ENGINEERS AND FINANCIAL FEASIBILITY REPORT

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COLLIER COUNTY WATER-SEWER DISTRICT, FLORIDA

CONSULTING ENGINEERS AND FINANCIAL FEASIBILITY REPORT

for the Issuance of

Water and Sewer Revenue Bonds, Series 2019

March 11, 2019

Appendix D

Public Resources Management Group, Inc.
Utility, Rate, Financial and Management Consultants

AECOM

Public Resources Management Group, Inc.
Utility, Rate, Financial and Management Consultants

AECOM

March 11, 2019

Honorable Chairman and Members of the
Board of County Commissioners
Collier County
3299 Tamiami Trail East, Suite 303
Naples, FL 34112

Subject: **Combined Consulting Engineers and Financial Feasibility Report – Water and Sewer Revenue Bonds, Series 2019**

Ladies and Gentlemen:

Presented herein is the combined Consulting Engineers and Financial Feasibility Report (the "Report") for inclusion in the Official Statement that summarizes our analyses, studies, and conclusions with regard to the proposed issuance by the Collier County Water-Sewer District (the "District") of approximately $78,235,000[1] aggregate principal amount of Water and Sewer Revenue Bonds, Series 2019 (the "Series 2019 Bonds"). This Report was prepared by AECOM USA, Inc. ("AECOM" or the "Consulting Engineer") in its capacity as the consulting engineer to the District and Public Resources Management Group, Inc. ("PRMG" or the "Feasibility Consultant") in its capacity as the feasibility consultant to the District. The District plans to issue the Series 2019 Bonds to: i) fund certain capital improvements to the County's water, wastewater and reclaimed (irrigation quality) water systems (the "2019 Project"); ii) fund a deposit to the debt service Reserve Account; and iii) pay certain expenses related to the issuance and sale of the Series 2019 Bonds. Capitalized undefined terms referenced in this letter shall have the meaning ascribed thereto in the Bond Resolution as hereinafter defined.

The primary purpose of this Report is to provide information for parties reviewing the Official Statement associated with the issuance of the Series 2019 Bonds. The Report provides a summary description of the existing District water, wastewater, and reclaimed (irrigation quality) water systems (the "System"), summarizes the financial results of the County's System estimated for the Fiscal Years ended September 30, 2014 through 2018 (the "Historical Period"), and presents a financial forecast of how the estimated revenues derived from the System operations are projected meet the estimated expenditure and funding obligations of the System for the Fiscal Years ending September 30, 2019 through and including September 30, 2024 (the "Forecast Period"). The Report includes a discussion or presentation of the: i) current management and operation of the System; ii) the System service area; iii) the facilities that comprise the System and a general assessment of the facilities' conditions and regulatory and permit compliance requirements; iv) historical and projected sales, customer growth, usage statistics, and capacity needs for the System; v) the current schedule of rates as adopted by the Collier County Board of County

[1] Preliminary, subject to change based on actual sale of Series 2019 Bonds.

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Commissioners (the "Board"), acting as the ex-officio governing body of the District; vi) the capital improvement expenditure and funding plan, including the capital projects to be funded from the Series 2019 Bonds; and vii) the historical and projected financial operating results of the System. The forecast of operating results includes projections of the ability of the System to meet the rate covenant requirements as delineated in Resolution No. CWS-85-5 adopted by the BOCC on July 30, 1985, as restated, amended and supplemented from time to time (collectively, the "Bond Resolution") authorizing the issuance of the Series 2019 Bonds.

In preparation of this report, we have used and relied upon certain information provided to us by sources, which we believe to be reliable, and have made certain assumptions with respect to conditions that may exist or events that may occur in the future. While these assumptions are reasonable for the purpose of this Report, they are dependent upon future events for which actual conditions may materially differ from those assumed. To the extent that actual future conditions differ from those assumed herein or provided to us by others, the actual results may vary from those forecasted. Any statements made in this report involving opinions or estimates, whether or not expressly stated, are set forth as such and not as representations of fact or representations that such estimates will be realized.

The financial projections in the Report associated with the issuance of the Series 2019 Bonds were based on discussions with and information provided by the County; the financial advisor for the County, PFM Financial Advisors, LLC (the "Financial Advisor"); the Consulting Engineer for the System; as well as certain assumptions and analyses made by PRMG as the Feasibility Consultant for the System with respect to such financial projections.

Findings and Conclusions

Based upon the principal considerations and assumptions and the results of our studies and analyses, as summarized in this Report, which should be read in its entirety in conjunction with the following, the Consulting Engineer is of the opinion that:

1. Based upon the intended use of the System facilities, general field observations of the aboveground facilities, discussions with the management and staff of the County's Public Utilities Department (referred to in the Report as the "Utilities Department"), and a review of documents, permit data, and System reports filed with regulatory agencies, the existing facilities of the System appear to be in good condition and being operated in accordance with industry standards.

2. The System appears to be adequately maintained following manufacturer's recommendations and more stringent District standards.

3. The Utilities Department has historically provided for adequate operation by employing personnel capable of operating, maintaining, and expanding the System as necessary. Current management of the System appears to be well qualified for the positions for which they are responsible.

4. The existing System facilities along with the facilities, improvements and additions proposed in the Fiscal Year 2019 – Fiscal Year 2028 capital plan as developed by the Utilities Department for the System, can reasonably provide potable water and wastewater services to the service area through Fiscal Year 2030 in the case of the potable water system and Fiscal Year 2034 in the case of the wastewater system.

5. All required permits for operating the system are current, renewal applications are submitted in a timely manner and the District remains compliant with regulatory agencies. Recently acquired utilities by the County are being brought up to District standards in permitting and operation so as to maintain compliance. To the Consulting Engineer's knowledge, the County is in compliance with all federal and state regulatory requirements relating to the provision of water and wastewater services, and there are no outstanding orders requiring corrective actions issued by any regulatory agency. The Consulting Engineer has no reason to believe that the necessary permits for the construction of new facilities and the operation of the System will not be renewed, modified, or extended on a timely basis with the appropriate regulatory agencies.

6. During the course of the engineering due diligence investigations, nothing has come to the attention of the Consulting Engineer that lead them to believe that significant funds above current funding levels will be required for System improvements beyond that identified herein for the Forecast Period. Subsequent to closing, should the County discover any additional capital needs, funding can be provided by increasing the Renewal and Replacement Fund and Surplus Fund deposits, issuance of additional bonds, or by increasing rates.

In addition, the Feasibility Consultant is of the opinion that:

1. The projected growth in customers and usage of the System represent reasonable and attainable projections for the purposes of this Report based on current economic conditions and recent development plans for the service area.

2. The projected growth in the Operating Expenses represents reasonable projections for the purposes of this Report.

3. The System revenues estimated to be earned during the Forecast Period from i) the County-approved water, wastewater, and irrigation quality water retail rates, which also includes and assumes the annual application of a price index (inflationary) rate adjustment, as contained in Resolution No. 2018-129 adopted by the Board on July 10, 2018 for the District (the "Retail Rate Resolution"); and ii) the County-approved wholesale water rates as contained in Resolution No. 2018-130 adopted by the Board on July 10, 2018 for the District (the

"Wholesale Rate Resolution", and collectively with the Retail Rate Resolution, the "Rate Resolution"), should be sufficient to pay the projected Operating Expenses, pay the estimated Annual Debt Service on the Outstanding Bonds as hereinafter defined, the anticipated Series 2019 Bonds, and projected Additional Parity Bonds and the debt service payments on the Subordinated Indebtedness coming due in such years, and make the projected deposits to the Renewal and Replacement Fund and the Surplus Fund which is available for paying the cost of major extensions, improvements or additions to, or the replacement or renewal of capital assets of the System, or extraordinary repairs of the System and continue to be in compliance with the rate covenant contained in the Bond Resolution. The Board has annually adjusted the rates associated with the application of previously approved adjustments or through the application of a price index factor for the Fiscal Years 2014 to 2018 (in accordance with the provisions of the rate resolution in effect at that time) and has adopted projected rates and indexing provisions to be placed in effect during the Forecast Period.

4. Based on financial information as provided by the County, which includes, but is not limited to, the Comprehensive Annual Financial Reports for the System, the Pledged Funds of the System have historically (for the past five Fiscal Years ended September 30, 2018 as contained in this Report) been in compliance with the rate covenant contained in the Bond Resolution.

5. The District's rates currently in effect for water and wastewater service are considered comparable to charges for similar service provided by other publicly-owned utilities located in proximity to the County in the southwestern portion of Florida. The projected implementation of the approved rate adjustments or estimated price index adjustments assumed for the Forecast Period as represented in this Report is not expected by the Feasibility Consultant and the Utilities Department to negatively affect the customer growth or sales (billed water and wastewater use or flow) assumed for the Forecast Period or the overall the competitiveness of the County's monthly user rates over the Forecast Period. The Board has the ability to increase the rates above the rates presented in the rate implementation plan as contained in the Rate Resolution, which were assumed for the projections.

6. The Water and Wastewater System Development Fees (the "System Development Fees") are impact fees and are comparable to the fees charged by neighboring utilities. The Feasibility Consultant considers the System Development Fees to be reasonable, which were based on the utility plant-in-service as reported in the County's Comprehensive Annual Financial Report and the near-term capital requirements of the System contained in the System's adopted capital improvement plan at the time of fee determination. Based on discussions with the Utilities Department staff, the application of the System Development Fees is not expected to negatively affect System growth.

(Remainder of page intentionally left blank)

The ability of the System to meet all System requirements and comply with the rate covenant set forth in the Bond Resolution is subject to the assumptions and considerations identified in the Report and information obtained from the County and others during the preparation of the Report regarding the System and the respective financial projections as presented therein. As such, the Report should be read in its entirety with respect to such projections.

Respectfully submitted,

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Attachments

COLLIER COUNTY WATER-SEWER DISTRICT, FLORIDA

COMBINED CONSULTING ENGINEERS AND BOND FEASIBILITY REPORT
WATER AND SEWER REVENUE BONDS, SERIES 2019

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COLLIER COUNTY WATER-SEWER DISTRICT, FLORIDA

COMBINED CONSULTING ENGINEERS AND BOND FEASIBILITY REPORT
WATER AND SEWER REVENUE BONDS, SERIES 2019

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INTRODUCTION

Presented herein is the Combined Report of the Consulting Engineers and Bond Feasibility Consultants (the "Report") for inclusion in the Official Statement that summarizes our analyses, studies, and conclusions with regard to the proposed issuance by the Collier County Water-Sewer District (the "District") of approximately $78,235,000[1] aggregate principal amount of Water and Sewer Revenue Bonds, Series 2019 (the "Series 2019 Bonds"). This Report was prepared by AECOM USA, Inc. ("AECOM" or the "Consulting Engineer") in its capacity as the consulting engineer to the District and Public Resources Management Group, Inc. ("PRMG" or the "Feasibility Consultant") in its capacity as the feasibility consultant to the District. The Series 2019 Bonds are being issued under the authority of Resolution No. CWS-85-5 adopted on July 30, 1985, as restated, amended and supplemented from time to time (collectively, the "Bond Resolution"). For a more complete description of the Bond Resolution, please refer to Appendix B – Composite Resolution in the Official Statement relating to the Series 2019 Bonds. Capitalized, undefined terms used in this Report shall have the meaning ascribed thereto in the Bond Resolution.

The District plans to issue the Series 2019 Bonds to: i) fund certain capital improvements to the County's water, wastewater and reclaimed (irrigation quality) water systems (the "Series 2019 Project") as shown on Table 5 at the end of this Report; ii) fund a deposit to the debt service Reserve Account; and iii) pay certain expenses related to the issuance and sale of the Series 2019 Bonds. The Series 2019 Bonds are being issued on a parity basis with the District's outstanding Water and Sewer Refunding Revenue Bond, Series 2013 (the "Series 2013 Bond"), the Water and Sewer Refunding Revenue Bond, Series 2015 (the "Series 2015 Bond"), the Water and Sewer Refunding Revenue Bonds, Series 2016 (the "Series 2016 Bonds"), and the Water and Sewer Revenue Bond, Series 2018 (the "Series 2018 Bond" and, collectively with the Series 2013 Bond, the Series 2015 Bond, the Series 2016 Bonds, the "Outstanding Bonds" and, including the Series 2019 Bonds, the "Bonds"). The Net Revenues derived from System operations, along with System Development Fees (i.e., impact fees), are pledged toward the repayment of the Bonds and other loans specific to the provision of utility service to residents and commercial / government properties located in the District. Neither the credit nor the taxing power of Collier County will be pledged toward the payment of the Annual Debt Service for the Bonds issued on behalf of the System.

The primary purposes of this Report are to: i) present the Consulting Engineer's summary description of the water, wastewater and reclaimed (irrigation quality) water systems (collectively, the "System"), compliance with regulations, and a description of the capital improvements anticipated for the System for the Fiscal Years ending September 30, 2019 through and including

[1] Preliminary, subject to change based on actual sale of Series 2019 Bonds.

September 30, 2024 (the "Forecast Period"); and ii) summarize the Feasibility Consultant's findings of the following: a) historical compliance with the rate covenant set forth in the Bond Resolution for the five Fiscal Years ended September 30, 2018 (the "Historical Period"); and b) financial projections of the System for the Forecast Period and the ability of the projected revenues derived from System operations to meet the estimated expenditure and funding obligations of such System, including the anticipated ability of the System to meet the rate covenant requirements as described in the Bond Resolution for the Forecast Period, in order to provide information for parties reviewing the Official Statement associated with the issuance of the Series 2019 Bonds. The Report includes, among other things, a discussion of i) current management and operation of the System; ii) the System service areas; iii) the facilities that comprise the System and a general assessment of the general condition of the facilities and compliance with regulatory and permit requirements; iv) projections of customer growth and capacity needs; v) the schedule of currently effective rates and fees for service; vi) the projects to be financed by the Series 2019 Bonds, as well as other sources; and vii) the recent historical and projected financial operating results of the System.

AECOM, the Consulting Engineer, was responsible for coordinating the review of the System as it related to the organization, permitting, regulation, and general condition of the System. AECOM is an environmental and infrastructure consulting engineering firm that provides water and sewer management system planning, permitting, design, construction administration, and operational assistance to counties, municipal governments, and other public agencies. AECOM is currently ranked as the No. 3 Engineering firm in Water, the No. 3 Engineering firm in Sewer, the No. 1 ranked pure design firm, and the No. 1 ranked engineering firm overall by the industry trade magazine, *Engineering News Record*. AECOM has served the District since 1990.

With respect to the evaluation of the condition, the Consulting Engineer performed a general due diligence investigation of the System. Included in this investigation were a review of available reports and documents, a visual field review, review of Florida Department of Environmental Protection ("FDEP") and South Florida Water Management District ("SFWMD") permit records, and meetings and discussions with affected parties. The field review of the facilities performed by the Consulting Engineer involved a walk-through evaluation of most major aboveground structures, buildings and equipment, including water and wastewater treatment facilities, storage tanks, and water pumping stations. Based on the Consulting Engineer's review and general understanding of the County System, the overall system is considered to be in good condition, is functioning as intended, and it is reasonable to assume that the System does not appear to have any major deficiencies. This was confirmed with interviews with County's Public Utilities Department (the "Utilities Department") staff, a review of the applicable system reports, and the number and type of customer complaints received. The scope of the engagement with the County did not include an inspection of the existing water distribution, wastewater collection and other associated belowground facilities nor did it include independent reviews of any engineering matters related to such facilities. Accordingly, nothing in this Report is intended to indicate conformance with respect to the physical aspects of the County's belowground facilities.

Public Resources Management Group, Inc., the Feasibility Consultant, was responsible for the compilation of the historical customer, operating, and financial results, and the operating and financial projections of the System. PRMG, a recognized utility management consulting firm,

specializes in the development of rates, charges, and financial projections for publicly-owned and not-for-profit utility systems, primarily in Florida. The firm has been involved in a number of utility financings involving the preparation of financial forecasts on behalf of local governments and utility corporations in Florida that are issuing utility bonds secured for repayment by the revenues of such utility. The firm has provided utility rate and consulting services to the District on an ongoing basis since 2002.

In preparation of this Report, the Consulting Engineer has relied upon information derived from i) operating reports and records prepared by Utilities Department management; ii) historical data, reports, permits, and records provided by the Utilities Department, regulatory agencies, and others; and iii) other information provided by and discussions with the County. PRMG has relied upon financial, statistical and operational data regarding the System derived from: i) operating and financial reports and records prepared by the Utilities Department and County management and staff; ii) information presented in operating and financial records and the Comprehensive Annual Financial Reports (annual audits) prepared by the County; and iii) other statistical and financial information provided by and discussions with the County and the Utilities Department. In addition, PRMG has been furnished information, assumptions, and projections from the Utilities Department and others, including the estimated levels of the Annual Debt Service payments for the Series 2019 Bonds by the County's Financial Advisors, PFM Financial Advisors, LLC of Coral Gables, Florida (previously defined as the "Financial Advisor"), and we have utilized information obtained from other utility systems in Florida and other sources. AECOM and PRMG believe the sources of such information, assumptions, and projections to be reasonable for the purposes of this Report. We have no reason to believe that such information is unreliable for purposes of this Report. The actual results achieved during the Forecast Period reflected in this Report may vary from those projected and such variations could be material. Such projections are, therefore, subject to adjustment and we can give no assurances that the projections will be realized. The debt-related assumptions as provided by the Financial Advisor and relied upon by PRMG may vary from actual results and are subject to market conditions, as well as the County's credit rating at the time of issuance. In using the Report prepared by PRMG, the County expressly acknowledges that PRMG is not a "Municipal Advisor" as defined under Section 15B(e)(4)(A) of the Exchange Act as amended by the Dodd-Frank Act and thus is not providing advice with respect to municipal financial products or the issuance of municipal securities, including advice with respect to the structure, timing, terms and conditions and other similar matters concerning financial products or issues.

This Report summarizes the results of our studies and analyses up to the date of this Report. Prospective purchasers of the Series 2019 Bonds should not rely upon the information contained in this Report for a current description of any matters set forth herein as of any date subsequent to the date of this Report. Changed conditions occurring or becoming known after such date could affect the material presented herein to the extent of such changes.

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COLLIER COUNTY WATER-SEWER DISTRICT

General

Collier County is a political subdivision of the State of Florida governed by the State Constitution and general laws of the State of Florida. In 2003, the Legislature of the State of Florida pursuant to Section 189.429, Florida Statutes, adopted the Collier County Water-Sewer District Special Act (formally known as House Bill 849) (the "Act") to create the Collier County Water-Sewer District (previously defined as the "District") on behalf of the County. The Act is represented in Chapter 2003-353, Laws of Florida. The District is an independent special district and public corporation of the State with the Board of County Commissioners being the governing board of the District. The purpose of creating the District was to provide the District with the overall responsibility for the provision of water and wastewater services to a specified geographic service area of the County as defined in the Act due primarily to the extensive growth within the County and to meet the public health and water supply issues affecting such service area. The County occupies approximately 2,026 square miles and as shown on the illustration in Figure 1 is located in the southwestern portion of the State. In terms of land area, the County is the largest county in the state. Based on information developed by the Bureau of Economic and Business Research, University of Florida ("BEBR") and published on the website of the State of Florida Office of Economic and Demographic Research (the "2018 BEBR Estimates"), the County had an estimated permanent population of approximately 367,347 people as of April 1, 2018, of which approximately 89.7% were estimated to be located in the unincorporated area of the County. Among the sixty-seven counties in Florida, the County ranked sixteenth in terms of permanent population size according to information contained in the 2018 BEBR Estimates as of April 1, 2018.

Figure 1
Location of Collier County



The population for Collier County is projected by the Florida Legislative Office of Economics and Demographic Research to increase from 367,347 in 2018 to approximately 379,905 people by the year 2020 (3.4%) and to approximately 413,739 people by the year 2025 (12.6%). According to the County's 2018 Annual Update and Inventory Report (the "AUIR"), the permanent population served by the District's water system as estimated by the County was 186,362 in Fiscal Year 2018, which represents approximately 56.6% of the population located in the County as determined by the BEBR for 2018. With respect to the District's wastewater system, the AUIR estimates for Fiscal Year 2018 reflect a permanent population of 113,863 for the service area of the District's North County Water Reclamation Facility and 95,212 for the service area of the District's South County Water Reclamation Facility. On a combined basis, the permanent population served by the District's wastewater system as estimated by the County was 209,075, which represents approximately 63.5% of the BEBR population estimates for the County.

The District's current and primary revenue source is derived from the application of monthly usage charges collected for potable water and wastewater service. The Net Revenues derived from System operations, along with System Development Fees, are pledged toward the repayment of Bonds and other loans specific to the provision of utility service to residents and commercial /

government properties located in the District. The District is accounted for as a utility enterprise fund and according to the Governmental Accounting Standards Board, "Enterprise Funds should be used to account for operations that are financed and operated in a manner similar to private business enterprises – where the intent of the governing body is that costs of providing services to the general public on a continuing basis be financed or recovered primarily from user charges."

Existing System Debt and Plan of Finance

The County has previously issued long-term debt to fund certain capital improvements to the System. As of October 1, 2018 (beginning of Fiscal Year 2019), the County had Bonds outstanding in the aggregate principal amount of approximately $99,366,907 that were issued pursuant to the terms and conditions of the Bond Resolution (the Outstanding Bonds), which are secured by a senior lien pledge on the Net Revenues, System Development Fees and funds on deposit in certain funds and accounts established under the Bond Resolution (the "Pledged Funds").

The following is a summary of the Outstanding Bonds as of October 1, 2018, the first day of the Fiscal Year 2019, for the System:

Summary of Outstanding Bonds Debt Allocable to District System

Description	Principal Outstanding October 1, 2018 [*]	Maturity Date (Last Payment)	Repayment Terms
Outstanding Bonds [2]:			
Water and Sewer Refunding Revenue Bond, Series 2013 (the "Series 2013 Bond")	$4,281,907	July 1, 2021	Level Debt Payments
Water and Sewer Refunding Revenue Bond, Series 2015 (the "Series 2015 Bond")	12,575,000	July 1, 2022	Level Debt Payments Through 2021, Increased Payment in 2022
Water and Sewer Refunding Revenue Bonds, Series 2016 (the "Series 2016 Bonds")	48,105,000	July 1, 2036	Interest-Only Through 2028, Then Level Debt Payments
Water and Sewer Revenue Bond, Series 2018 (the "Series 2018 Bond")	34,405,000	July 1, 2029	Level Debt Payments to 2022; Increased Level Debt Payments for Remaining Term
Total Outstanding Bonds	$99,366,907		

[*] Amounts shown reflect the outstanding principal amount of the Bonds after the payment of any principal up to and including October 1, 2018.

In addition to the Outstanding Bonds issued pursuant to the Bond Resolution, the County has also secured additional debt allocable to the System which is subordinate to the Outstanding Bonds (the "Subordinated Indebtedness"). On November 17, 2016, the District issued the Water and Sewer Refunding Revenue Note (Subordinate), Series 2016 in the principal amount $89,982,000 (the "2016 Subordinated Note") to refund all the District's then outstanding loans secured by the District through the State Revolving Fund ("SRF") loan program (all of the SRF loans were considered as Subordinated Indebtedness). As of October 1, 2018, the County had a total aggregate principal amount of $77,879,000 of the 2016 Subordinate Note outstanding payable under the following terms as summarized on the following page:

Description	Principal Outstanding October 1, 2018 [1]	Maturity Date (Last Payment)	Repayment Terms [2]
Water and Sewer Refunding Revenue Note, 2016 Subordinate Note (the "Subordinate 2016 Note")	$77,879,000	July 1, 2029	Declining Payments Based on Initial Repayment Terms of the Refunded SRF Loans

[1] Amounts shown reflect the outstanding principal amount of the Subordinate Indebtedness after the payment of any principal up to and including October 1, 2018.
[2] The annual debt repayment recognizes a declining payment structured to match the repayment schedule of the SRF loans secured by the County for System capital improvement financing.

For the purposes of this Report and based on the direction of the County's Financial Advisor, it was assumed that the Series 2019 Bonds would be issued in the aggregate principal amount of approximately $78,235,000 and would have a delivery date of April 17, 2019. The following is a summary of the estimated sources and uses of the proceeds of the Series 2019 Bonds as provided by the County's Financial Advisor which was subsequently assumed in the development of the financial projections contained in this Report:

Summary of Series 2019 Bonds
Estimated Sources and Uses of Funds [*]

	Series 2019 Bonds
Sources of Funds:	
Bond Proceeds – Par Amount	$78,235,000.00
Original Issue Premium	6,216,327.15
Total Sources of Funds	$84,451,327.15
Uses of Funds:	
Deposit to Project Fund	$76,000,000.00
Deposit to Debt Service Reserve Fund	7,823,500.00
Underwriter's Discount	391,175.00
Cost of Issuance/Other Uses	236,652.15
Total Uses of Funds	$84,451,327.15

[*] Amounts prepared and provided by County's Financial Advisor and are preliminary as of January 7, 2019 and subject to change based on the actual terms regarding the sale of the Series 2019 Bonds.

It is estimated that the debt to net plant ratio (i.e., the principal amount of debt divided by the estimated net utility plant) including the anticipated increase in debt and net plant associated with the issuance of the Series 2019 Bonds will be approximately 28% at time of issue (net utility plant includes construction-work-in-progress and land), which is considered by the Feasibility Consultant to be favorable. As discussed in subsequent sections of this Report, the financial projections do assume the issuance of Additional Bonds during the Forecast Period; please reference the section of the Report entitled "Projected Operating Results" for a listing of the assumptions associated with the assumed Additional Bonds recognized in the development of the financial forecast presented in this Report.

THE DISTRICT SYSTEM

As previously mentioned, the District was created by the Collier County (the "County") Water-Sewer District Special Act in 2003 by the State Legislature and is an independent special district and public corporation of the State with the Board being its governing board. The purpose of the District is to provide water and wastewater services to a population of approximately 210,000 located within its service area boundary.

The District potable water system is comprised of potable water supply, treatment, and distribution systems. The system includes raw water supply wellfields, two Water Treatment Plants (each a "WTP") and a water transmission and distribution system consisting of pumping facilities, storage tanks, and transmission and distributing network with a goal of providing safe drinking water and adequate fire protection (fire hydrants) throughout the service area (the "Water System"). The District's wastewater system is comprised of collection, treatment, reuse, and disposal facilities (the "Wastewater System"). The Wastewater System includes two water reclamation facilities and an extensive wastewater collection and conveyance system that includes gravity sewers, pumping stations, and a manifolded force main network.

Included in Appendix A to this Report is the Consulting Engineer's Report that provides a summary description of the facilities and their findings and recommendations on the following:

- Characterization and condition assessment of the facilities operated within the District System;
- General description of the management and organizational structure of the District;
- Spatial description of District water and wastewater system service areas;
- Estimation of projected potable water demands, wastewater flows, and irrigation quality ("IQ") water demands of the District system;
- Capacity evaluation of the District facilities to meet existing and future projected demands and flows from a master planning basis;
- Assessment of the System's compliance with regulatory and permit requirements;
- Review of the District's most recent Capital Improvement Program; and
- Identification of infrastructure expansions and upgrades of the existing System to meet projected service area needs.

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CAPITAL IMPROVEMENT PROGRAM (CIP)

General

The District has planned capital improvements for the expansion of the water and wastewater capacity and the performance of ongoing renewals, replacements, betterments, and upgrades to the System during the next several years in order to meet the current and future needs of the District and maintain the reliability of the potable water, wastewater, and IQ water systems. The Capital Projects consist of Growth-Related Projects (District Fund Numbers 411 and 413) and Repair and Rehabilitation Projects (District Fund Numbers 412 and 414). The capital improvement program ("CIP") was initially developed as part of the 2014 Public Utilities Master Plan which has been subsequently updated for known or changed conditions and is continuously reviewed by CCWSD on an annual basis. The projected cost of such improvements for the Forecast Period (which encompasses the six fiscal year period ending 2024), including those projects that were initiated during or prior to the Fiscal Year 2018 that are still underway (referred to as a "Project Carryforward") plus an allowance for contingencies and inflation, is anticipated by the County to be approximately $567,295,000, which includes the 2019 Project. The cost of the capital improvements recognized to be funded during the Forecast Period is based on estimates and capital plans prepared by the District and other engineers employed by the District as part of its ongoing capital program, and discussions with the District. It should be noted that the CIP referenced in the Consulting Engineer's report included in Appendix A to this Report does not include any Project Carryforwards, which were approved by the Board in prior periods (not generally reflected in the forecasted CIP) or allowances for departmental capital, which is recognized in the District's operating budget, but reflect expenditures that are capitalized to utility plant-in-service (not an Operating Expense).

For the purpose of preparing this Report and the financial projections as contained herein, only the capital needs for the Forecast Period were considered. Many of the projects and improvements included in the capital improvement program are in the preliminary planning stages and contracts for construction have not been awarded. The District's capital improvement program is reviewed by the County on an annual basis. Accordingly, the total cost of the capital improvement program could be more or less depending on future demand requirements and service area needs, actual contract awards and other economic factors.

The CIP for the Forecast Period is summarized on Table 3 at the end of this Report. As can be seen on Table 3 and as shown below, the projected cost of such improvements (the "Projects"), including an allowance for contingencies, is anticipated by the District to be approximately $567,295,000, which does include ongoing capital outlay (e.g., departmental capital budgeted as a component of ongoing operations such as meters, vehicles, equipment, furniture, etc.) of approximately $9,017,000.

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Summary of Six-Year Capital Improvements and Expenditures – For the Forecast Period

	Estimated Capital Cost [1]
Capital Improvement Program:	
Water System Projects:	
Water System Development Fee Fund (411) Projects	$49,241,573
Water Capital Account (412) Projects	138,286,917
Ongoing Department Capital Outlay [3]	3,941,360
Total Water System Projects	$191,469,850
Wastewater and IQ Water System Projects:	
Wastewater System Development Fee Fund (413) Projects [2]	$114,249,107
Wastewater Capital Account (414) Projects [2]	256,500,281
Ongoing Department Capital Outlay [3]	5,075,714
Total Wastewater System Projects	$375,825,101
Total Capital Improvement Program	$567,294,951

[1] Amounts shown derived from Table 3; represents capital expenditures budgeted or planned for the District as reflected in the CIP.
[2] Includes reclaimed (irrigation quality) water projects.
[3] Represents capital expenditures identified in operating budget and is primarily for vehicles, equipment, machinery and other related items (recurring minor capital expenditures).

Note: Numbers in parentheses refer to County Fund designation reference for financial accounting / budgeting purposes.

The 2019 Project

The Utilities Department staff has identified a listing of projects that are planned to be constructed by the issuance of the Series 2019 Bonds (referred to as the "2019 Project") which was presented in the Consulting Engineer's Report included in Appendix A to this Report and is summarized below:

Summary of the 2019 Project – Funded from the Series 2019 Bonds

Description	Estimated Amount
Northeast Water Storage Tank and Potable Water Transmission Main	$39,122,000
Interim Northeast Potable Water Pump Station	1,984,000
Interim 1.5 MGD Northeast Wastewater Treatment Plant	9,641,000
Northeast Wastewater Transmission Mains	10,030,100
Interim IQ Pump Station, IQ Storage Tank, and Transmission Pipelines	15,970,952
Total Project Costs	$76,748,052
Amount Funded from Series 2019 Bonds	$76,000,000

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A detailed description of the capital improvement projects comprising the 2019 Project as provided by the District is presented below.

Water System Development Fee Fund (411) Projects

Northeast Water Storage Tank and Potable Water Transmission Mains – $39,122,000

This project consists of constructing a 7.5 million-gallon ("MG") potable water storage tank and potable water transmission mains to developments located in the northeast portion of the District's service area to distribute water to this area from the regional water system. The storage tank is part of the Northeast Regional Water Treatment Plant ("NERWTP") design and is being constructed in advance to allow for the initiation of potable water to the service area.

As a part of the engineering evaluation a gap analysis was completed to compare the required potable water storage capacity based upon Ten States Standards and FDEP requirements and the available potable water storage. The recommended more stringent requirement for potable water storage (Ten States Standards) was used and compared to the available potable water storage of 35.8 MG. Based upon Ten States Standards, it is projected that the District will require additional finished storage volume by Fiscal Year 2025 and a total of 12.12 MG will be required by Fiscal Year 2040. The construction of the new 7.5 MG storage tank will address the water storage gap until Fiscal Year 2032. Additional storage capacity will be required starting Fiscal Year 2033 and can be fulfilled with a second 7.5 MG storage tank.

Potable Water transmission mains will be needed to distribute water from the regional system to serve the future population from the northeast developments starting in Fiscal Year 2021. The permanent population estimates for the northeast developments were provided by the District in December 2018 and are based upon the developer's estimate of residential units, the County's average persons per household estimates, and the developer's forecasted lot absorption/ construction schedule.

Interim Northeast Potable Water Pump Station – $1,984,000

An interim potable water pump station and chemical treatment system is planned by the County to be constructed at the same time as the storage tank and transmission lines to distribute water to the Northeast service area from the exiting regional system. This project is expected to start in Fiscal Year 2019 and be online by 2020.

Permanent population from the future developments located in the Northeast service area will initially be served from the existing regional water treatment plants and is anticipated to start receiving service beginning in Fiscal Year 2021. The permanent population estimates for the Northeast Developments were provided by Utilities Department staff in December 2018 and are based upon the developer's estimate of residential units, the County's average persons per household estimates, and the developer's forecasted lot absorption / construction schedule.

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Wastewater System Development Fee Fund (414) Projects

Interim 1.5 MGD NE Wastewater Treatment Plant – $9,641,000

This project consists of designing and constructing an interim 1.5 MGD Northeast Wastewater Treatment Plant to be online in 2020 to service initial development in Hyde Park, Rivergrass, Immokalee Road Rural Village and Hogan Island Village developments.

The District anticipates growth in population and wastewater flows in the northeast region of the County, resulting in an expansion of the service area and the need for additional treatment capacity. A new regional Water Reclamation Facility at the Northeast Utility Facility is planned to support the future developments in this area. An interim 1.5 MGD wastewater treatment plant is planned to meet immediate needs until a new 4.0 MGD Northeast Utility Facility is designed and constructed. Based upon the permanent population projections provided by the District, permanent population from the future developments located in the Northeast service area to be served from the regional system are anticipated to start in Fiscal Year 2021.

Based upon the updated System-wide Treatment Capacity Gap Analysis and the projection of future demands due to population growth and new development, the current treatment plant capacity is not exceeded until Fiscal Year 2030. When evaluating the treatment plant gap analysis based upon the wastewater treatment plant basin areas, the South basin exceeds its capacity by Fiscal Year 2025 and the North and Northeast basins (with flows diverted from south to north) exceeds the Orange Tree and Golden Gate City Wastewater Treatment Plant capacities by Fiscal Year 2030.

The District utilizes the Collier County Water Sewer District System Utilization and Diminishing Capacity Report ("Checkbook"), which compares available treatment capacity to the quantity of Board approved Planned Unit Developments ("PUD", which is generally defined as a designed grouping of both varied and compatible land uses, such as housing, recreation, commercial centers, and industrial parks, all within one contained development). The AUIR notes that there would be 15% remaining capacity at the NCWRF while the SCWRF would have a 44% deficit if all Board approved PUDs were to be constructed. An interim 1.5 MGD Northeast Wastewater Treatment Plant is planned to support the future developments until a permanent 4.0 MGD Northeast Water Reclamation Facility is design and constructed.

Northeast Wastewater Transmission Mains – $10,030,100

This project consists of designing and constructing of wastewater transmission mains to developments located in the northeast portion of the District's utility service area to facilitate connection to the Interim Northeast Wastewater Treatment Plant to be online in 2020 to service new customer growth in the Hyde Park, Rivergrass, Immokalee Road Rural Village and Hogan Island Village developments.

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Irrigation Quality Water System Development Fee Fund (414) Project

Interim IQ Pumping Station, IQ Storage Tank, and all Pipelines – $15,970,952

The purpose of this project is to design and construct an interim IQ water pump station, IQ water storage tank and pipelines to be online in 2020 to distribute IQ water to the Hyde Park, Rivergrass, Immokalee Road Rural Village and Hogan Island Village developments.

The IQ water maximum month demands of existing customers, based on 1-inch per irrigable acre per week for current major customers, for basic users and non-controllable use is 23.0 MGD, but adjusted schedules for the construction of the groundwater and ASR wells along with seasonal variations have impacted the IQ water availability. Currently, the IQ availability is projected to meet the existing IQ customer demands in Fiscal Year 2021.

Based upon the permanent population projections provided by the County, permanent population from the future developments located in the Northeast service area to be served from the regional system are anticipated starting in Fiscal Year 2021.

Funding Sources for Capital Program

As discussed previously and as shown in Table 3 at the end of this Report, the County has identified approximately $567,295,000 in capital projects that are either underway or to be performed over the next six years ending Fiscal Year 2024 (including expenditures which have or are anticipated to occur during the Fiscal Year 2019) on behalf of the System during the Forecast Period. The assumed capital financing plan as included in this Report was based on an analysis of available funds to the District (e.g., System Development Fees, available capital account reserves on deposit in the Surplus Fund, etc.), the estimated amount of proceeds to be derived from the issuance of Additional Bonds, and other funds available to the District and discussions with the County. The funding sources for the total CIP recognized for the purpose of preparing the financial projections contained in this Report are as follows:

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Summary of Capital Improvement Program Funding [1]

	Total Fiscal Years 2019 – 2024	Percent
Capital Expenditures:		
Water System	$191,469,850	33.8%
Wastewater and IQ Water System	375,825,101	66.2%
Total Capital Expenditures	$567,294,951	100.0%
Anticipated Funding Sources:		
Rate Revenue (Annual Operations)	$8,597,073	1.5%
Water System Development Fees [3]	10,867,625	1.9%
Wastewater System Development Fees [3]	180,007	0.0%
Water Capital Account [4]	135,777,917	24.0%
Wastewater Capital Account [4]	230,013,329	40.5%
Grants	1,400,000	0.3%
Additional Bonds – Series 2019 Bonds	76,000,000	13.4%
Additional Bonds – Series 2022 Bonds [2]	104,039,000	18.3%
Additional Subordinated Indebtedness	---	0.0%
Operating Reserves / Fleet Mgmt. Reserves [5]	420,000	0.1%
Total System Funding Sources	$567,294,951	100.0%

[1] Amounts shown derived from Table 3; represents capital expenditures budgeted or planned for the System to be appropriated during the Forecast Period; amounts include prior period appropriations (project carryforwards) and departmental (budgetary) capital.
[2] Represents Additional Bonds issued in accordance with the Bond Resolution.
[3] Under Florida law, the System Development Fees may only be used to fund capital improvements or capacity that are necessitated by new construction or development.
[4] Reflects accounts established by the District that are annually funded by System operations and used to fund renewals, replacements, betterments and upgrades to the System (pay-as-you-go funding). Amounts shown also include use of available balances in the respective funds as of September 30, 2018 in the amount of $25,036,478 for the Water Capital Account and $58,208,844 for the Wastewater Capital Account; reference Table 8 at end of Report regarding the projection of the balances in each fund and account maintained for the System.
[5] Reflects expenditures funded annually by operations and represents ongoing purchases of vehicles, equipment, machinery and other related items (departmental capital).

As can be seen above, approximately 68% of the capital program is anticipated by the County to be funded from internal sources (e.g., Capital Accounts, rate revenues, and other sources). The remainder of the funding for the capital program is primarily associated with the proceeds of the Series 2019 Bonds and Additional Bonds.

Capital Re-investment Summary

Pursuant to the terms and conditions of the Bond Resolution, the County must establish and maintain a Renewal and Replacement Fund. ("R&R Fund"). With respect to the Renewal and Replacement Fund, such amounts shall be used by the District for the purpose of paying the costs of major extensions, improvements or additions to, or the replacement or renewal of capital assets of the System or for extraordinary repairs of the System. As defined in the Bond Resolution, the R&R Fund Requirement is equal to $300,000 or such other amount as may be certified to the District by the Consulting Engineers as required by the Bond Resolution. The County's policy recognized in the development of the financial forecast is to maintain on deposit in such fund an amount necessary to satisfy the provisions of the Bond Resolution, and to utilize funds in the capital accounts (the Surplus Fund), System Development Fee funds, or other available funding

sources to meet the ongoing capital needs of the System. Recognizing this policy and that the current account balance is equal to the R&R Fund Requirement, no deposits from monthly service rates to the R&R Fund have been recognized during the Forecast Period.

The County has established a Water Capital Account Fund (Fund 412) and a Wastewater Capital Account Fund (Fund 414, which also includes funds for the IQ Water system) (collectively, the "Capital Account"), which the County funds annually through annual operations for utility facility renewals, replacements, betterments, upgrades, and any unusual, unanticipated, or extraordinary maintenance or repairs. The current County financing objective is to fund a deposit to the Capital Account in an amount at least to fifteen percent (15%) of the prior fiscal year Gross Revenues (considered as a minimum deposit). As discussed later in this Report, additional deposits above the minimum 15% funding objective has been recognized based on the results of the financial forecast which: i) serves to reduce the need to issue future Additional Bonds or Subordinated Indebtedness; and ii) is considered favorable by the Feasibility Consultant as it promotes rate sustainability and capital funding flexibility (reference is made to the projected operating results discussion later in this Report).

RATES, FEES, AND CHARGES

General

The Bond Resolution which authorized the issuance of the Bonds contains a covenant under which the District will enact a rate ordinance which will fix, establish and maintain such rates and collect fees, rates, or other charges for the products, services and facilities of its System, and revise the same from time to time, whenever necessary, as will always provide in each Fiscal Year:

> *"...(A) Net Revenues, System Development Fees and Special Assessment Proceeds adequate at all times to pay in each Fiscal Year at least 125% of the Annual Debt Service on all Outstanding Bonds becoming due in such Fiscal Year,*
>
> *and*
>
> *(B) Net Revenues in each Fiscal Year adequate to pay at least 100% of the Annual Debt Service for all Outstanding Bonds and any required deposits to the Reserve Account coming due in such Fiscal Year."*

In addition to the Bonds issued pursuant to the Bond Resolution, the County also issued the Water and Sewer Refunding Revenue Note (Subordinate), Series 2016 (previously defined as the "2016 Subordinate Note"), which was issued by the County to Florida Community Bank ("FCB") to refund all of the then outstanding loans obtained by the County through the SRF loan program as administered by the FDEP. The proposal accepted by the County with FCB contained a covenant that so long as the 2016 Subordinate Note is outstanding, the District would maintain the System's rates, fees, and charges at sufficient levels so that the Pledged Funds (after payment of Annual Debt Service on the Bonds) would equal at least one hundred fifteen percent (115%) of the Annual Debt Service on the 2016 Subordinate Note each Fiscal Year.

The majority of the System Gross Revenues for the District is derived from the application of the monthly user charges or rates levied against all customers for utility services rendered. The rates

for monthly water and wastewater service accounted for approximately 95% of the reported System Gross Revenues for the Fiscal Year 2018. Gross Revenues also include revenues from the sale of irrigation quality (reclaimed) water, other operating revenues from other customer service or miscellaneous fees (e.g., service initiation fees, late fees, meter installation fees, etc.), interest earnings on unrestricted fund balances and realized gains from the sale of investments. Interest earnings on funds that are considered restricted (maintained in the fund and not considered as available in the determination of compliance with the rate covenant as defined in the Bond Resolution) would include earnings on System Development Fees and the 2019 Project Fund balances (i.e., are not considered as a component of the Gross Revenues of the System but are a component of the Pledged Funds).

Water and Wastewater Rates

The sales revenues derived from the monthly rates or user charges and other operating revenues, all as reflected on Table 6 at the end of this Report associated with the projected operating results for the System, were developed based on retail rates and charges that were approved by the Board pursuant to the adoption of Resolution No. 2018-129 on July 10, 2018 (the "Retail Rate Resolution"). In addition, the Board also adopted on July 10, 2018 Resolution No. 2018-130, which provided for an increase in the potable water bulk services rates for wholesale water service to the City of Marco Island (the "Bulk Water Resolution", and collectively with the Retail Rate Resolution, the "Rate Resolution"). The primary purpose of the Rate Resolution was to adopt a series of rate adjustments to be implemented annually effective October 1st for the three Fiscal Year period 2019 (currently in effect) through and including 2021. Additionally, the Rate Resolution further provides that the rates may be further adjusted when there is no rate study which provided the basis for a change in rates (i.e., a study was performed in support of the rate phasing plan) by an annual price index adjustment to provide an inflationary cost recovery mechanism to promote the continuation of Net Revenues. Specifically, the Rate Resolution provides that the price indexing rate adjustment shall be equal to one-hundred percent (100%) of the percentage change in the Miami-Fort Lauderdale Consumer Price Index ("CPI") for all urban consumers as reported by the Bureau of Labor Statistics from January 1st through December 31st of the previous calendar year (the "Price Index"). The Price Index shall be applied uniformly to the monthly service base and volumetric charges (discussed hereinafter); but such index will not be less than zero. By way of example, the percentage change in the CPI for 2018 was 2.9%.

The adopted rates as referenced in the Rate Resolution include: i) a flat or constant service availability or readiness-to-serve charge which varies by meter size for all types of customers; ii) for the customers of the Water System, a consumption charge consisting of inclining blocked rates to promote water conservation; iii) for individually-metered residential customers of the Wastewater System, a wastewater flow billing threshold of 15,000 gallons per month per account; and iv) for the remaining customer types of the Wastewater System, a constant volumetric flow charge based on one hundred percent (100%) of the metered water consumption to such account.

As part of the water consumptive use permitting process, the SFWMD does require that utilities located within the boundaries of the respective Water Management District have a water conservation promoting rate structure. This requirement is part of the SFWMD water conservation goals relative to the regulation of raw water withdrawals. The SFWMD does not regulate the rates of the System regarding rate level but only to the extent a conservation pricing strategy is in place.

The District's Water System rates currently employ a water conservation rate structure consistent with the general water conservation program goals required by SFWMD.

The following is a summary of the current and Board-adopted monthly Water System rates for service as delineated in the Retail Rate Resolution:

Current and Adopted Monthly Water System Retail Rates [1]

	Effective October 1, 2018 [2]	Effective October 1, 2019 [3]	Effective October 1, 2020 [3]
Base Charge			
Residential, Multi-Family, Commercial, and Irrigation-Only (per Meter):			
5/8-inch or 3/4-inch	$22.41	$23.06	$23.73
1-inch	35.27	36.34	37.38
1-1/4-inch	45.44	46.85	48.18
1-1/2-inch	67.13	69.25	71.20
2-inch	105.52	108.90	111.94
3-inch	291.14	300.61	308.94
4-inch	642.98	664.00	682.36
6-inch	1,282.95	1,324.96	1,361.56
8-inch	2,242.70	2,316.22	2,380.17
10-inch	4,062.20	4,195.43	4,311.23
12-inch	6,021.83	6,219.37	6,391.01
Usage Charge per 1,000 Gallons [4]			
Residential, Multi-Family, Commercial, and Irrigation-Only (per Meter):			
Usage Block One	$3.07	$3.16	$3.25
Usage Block Two	4.64	4.77	4.91
Usage Block Three	6.16	6.34	6.52
Usage Block Four	7.69	7.91	8.14
Usage Block Five	9.22	9.49	9.77
Usage Block Six	12.29	12.65	13.02

[1] Amounts shown derived from the Retail Rate Resolution.
[2] Reflects rates that are currently in effect and are being billed by the District.
[3] Reflects rates that have been adopted by the Board but have not yet been implemented.
[4] All water is billed based on the following water consumption per block based on the size of meter in service as shown below:

Consumption Block (Residential, Multi-Family, Commercial, and Irrigation-Only)

	Consumption Block (Thousands of Gallons)					
Meter Size	Block 1	Block 2	Block 3	Block 4	Block 5	Block 6
5/8"	0 to 5	6 to 10	11 to 20	21 to 30	31 to 50	Over 50
3/4"	0 to 5	6 to 10	11 to 20	21 to 30	31 to 50	Over 50
1"	0 to 8	9 to 16	17 to 32	33 to 48	49 to 80	Over 80
1-1/4"	0 to 11	12 to 22	23 to 44	45 to 66	67 to 110	Over 110
1-1/2"	0 to 17	18 to 34	35 to 68	69 to 102	103 to 170	Over 170
2"	0 to 27	28 to 54	55 to 108	109 to 162	163 to 270	Over 270
3"	0 to 75	76 to 150	151 to 300	301 to 450	451 to 750	Over 750
4"	0 to 167	168 to 334	335 to 668	669 to 1,002	1,003 to 1,670	Over 1,670
6"	0 to 333	334 to 666	667 to 1,332	1,333 to 1,998	1,999 to 3,330	Over 3,330
8"	0 to 583	584 to 1,166	1,167 to 2,332	2,333 to 3,498	3,499 to 5,830	Over 5,830
10"	0 to 1,057	1,058 to 2,114	2,115 to 4,228	4,229 to 6,342	6,343 to 10,570	Over 10,570
12"	0 to 1,568	1,569 to 3,136	3,137 to 6,272	6,273 to 9,408	9,409 to 15,680	Over 15,680

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The following is a summary of the current and Board-adopted monthly Wastewater System rates for service as delineated in the Retail Rate Resolution:

Current and Adopted Monthly Wastewater System Retail Rates [1]

	Effective October 1, 2018 [2]	Effective October 1, 2019 [3]	Effective October 1, 2020 [3]
Base Charge			
Residential, Multi-Family, and Commercial (per Meter)			
5/8-inch or 3/4-inch	$34.24	$35.23	$36.25
1-inch	72.09	65.30	58.29
1-1/4-inch	94.11	85.14	75.72
1-1/2-inch	140.96	127.37	112.89
2-inch	223.80	202.24	178.67
3-inch	489.37	494.03	496.74
4-inch	865.09	981.00	1,099.65
6-inch	1,726.96	1,958.77	2,196.27
8-inch	2,864.34	3,344.79	3,840.87
10-inch	5,189.05	6,059.89	6,958.71
12-inch	7,692.78	8,984.24	10,316.66
Usage Charge per 1,000 Gallons			
Residential, Multi-Family, and Commercial [4]	$4.82	$4.96	$5.10

[1] Amounts shown derived from the Retail Rate Resolution.
[2] Reflects rates that are currently in effect and are being billed by the District.
[3] Reflects rates that have been adopted by the Board but have not yet been implemented.
[4] For the single-family residential class, the usage charge is billed to all metered consumption up to 15,000 gallons per month per account.

Irrigation Quality (IQ) Water Service

In addition to the water and wastewater rates for monthly service, the District also provides reclaimed or irrigation quality (previously defined as "IQ") water to a variety of users. Such users include single-family residential customers, commercial and multifamily common areas, and golf courses. The existing monthly rates include: i) a base charge, which varies by meter size that is designed to recover a portion of the IQ water system's fixed costs; and ii) a consumption charge, which varies by customer type or class and which recovers the variable costs of the IQ water system and the remaining fixed IQ water system costs. The following is a summary of the current and Board-adopted monthly IQ water system rates for service as delineated in the Retail Rate Resolution:

(Remainder of page intentionally left blank)

Current and Approved Monthly IQ Water System Rates [1]

	Effective October 1, 2018 [2]	Effective October 1, 2019 [3]	Effective October 1, 2020 [3]
Base Charge			
Individually-Metered Irrigation:			
Base Charge by Meter Size:			
5/8-inch and 3/4-inch Meter	$7.50	$8.18	$8.92
1-inch Meter	12.53	13.66	14.90
1-1/2-inch Meter	24.98	27.24	29.70
2-inch Meter	39.98	43.60	47.54
3-inch Meter	112.50	122.70	133.80
4-inch Meter	249.98	272.64	297.30
6-inch Meter	500.03	545.36	594.70
8-inch Meter	875.03	954.36	1,040.70
10-inch Meter	1,585.95	1,729.74	1,886.22
12-inch Meter	2,351.63	2,564.84	2,796.87
Volumetric Charge per 1,000 Gallons:			
Customer Type:			
Bulk	$0.44	$0.48	$0.52
Pressurized	0.58	0.63	0.69
Pressurized and Distributed	1.12	1.22	1.33

[1] Amounts shown derived from the Retail Rate Resolution.
[2] Reflects rates that are currently in effect and are being billed by the District.
[3] Reflects rates that have been adopted by the Board but have not yet been implemented.

Potable Water Bulk Service Rates

In addition to providing retail potable water service, the District also provides bulk or wholesale potable water service to the City of Marco Island pursuant to a bulk service agreement. On May 9, 2006, the Board approved a Potable Water Bulk Services Agreement (the "City Potable Agreement") between the Collier County Water-Sewer District and the City of Marco Island (the "City") to provide potable water service to an area within the City's water service district identified in the Agreement as Hammock Bay. The District delivers potable water to a point of delivery specified in the Agreement, which is subsequently distributed by the City to customers located in the Hammock Bay service area. The City has reserved 0.179 million gallons per day ("MGD") of contracted capacity with the District. The commodity charge may be adjusted by the District by resolution to cover the costs of providing this service; Section 6.3 of the Agreement specifies that charges will be established periodically, but not less frequently than every three (3) years by an independent study of the costs associated with providing service. Notwithstanding such an adjustment, the District may annually apply a price index to the commodity charge equal to the change in the Miami-Fort Lauderdale Consumer Price Index (all urban consumers) as reported by the Bureau of Labor Statistics (same index application basis as applied by the District to the retail utility rates). The rates for potable bulk service reflect a volumetric rate only and the following is a summary of the current and Board-adopted monthly potable water bulk service rates as delineated in the Bulk Water Resolution:

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Current and Approved Monthly IQ Water System Rates [1]

	Effective October 1, 2018 [2]	Effective October 1, 2019 [3]	Effective October 1, 2020 [3]
Volumetric Charge per 1,000 Gallons:			
All Metered Water Flow	$4.15	$4.24	$4.39

[1] Amounts shown derived from the Bulk Water Resolution.
[2] Reflects rates that are currently in effect and are being billed by the District.
[3] Reflects rates that have been adopted by the Board but have not yet been implemented.

Regarding future bulk water service to the City, reference is made to the section in the report entitled "Historical and Projected System Sales and Customer Usage Statistics," which immediately follows this section.

System Development Fees

In addition to the monthly rates for water and wastewater service, the Utilities Department currently charges System Development Fees, commonly referred to as "Impact Fees," based upon an equitable and proportionate share of the cost for: i) water production and transmission facilities; and ii) wastewater transmission, treatment and effluent disposal capacity of the System. Although the Bond Resolution refers to these fees as "System Development Fees," the ordinance adopted by the Board establishing such fees (and the District in practice) refers to them as "Impact Fees." The purpose of the System Development Fees is for paying or reimbursing the equitable share of the capital costs relating to the construction, expansion, or equipping of excess or unused capacity of the System in order to serve new users. If an existing customer requests an increase in water or wastewater capacity due to increased development, an additional System Development Fee will be collected prior to the development consistent with the net increase in demand. The current System Development Fees were adopted by the Board on April 25, 2017 pursuant to Ordinance No. 2017-13 (the "System Development Fee Ordinance") with the water fees becoming effective on May 1, 2017 and the wastewater fees becoming effective on July 24, 2017. The following table summarizes the adopted water and wastewater System Development Fees per utility system by meter size:

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Summary of Water and Wastewater System Development Fees [*]

	ERC Factor	Water	Wastewater
Residential Individually-Metered:			
0 to 4,999 Square Feet; No More than 4 Toilets	1.0	$2,562	$2,701
5,000 or More Square Feet; or More than 4 Toilets		Same as Non-Residential	
Residential Master-Metered (per Unit):			
0 to 750 Square Feet	0.33	$845	$891
751 to 1,500 Square Feet	0.67	1,716	1,809
1,501 or More Square Feet	1.00	2,562	2,701
Non-Residential:			
3/4-inch Meter Size	1.00	$2,562	$2,701
1-inch Meter Size	1.67	4,278	4,510
1-1/2-inch Meter Size	3.33	8,531	8,994
2-inch Meter Size	5.33	13,655	14,396
3-inch Meter Size	15.00	38,430	40,515
4-inch Meter Size	33.33	85,391	90,024
6-inch Meter Size	33.67	170,808	180,075
8-inch Meter Size	116.67	298,908	315,125

ERC = Equivalent Residential Connection
Square Feet = The living space of the residential dwelling unit.

[*] Amounts shown derived the System Development Fee Ordinance

Based on the fee summary above, the standard single-family residence (individually-metered) requesting both water and wastewater utility service would currently be charged the following System Development Fees by the County:

Combined Residential Individually-Metered System Development Fee Payment

	System Development Fee
Water – $ per ERC	$2,562
Wastewater – $ per ERC	2,701
Total – $ per ERC	$5,263

Under Florida law, System Development Fees (i.e., Impact Fees) may be validly imposed against new connections in order to fund capital improvements that are needed to serve new connections or for debt service for bonds or other obligations issued for such purposes (i.e., can only pay debt service on expansion-related debt). Such lawfully available System Development Fees must be placed in separate accounts and used only for the capital improvements or debt service attributable to expansion or over-sizing of the System through construction or acquisition. System Development Fee revenues fluctuate with the amount of new construction which occurs within the District's service area. Therefore, there can be no assurances that such revenues will not decrease or be eliminated altogether in the event that new construction, for whatever reason, might decrease or cease altogether within the System service area.

Miscellaneous Service Charges

The District has also adopted a schedule of fees and charges which are applicable to miscellaneous or customer-requested services. The fees generally are imposed to recover the cost of specific service such as water and wastewater taps and utility turn-on fees. The District does not require customer deposits since the District has the ability to place a statutory lien on each customer's property and can discontinue service to the extent of nonpayment. The District indicates that the level of uncollectible revenues associated with providing service is immaterial. The following is a summary of the miscellaneous service fees and charges that have been adopted by the District and are currently applicable to the customers of the System.

Water Meter Installation, Service Connection, and Cross Connection Control Device Charges

The District has adopted a fee schedule for water meter installation and connection services and cross connection control (backflow) devices in order to recover its cost of physically connecting a water customer to the System. Specifically, the District has adopted the following schedule to recover the cost associated with the physical connection of a property to the District System:

Meter Size (Inches)	Meter Installation Charge Without Service Line Installation [*]	Meter Installation Charge with Service Line Installation [*]	Cross Connection Control Device (Meter Already Installed)
All Meter Sizes	Actual Invoiced Cost	Actual Invoiced Cost	Actual Invoiced Cost

[*] Amounts shown derived from the Retail Rate Resolution.

Fireline Charges

The District bills monthly fire protection charges to privately-owned fire-protection systems and equipment connected to the County's Water System. The monthly charge is based on the size of the service line connecting the private system to the Water System. All usage that is documented to the Utilities Department by a local fire department or by a certified hydrant-testing agency shall be assessed at the established rate for the first consumption block of the water-conservation consumption charges and at the current purchased-water pass-through consumption charge. The following is a summary of the current monthly fire protection charges:

Current and Adopted Private Fireline Protection Charges [1]

	Effective October 1, 2018	Effective October 1, 2019 [2]	Effective October 1, 2020 [3]
Base Charge:			
1-1/2-inch	$5.33	$5.50	$5.65
2-inch	8.53	8.81	9.05
3-inch	23.99	24.78	25.47
4-inch	53.31	55.06	56.58
6-inch	106.64	110.14	113.18
8-inch	186.62	192.75	198.07
10-inch	338.25	349.35	358.99
12-inch	501.55	518.01	532.30

[1] Amounts shown derived from the Retail Rate Resolution.
[2] Reflects rates that are currently in effect and are being billed by the District.
[3] Reflects rates that have been adopted by the Board but have not yet been implemented.

Water Restriction Surcharge

The SFWMD has in the past implemented water usage restrictions on raw water withdrawals which have resulted in a reduction in billed potable water sales. The SFWMD has adopted a Water Shortage Plan pursuant to Chapter 40E-21 of the Florida Administrative Code. The rule establishes four phases of water shortage, which is a function of the estimated percent reduction in overall demand required to reduce estimated available water resource withdrawals. In anticipation of such extreme weather (drought) events which may occur from time to time and in order to provide additional surety that the System will generate Net Revenues sufficient to meet the rate covenant as delineated in the Bond Resolution, the District has adopted a water restriction surcharge which is based on the SFWMD Water Shortage Plan. The water restriction surcharge is applicable to both residential and non-residential service and to all water use tiers or blocks except the first two (2) consumption blocks for the residential class and the first consumption block for the non-residential class. The percentage water restriction surcharge percent adjustments are shown below:

Water Restriction Surcharge [1]

	Flow Charge Rate Adjustment Percentage [2]
Water Shortage Phase [3]:	
Phase 2 – Severe	15%
Phase 3 – Extreme	30%
Phase 4 – Critical	40%

[1] Amounts derived from the Retail Rate Resolution.
[2] Percent surcharge adjustments applicable to all consumption blocks except for the first two (2) consumption blocks for the residential classes and the first consumption block for the non-residential class; reference presentation of potable water raters earlier in this section of the report for water consumption block structure.
[3] The Water Restriction Surcharge is not applicable to the base charge.

The County may impose emergency water conservation charges when deemed necessary. The water restriction surcharge is implemented on the first billing cycle of the month following the imposition of the water use restrictions by the SFWMD upon the County and will cease on the first billing cycle of the month following the revocation or lifting of the restrictions.

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Other Miscellaneous Service Charges

In addition to the above referenced charges, the County also has several other charges which are applicable to miscellaneous or customer requested services. A summary of other miscellaneous charges imposed by the County which are common in the utility industry include the following:

Charge/Fee Description	Amount [1]
New Customer Accounts – Change of Ownership	$22.00
Utility Turn-on or Turn-off at Customer Request	37.00
Meter Re-Read (if Different Read Results, Fee is $0)	33.00
Meter Data Log Analysis	41.00
Convenience Fee – Credit Card Payments	0.00
Duplicate Bill Processing Fee	1.00
Temporary Meter Account Deposit	1,000.00
Cost of Processing for Refunds and Final Bills	10.00
Late Payment Penalty	5% of Current Charges
Septage Processing Charge (per 1,000 Gallons)	$35.00
Grease Trap Waste Charge (per 1,000 Gallons)	45.00
Non-Sufficient Funds Charge [2]:	
Check Amount – $0 to $50.00	$25.00
Check Amount – $50.01 to $300.00	$30.00
Check Amount – Above $300.01	$40.00 or 5% of Amount of Check, Whichever is Greater

[1] Amounts derived from the Retail Rate Resolution.
[2] Charge is based on Florida Statutes, Section 832.07 and is included in the Rate Resolution.

Rate Comparisons

Tables 9 through 11 at the end of this Report provide a comparison of the monthly cost of providing water and wastewater service for customers receiving such service through a 5/8-inch by 3/4-inch water meter at various usage levels calculated under the recently adopted rates as reflected in the Retail Rate Resolution. Also included on the comparison are bills calculated under the rates of other neighboring Florida utilities as of the billing month of January 2019. The monthly bills for the various Florida utilities used for the comparison are exclusive of local taxes or surcharges, if any. Additionally, for municipal-owned utility systems, such utilities may apply to customers located outside the corporate limits of such municipality a surcharge up to 50% when compared to the rates for service to customers located within the corporate limits as allowed pursuant to Florida Statutes, Section 180.191; the rate comparison reflects inside-the-city rates only, where applicable. The 5/8-inch by 3/4-inch meter comparison was prepared since this represents the majority of the District's water and wastewater residential customers and the majority of the customers served by the other utilities reflected in the comparison. As can be seen in the comparison, the System rates produce bills for the County that are comparable to amounts charged by the other neighboring utilities at similar usage levels. Some of the reasons why the monthly rates for service may vary include, but are not limited to, the high degree of treatment being used by the System to provide service (e.g., reverse osmosis water treatment), the impact of extraordinary abandonment of facilities due to regulatory and service issues (e.g., elimination of wells due to poor water quality), near term costs associated with regionalization of the service area and elimination of wastewater package plants, and the status of the County's capital program and corresponding asset age (new

facilities being built to meet needs with no grant funds received to assist in construction, which many utilities historically received).

The average individually-metered (single-family) residential customer uses approximately 5,000 gallons of monthly water service and the comparison of water and wastewater rates at this consumption level between the District and a number of the utilities surveyed is shown below:

Residential Rate Comparison with Other Surveyed Utilities

	Residential Service Assuming 5,000 Gallons of Utility Service [1]		
	Water	Wastewater	Total
Collier County:			
Existing Rates Effective October 1, 2018	$37.76	$58.34	$96.10
Adopted Rates Effective October 1, 2019	38.86	60.03	98.89
Other Florida Utilities:			
Bonita Springs Utilities, Inc. [2]	$30.47	$46.98	$77.45
City of Bradenton	29.70	37.24	66.94
City of Cape Coral	36.82	66.27	74.06
Charlotte County [2]	46.08	55.99	102.07
DeSoto County	55.61	68.08	123.69
Englewood Water District [2]	28.02	41.81	69.83
FGUA – Lehigh Acres System (Lee County) [2]	43.21	69.73	112.94
City of Fort Myers [2]	32.84	83.60	116.44
Hillsborough County [2]	30.99	36.46	67.45
Lee County [2]	28.94	49.70	78.64
Manatee County [2]	20.85	47.69	68.54
City of Marco Island [2]	58.41	58.27	116.68
City of Naples [2]	15.44	40.91	56.35
City of North Port	40.77	60.37	101.14
Okeechobee Utility Authority	45.35	57.16	102.51
Pinellas County [2]	32.45	38.61	71.06
City of Punta Gorda	31.19	35.25	66.44
City of Sarasota	34.22	57.70	91.92
Sarasota County [2]	28.91	52.59	81.50
City of Venice [2]	55.28	60.88	116.16
Other Utilities Average	$36.28	$53.26	$88.35

[1] Based on utility survey shown on Tables 9 through 11 at the end of this Report; comparisons are based on rates in effect as of January 2019.
[2] Utility is currently involved in a rate study, is planning to conduct a rate study, or plans to implement a rate revision or price index / pass through adjustment within the next twelve months following the comparison preparation date.

As discussed previously, the County charges a System Development Fee (impact fee) to new customers requesting water and wastewater capacity from the System to provide funds for the financing of the capital cost of such capacity and to equitably assign such costs to those users which are imposing the need for the capital facilities. The application of a System Development Fee is commonly used by Florida utilities, including the District, to fund capital or plant requirements. Table 12 at the end of this Report provides a comparison of the System Development Fees for the County and those charged by neighboring utilities. The charges shown are based on an ERC basis which is representative of the average daily capacity of a single-family residential

unit and generally represents the lowest level and the most common level of use. As shown below and on Table 12, the County's currently effective System Development Fees are comparable to the utility average reflected on the comparison.

Comparison of County System Development Fee with Surveyed Other Florida Utility Average

	System Development Fee – Rate per ERC		
	Water	Wastewater	Combined
County Existing Charges	$2,562	$2,701	$5,263
Utility Average [*]	2,025	3,056	5,081

[*] Based on utility survey shown on Table 12 at the end of this Report.

HISTORICAL AND PROJECTED SYSTEM SALES AND CUSTOMER USAGE STATISTICS

General

This section of the Report summarizes the recent trends in water and wastewater customers, water production and wastewater treatment, and associated sales and usage characteristics of the System. As previously mentioned, the Historical Period reflected in this Report covers the fiscal years ended September 30, 2014 through 2018 and the Forecast Period is for the Fiscal Years 2019 through 2024. Table 1A at the end of this Report reflects the historical customers or accounts (terms used synonymously) as well as metered water sales (gallons sold) for the Water System. Similar information regarding the historical customers and billed wastewater flow (revenue gallons) for the Wastewater System is also shown on Table 1B and a summary of the historical IQ Water System customers and billed IQ water is shown on Table 1C at the end of this Report. Table 2 summarizes the projected customers and metered water sales, billed wastewater flow and billed IQ water flow for the System, respectively for the Forecast Period. The forecast in System sales and customer statistics served as the basis for the projection of revenues derived from the application of the current rates for monthly water and wastewater service as discussed later in this Report.

The following is a discussion of the historical and projected customer and sales statistics for the individual water and wastewater utility systems.

Water System Customer Profile

As shown on Table 1A, the District's Water System served on average 68,048 retail water accounts during the Fiscal Year 2018 (the District also served one wholesale customer which was the City of Marco Island). As shown below, the majority (90%) of the average retail customers served during the Fiscal Year 2018 were classified as individually-metered single-family residential (of which approximately 96% being served through a 5/8-inch or 3/4-inch meter).

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Summary of Average Retail Water Accounts Served by Customer Class – Fiscal Year 2018 [1]

Customer Class	Average Annual Retail Accounts Served [2]	Percent of Total
Residential – Individually-Metered	61,498	90.4%
Residential – Master-Metered	3,241	4.7%
Commercial (Non-Residential)	2,715	4.0%
Irrigation	594	0.9%
Total Average Annual Retail Water Accounts	68,048	100.0%

[1] Amounts shown derived from Table 1A at end of this report; amounts shown do not include 320 private fire protection service accounts.
[2] The County purchased the Golden Gate water and wastewater utility system from the Florida Governmental Utility Authority on March 1, 2018 and statistics reflect annual average customers based on seven (7) months of service to be consistent with rate revenue earned.

Also included on Table 1A is a presentation the estimated equivalent residential connections ("ERC") served by the Water System. An ERC is representative of the average daily capacity of a single-family residential unit and generally represents the lowest level and the most common level of use and is commonly used to evaluate the size and capacity needs of a utility system. The number of ERCs served places all customers served on an equivalent basis and provides a better basis as to the relative size of the customer base (equivalent number of households served). For the purposes of calculating the water ERCs served, such amounts were estimated by using meter equivalent factors based on information published by the American Water Works Association ("AWWA") regarding meter capacities applied to the individual meter sizes served by the System for those classes of customers. A summary of the estimated ERCs served by the Water System for the Fiscal Year 2018 is summarized below; as can be seen it is estimated that the Water System serves in excess of 96,000 ERCs (without the recognition of wholesale water service to the City of Marco Island):

Summary of Average Retail Water Equivalent Residential Connections (ERC) Served by Customer Class – Fiscal Year 2018 [1]

Customer Class	Average Annual Retail Accounts Served [2]	Percent of Total
Residential – Individually-Metered	63,620	65.9%
Residential – Master-Metered	20,781	21.5%
Commercial (Non-Residential)	10,615	11.0%
Irrigation	1,606	1.6%
Total Average Annual Retail Water ERCs	96,622	100.0%

[1] Amounts shown derived from Table 1A at end of this report; amounts shown do not include fire protection service accounts.
[2] The County purchased the Golden Gate water and wastewater utility system from the Florida Governmental Utility Authority on March 1, 2018 and statistics reflect annual average ERCs based on seven (7) months of service to be consistent with rate revenue earned.

As mentioned above, an ERC represents the equivalent usage requirements of a single-family residential customer. Since commercial or multi-family customers are generally served by larger

sized meters than the standard residential customer, it is useful to equate such customers on a basis equivalent to the residential class for a more consistent presentation of the size or magnitude of the total customer base served. As can be seen in the above tables, the number of retail-ERCs served by the Water System is estimated to be approximately 42% greater than the average accounts served during the Fiscal Year 2018 which provides an indication of the relative size of the customer base being served by such Water System.

The Water System has experienced an increase in customers and water sales over the past several years due to: i) the continued new and infill development located within the System service area; and ii) the acquisition of certain investor-owned and publicly-owned utility systems which effectively increased the customer base of the System. Table 1A at the end of this Report summarizes the historical and Table 2A summarizes the projected customer accounts to be served, potable water sales, and average customer usage statistics for the Water System. The tables also summarize the estimated ERCs to be served by the Water System. The historical and projected customer accounts for the Water System are summarized below:

Water System Historical and Projected Retail Customer Statistics [1][2]

Fiscal Year Ended September 30, (Historical)	Average Annual Retail Water Accounts	Average Annual Water Retail ERCs [3]	Retail Water Sales (000s of Gallons)	Average Monthly Water Use per Retail ERC
2014	55,735	82,248	7,402,152	7,500
2015	57,390	84,452	7,431,507	7,333
2016	59,739	87,079	7,489,415	7,167
2017 [4]	63,120	90,849	7,796,999	7,152
2018 [4][5]	68,048	96,622	8,172,331	7,048
Average Annual Historical Growth Rate	5.1%	4.1%	2.5%	(1.5%)
Fiscal Year Ending September 30, (Projected)				
2019 [5]	71,305	100,260	8,496,329	7,062
2020	72,974	102,056	8,612,738	7,033
2021	74,602	103,852	8,733,004	7,008
2022	76,225	105,682	8,850,746	6,982
2023	77,817	107,377	8,965,060	6,958
2024	79,359	109,072	9,075,940	6,934
Average Annual Projected Growth Rate [6]	2.6%	2.0%	1.8%	(0.3%)

[1] Amounts shown derived from Tables 1A (historical) and 2A (projected) at the end of this Report.
[2] Amounts shown do not include fire protection service accounts.
[3] For purposes of this presentation, ERCs were estimated by using meter equivalent factors based on information published by the AWWA regarding meter capacities applied to the individual meter sizes served by the System for those classes of customers.
[4] Includes increased customers associated with the purchase of the Orange Tree Utility Company System on March 1, 2017 by the County.
[5] Includes increased customers associated with the purchase of the FGUA Golden Gate System on March 1, 2018 by the County.
[6] Compound growth rate calculated from Fiscal Year 2018 actual results.

As can be seen above, the Water System has incurred a historical annual compound growth rate in the average number of accounts served of approximately 5.1% per year during the Historical Period. This growth in the number of accounts served has incurred primarily due to both continued new development (construction) in the service area and in-fill of existing developments.

Additionally, the historical growth also included the acquisition of one (1) privately-owned utility and one (1) publicly-owned utility (partial year recognition) during the Historical Period. Specifically, the acquisition of the Orange Tree Utility Company water and wastewater system (privately-owned utility) on March 1, 2017 increased the water utility customer base by approximately 2,573 water customers which comprised of 2,536 individually-metered residential customers and 37 commercial customers (has been fully recognized in the Historical Period statistics). The County also acquired the Golden Gate water and wastewater system from the Florida Governmental Utility Authority (the "FGUA"; a publicly-owned utility) on March 1, 2018, which increased water utility customer base by approximately 2,161 customers (excluding private fire protection service) which comprised of 1,947 individually-metered residential customers, 43 residential multi-family customers, 9 irrigation customers, and 162 commercial customers (Fiscal Year 2018 statistics does not fully recognize all the customers since in effect for a partial year during the last year of the Historical Period). Excluding the effects of the acquisitions on the number of accounts or customers added during the Historical Period shown above, the historical annual compound growth rate in average accounts served for the Water System would have been approximately 3.1%.

The anticipated growth in water ERCs for the Forecast Period recognized herein is expected to approximate 2.0% compounded annually (Fiscal Year 2018 through Fiscal Year 2024). This forecast was based on discussions with the County, historical service area trends, increased construction due to a continued improved economy when compared to recent historical periods, planned developments that are currently in the permitting and approval process, population projections contained in the County Annual Update and Inventory Report for planning purposes as prepared by the Collier County Comprehensive Planning Section (previously defined as the "AUIR"), and other factors. This rate of growth is lower than recent trends. A lower rate of growth for the determination of sales revenue and bond compliance is more conservative even though there is a significant amount of capacity reserved or pending reservation through the development process which is anticipated to lead to continued customer growth during and beyond the Forecast Period.

Furthermore, based on reported development / service area information provided by the County, growth is expected to continue to be primarily residential in nature consistent with the land use requirements of the service area.

With respect to the forecast of metered retail water sales, it was assumed that the recent trends in average use (billed sales) per ERC as recently experienced by the Water System which reflects a declining trend in per customer use would continue. This declining usage trend recognizes increased conservation by the District customers, continued improvements in indoor fixture units (e.g., low-flow washing machines, etc.) resulting in reduced domestic water consumption, and continued reduced irrigation demands which results, in part, from increased density in residential construction (less pervious surface to irrigate); no increase in average water use per ERC was assumed to occur during the Forecast Period.

With respect to the forecast of wholesale water sales to the City of Marco Island, the City notified the County on September 26, 2018 of its intent to terminate the City Potable Agreement. Pursuant to Section 9.2 of the City Potable Agreement, the agreement stipulates the City's right to terminate

the respective agreement with one year's advance written notice. Based on the City's notification to the County and the one-year advance notice provision in City Potable Agreement, it has been assumed that beginning in Fiscal Year 2020, the District will no longer be providing bulk potable water service to the City; furthermore, it was assumed that the District would not provide bulk potable water service to any other customers during the Forecast Period.

The retail and bulk water customer and sales projections shown on Table 2A and as discussed above served as the basis for the projection of rate revenues derived from monthly water user charges for the Forecast Period reflected in the Report.

Since the water treatment plants are interconnected from a water conveyance standpoint, the available capacity from the various water production and treatment sources are considered by the County as a single service area and the Water System capacity for all the plants has been combined for the purposes of the future determination of capacity utilization of such facilities based on the customer sales forecast. As can be seen below, it is estimated by the Utilities Department that the County will have sufficient water production capacity to serve the future customer demands assumed for the Forecast Period in the Water System based on the projection of customers and ERCs assumed for the financial projections as shown on Table 2A. It should be noted from a capacity planning and treatment facility availability perspective (due to long lead times to construct incremental capacity additions), the Utilities Department projects higher demands in order to assure that capacity will be constructed and available if there are significant changes in growth or water use (this would generally result in higher revenues if there was an increase in water sales above the amounts recognized for the financial forecast). As can be seen below, it is estimated that the County will utilize approximately 74% of the total operational capacity (pursuant to the Revised 2019 Water, Wastewater, IQ Water, and Bulk Potable Water Master Plan / CIP Plan update for the Expanded CCWSD dated December 7, 2018 [the "2019 Master Plan Update"], represents the total permitted capacity less one of the largest [4.0 MGD] lime softening reactors out of service at the South County Regional Water Treatment Plant or a total of 48.75 MGD) of the Water System – based on flows at the plant, not including reserved capacity. This capacity utilization relationship was based on the forecast of retail and wholesale water sales as summarized on Table 3, an analysis of non-revenue (unbilled) water, average day to maximum day water treatment relationships based on historical data and capacity planning information provided by the County as contained in the 2019 Master Plan Update, and the maintenance of the permitted capacity of the Water System during the Forecast Period, all as summarized below.

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Summary of Actual and Estimated Water Plant Capacity Utilization for the Forecast Period

Fiscal Year Ending September 30,	Water Production (Finished Water) Thousands of Gallons [1]	Average Daily Flow (MGD)	Maximum Consecutive Three-Day Daily Demand (MGD) [2]	Operational Capacity (MGD) [3][4]	Percent Capacity Utilized
2017 (Act.)	8,892,418	24.362	31.113	48.75	63.8%
2018 (Act.)	9,268,799	25.394	32.228	48.75	66.1%
2019	9,778,993	26.792	34.829	48.75	71.4%
2020	9,843,129	26.967	35.058	48.75	71.9%
2021	9,980,576	27.344	35.547	48.75	72.9%
2022	10,115,138	27.713	36.207	48.75	73.9%
2023	10,245,783	28.071	36.492	48.75	74.9%
2024	10,372,503	28.418	36.943	48.75	75.8%

[1] Amounts shown based on the forecast of total System retail and wholesale water sales assumed for the financial forecast as shown on Table 2A at the end of this Report, adjusted for a non-revenue (unbilled) water factor of 12.0% based on recent historical trends.

[2] Amounts shown for the Forecast Period based on application of a maximum consecutive three-day flow daily demand ("M3DD") factor of 1.30 as recognized in the Revised 2019 Water, Wastewater, IQ Water and Bulk Potable Water Master Plan / CIP Plan update for the Expanded CCWSD dated December 7, 2018 (the "2019 Master Plan Update") applied to anticipated average daily flows.

[3] Pursuant to the 2019 Master Plan Update, the Operational Capacity represents the total permitted capacity less one of the largest (4.0 MGD) lime softening reactors out of service at the South County Regional Water Treatment Plant (48.75 MGD); the total combined Operational Capacity must be able to meet the maximum consecutive three-day flow daily demand (M3DD).

[4] Amounts shown do not include the addition of the Northeast Water Treatment Facility at 5.0 MGD anticipated to be placed in service during the Fiscal Year 2027 which is beyond the Forecast Period.

It should be noted and as previously discussed in the Official Statement and in the System description as previously presented in this report, the County anticipates expanding the finished water treatment capacity with the initial construction of the Northeast Regional Water Treatment Plant of approximately 5.0 MGD by the Fiscal Year 2027, which should reduce the capacity utilization ratios shown above.

For the Historical Period reflected in the Report, the Water System has experienced a non-revenue (unbilled) water at levels averaging approximately 12.5% over the last 3 years which the County considers as being favorable and representative of general industry standards. Non-revenue water is due to a variety of factors, including water used for line flushing, hydrant testing, fire-fighting, internal utility use (e.g., wash down of lift stations for maintenance purposes), and water losses (system leakage, slow registering meters, etc.). For the Forecast Period, non-revenue or unbilled water was assumed to 12.0% (remain generally at levels recently experienced based on historical water production and sales requirements relationships) and is consistent with the percentage of water accountability experienced by other Florida utilities and well within the range considered as good performance by the AWWA.

As can be seen above, the use of the operational water capacity expressed on a combined plant basis for the Water System during the Forecast Period is expected to approximate 74%. Based on the available capacity in the Water System and recognizing that the use of operational capacity is less than the constructed permitted water plant capacity, the County should have sufficient water production and treatment capacity to serve the Water System growth recognized in the development of the financial forecast as identified in this Report.

Wastewater System

The Wastewater System has also experienced an increase in customers and billed wastewater flow (sales) over the past several years due to the continued new and infill development located within the service area. As shown on Table 1B at the end of this Report, the District's Wastewater System served on average 69,571 retail wastewater accounts during the Fiscal Year 2018 (the District does not currently provide wholesale wastewater service to any customers at this time). As shown below, the majority (91%) of the average retail customers served during the Fiscal Year 2018 were classified as individually-metered single-family residential (of which approximately 95% being served through a 5/8-inch or 3/4-inch meter); this service relationship is consistent with the Water System since, with the exception of a portion of the County that is served water-only service by the City of Naples, most water customers also receive wastewater service from the County.

Summary of Average Retail Wastewater Accounts Served by Customer Class – Fiscal Year 2018 [1]

Customer Class	Average Annual Retail Accounts Served [2]	Percent of Total
Residential – Individually-Metered	62,933	90.5%
Residential – Master-Metered	3,162	4.5%
Commercial (Non-Residential)	3,476	5.0%
Total Average Annual Retail Wastewater Accounts	69,571	100.0%

[1] Amounts shown derived from Table 1B at end of this Report.

[2] The County purchased the Golden Gate water and wastewater utility system from the Florida Governmental Utility Authority on March 1, 2018 and statistics reflect annual average customers based on seven months of service to be consistent with rate revenue earned.

Also included on Table 1B is a presentation the estimated ERCs served by the Wastewater System. As discussed for the Water System and for the purposes of calculating the Wastewater ERCs served, such amounts were estimated by using meter equivalent factors based on information published by the AWWA regarding meter capacities applied to the individual meter sizes served by the System for those classes of customers. A summary of the estimated ERCs served by the Wastewater System for the Fiscal Year 2018 is summarized below; as can be seen it is estimated that the Wastewater System serves in excess of 98,500 ERCs:

Summary of Average Retail Wastewater Equivalent Residential Connections (ERCs) Served by Customer Class – Fiscal Year 2018 [1]

Customer Class	Average Annual Retail Accounts Served [2]	Percent of Total
Residential – Individually-Metered	65,330	66.3%
Residential – Master-Metered	20,491	20.8%
Commercial (Non-Residential)	12,718	12.9%
Total Average Annual Retail Wastewater ERCs	98,539	100.0%

[1] Amounts shown derived from Table 1B at end of this Report.

[2] The County purchased the Golden Gate water and wastewater utility system from the Florida Governmental Utility Authority on March 1, 2018 and the statistics reflect annual average ERCs based on seven months of service to be consistent with rate revenue earned.

When compared to the Water System, the number of ERCs served by the Wastewater System is greater which is due to the respective utility service areas being different. With respect to the Wastewater System, a portion of the service area is provided water-only service by the City of Naples (Naples) (approximately 6,208 accounts and 9,067 ERCs); the District provides wastewater-only service to the respective area. Additionally, Naples also provides utility billing service on behalf of the County pursuant to the Interlocal Agreement dated January 28, 2003 (the "Naples Billing Agreement"). The Naples Billing Agreement has a perpetual term which may be cancelled with or without cause with ninety (90) days advance notice by either party and includes, among other things, the responsibilities of Naples to provide customer services and the fees charged by Naples for such services. Based on discussions with the County, there is no intent by the parties to cancel the Naples Billing Agreement or transfer the wastewater-only service area to Naples by the County.

The Wastewater System has also experienced an increase in customers served and in billed wastewater flow (sales) over the past several years due to: i) the continued new and infill development located within the Wastewater System service area; and ii) the acquisition of certain investor-owned and publicly-owned utility systems which effectively increased the customer base of the System. The historical and projected customer (account) statistics for the Wastewater System are shown on Tables 1B and 2B, respectively, at the end of this Report. The tables also summarize the estimated ERCs to be served by the Wastewater System. The historical and projected customer accounts for the Wastewater System are summarized below:

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Wastewater System Historical and Projected Retail Customer Statistics [1]

Fiscal Year Ended September 30, (Historical)	Average Annual Wastewater Accounts	Average Annual ERCs [2]	Billed Flow (000s of Gallons) [3]	Average Monthly Wastewater Gallons Billed per ERC
2014	58,061	83,367	7,143,532	7,141
2015	59,132	86,108	7,235,116	7,002
2016	61,322	88,744	7,325,026	6,878
2017 [4]	65,322	93,364	7,601,203	6,785
2018 [4][5]	69,571	98,539	7,858,048	6,645
Average Annual Historical Growth Rate	4.6%	4.3%	2.4%	(1.8%)
Fiscal Year Ending September 30, (Projected)				
2019 [5]	72,283	101,580	8,156,450	6,691
2020	73,950	103,389	8,276,549	6,671
2021	75,556	105,108	8,389,294	6,651
2022	77,134	106,787	8,498,525	6,632
2023	78,682	108,431	8,604,647	6,613
2024	80,181	110,026	8,707,770	6,595
Average Annual Projected Growth Rate [6]	2.4%	1.9%	1.7%	(0.1%)

[1] Amounts shown derived from Tables 1B (historical) and 2B (projected) at the end of this Report.
[2] For purposes of this presentation, ERCs were estimated by using meter equivalent factors based on information published by the AWWA regarding meter capacities applied to the individual meter sizes served by the System for those classes of customers.
[3] Reflects billed wastewater flows based on metered water use at a customer premise; does not reflect metered wastewater flows. Amounts shown do not include any implied wastewater flow for any wastewater-only customers when no water service is provided (customers have individual on-site raw water wells) by the System.
[4] Includes increased customers associated with the purchase of the Orange Tree Utility Company System on March 1, 2017 by the County.
[5] Includes increased customers associated with the purchase of the FGUA Golden Gate System on March 1, 2018 by the County.
[6] Compound growth rate calculated from Fiscal Year 2018 actual results.

Wastewater billed flow (sometimes referred to as revenue gallons) as shown in the above table represent the metered water consumption for which the County's wastewater flow or usage charge is billed. As previously discussed in this Report regarding the rates for monthly service, water consumption provides the basis for the billing of wastewater usage charges and not all metered water use may be billed a wastewater charge (e.g., water-only service associated with separately metered irrigation service). As was the case with the Water System, average monthly wastewater gallons (flow) billed expressed on a per ERC basis has generally declined over the recent Historical Period, concurrent with the decrease in billed water consumption (although not as pronounced since a portion of the water use is not billed wastewater – i.e., irrigation service). Projections of wastewater gallons billed per ERC are anticipated to remain relatively constant at current (reduced) levels during the Forecast Period as a result of the continuing effects of conservation on water use including the recognition of an overall general downward trend in indoor water use (e.g., all new development must install conservation-promoting fixtures such as low flow toilets).

As can be seen above, the Wastewater System has incurred a historical annual compound growth rate in the average number of accounts served of approximately 4.6% per year during the Historical Period. This growth in the number of accounts served has incurred primarily due to both continued new development (construction) in the service area and in-fill of existing developments; the County reports that most of the water customers added to the System which are associated with

new property development are also expected to receive wastewater service. As mentioned for the Water System, the historical growth for the Wastewater System also included the effects associated with the acquisition of one (1) privately-owned utility and one (1) publicly-owned utility (partial year recognition) during the Historical Period. Specifically, the acquisition of the Orange Tree Utility Company water and wastewater system (privately-owned utility) on March 1, 2017 increased the wastewater utility customer base by approximately 2,499 wastewater customers which comprised of 2,467 individually-metered residential customers and 32 commercial customers (has been fully recognized in the Historical Period statistics). The County also acquired the Golden Gate water and wastewater system from the FGUA on March 1, 2018 which increased wastewater utility customer base by approximately 2,289 customers which comprised of 2,017 individually-metered residential customers, 68 residential multi-family customers, and 204 commercial customers (Fiscal Year 2018 statistics does not fully recognize all the customers since the acquisition was in effect for a partial year during the Historical Period). Excluding the effects of the acquisitions on the number of accounts or customers added during the Historical Period shown above, the historical annual compound growth rate in average accounts served for the Wastewater System would have been approximately 3.2%.

Although the utility service areas are different between the Water and Wastewater Systems and the County does provide service to water-only and wastewater-only customers, most of the water customers anticipated by the County to be added to the System (associated with new property development) are expected to receive wastewater service. As shown below, the amount of average wastewater customers currently approximates 94% of the average number of water customers for the Fiscal Year 2018 for customers located within the District water service area (i.e., not served wastewater-only service by Naples or receive water-only irrigation service from the District):

Comparison of Water to Wastewater Accounts – Fiscal Year 2018

	Average Annual Accounts		
	Water Accounts	Wastewater Accounts	Percent to Water Accounts
Residential Service:			
Single-Family (Individually-Metered):			
Within District Water Service Area	61,498	57,884	94.1%
Within Naples Water Service Area	N/A	5,049	N/A
Multi-Family (Master-Metered)	3,241	3,162	97.6%
Commercial and Temporary Service:			
Within District Water Service Area	2,715	2,317	85.3%
Within Naples Water Service Area	N/A	1,159	N/A
Irrigation Service	594	N/A	N/A
Totals – All Customers	68,048	69,571	102.2%
Totals – District Water Service Area Only (Excluding Naples and Irrigation Water-Only Service)	67,454	63,363	93.9%

The wastewater treatment plants are essentially interconnected from a wastewater conveyance standpoint (wastewater flows can be routed by the County at certain levels from one treatment facility to another). Since the growth of the wastewater service area is generally uniform among all service areas and no separate accounting of customers served by wastewater plant is available, the capacity utilization has been combined for the purposes of the future determination of capacity

availability in this Report. The Wastewater System currently has a combined service area estimated facility operational capacity of 42.97 MGD on an average daily flow basis. Based on the forecast of customer growth and usage requirements assumed for the preparation of the financial forecast, the estimated utilization of the wastewater treatment capacity for the Wastewater System service area for the Forecast Period was estimated as follows:

Summary of Actual and Estimated Wastewater Plant Capacity Utilization for the Forecast Period

	Wastewater Treatment				
Fiscal Year Ending September 30,	Average Daily Flow (MGD) [1]	Average Daily Flow (MGD)	Maximum Consecutive Three-Day Daily Demand (MGD) [2]	Operational Capacity (MGD) [3]	Percent Capacity Utilized
2017 (Act.)	6,764,340	18.532	30.400	40.100	75.8%
2018 (Act.)	7,323,690	20.065	23.690	40.970 [4]	57.8%
2019	7,720,091	21.151	31.726	42.970 [4]	73.8%
2020	7,857,543	21.528	32.291	42.970	75.1%
2021	7,988,229	21.886	32.828	44.470 [5]	73.8%
2022	8,115,799	22.235	33.353	44.470	75.0%
2023	8,240,760	22.577	33.866	44.470	76.2%
2024	8,361,997	22.910	34.364	44.470	77.3%

[1] Amounts shown based on estimated ERC growth of the wastewater system assumed for the financial forecast as shown on Table 2B at the end of this Report and historical wastewater treatment requirements for the District's Wastewater System service area.

[2] Pursuant to the 2019 Master Plan Update, the County's Operational Capacity represents the total permitted capacity adjusted to meet the maximum consecutive three-day flow daily demand (M3DD).

[3] Amounts shown based on application maximum consecutive three-day flow daily demand (M3DD) peaking factor of 1.50 applied to anticipated average daily flow as recommended in the 2019 Master Plan Update.

[4] Increase in Operational Capacity per the 2019 Master Plan Update and includes: i) the addition of 0.87 MGD of treatment plant capacity associated with the addition of the Orange Tree wastewater treatment plant during Fiscal Year 2017; and ii) the addition of 2.0 MGD of treatment plant capacity associated with the addition of the Golden Gate wastewater treatment plant during Fiscal Year 2018 (both additions though the acquisition of utility service areas / systems from other service providers by the County); no additional expansions of wastewater capacity during the Forecast Period is planned by the County at this time.

[5] Amounts shown include the addition of the interim 1.5 MGD Northeast Wastewater Treatment Plant, a project to be funded from the proceeds of the Series 2019 Bonds.

As can be seen above, the use of the operational wastewater capacity expressed on a combined plant basis for the Wastewater System during the Forecast Period is expected to approximate 77%. Based on the available capacity in the Wastewater System and recognizing that the use of operational capacity is less than the constructed permitted water plant capacity, the County should have sufficient wastewater treatment capacity to serve the Wastewater System growth assumed for the development of the financial forecast as identified in this Report.

With respect to customer growth for the purposes of this Report, the increase in average annual customers or accounts has been assumed to increase at an annual compound rate of approximately 2.30% annually during the Forecast Period, which would include the incremental effects of the purchase of the acquired systems and wastewater extension program of the County. As previously discussed for the Water System, this has been based on data provided by the County regarding historical trends and building activity experienced by the Wastewater System and is consistent with the forecast trends of customer account growth projected for the Water System.

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Reclaimed (Irrigation Quality) Water System

During Fiscal Year 2018, the System provided service to an estimated average of 1,605 irrigation quality (previously defined as "IQ") water customers which includes the following three (3) classes of service: i) bulk customers; ii) pressurized customers; and iii) pressurized and distributed customers. The following is a summary of the applicability provisions for these classes of customers:

1. Bulk Service Customers

   a. Have a major user agreement for the delivery and reuse of IQ water.

   b. Receive service that may be provided with minimum pressure.

   c. Agree to receive an IQ water allocation on an annualized daily basis throughout the calendar year.

   d. Provide IQ storage facilities on their property.

   e. Are responsible for the operation, maintenance, and renewals and replacements of IQ water system beyond the District's point of delivery.

   f. Agree to use IQ water in lieu of potable water for irrigation or other permitted uses.

2. Pressurized Customers

   a. Are individually or master-metered.

   b. Receive IQ water under pressure at the point of delivery.

   c. Are responsible for the distribution of IQ water downstream of the individual or master meter(s).

   d. Agree that the District will not be responsible for the water pressure and system maintenance downstream of the point of delivery.

3. Pressurized and Distributed Customers

   a. Are individually or master-metered and receive IQ water under pressure.

   b. Have their IQ water systems maintained by the District beyond the boundaries of the master community up to the individual meter that serves the property.

   c. Are responsible for the distribution of IQ water to irrigable areas downstream of the master or individual meter.

   d. Are solely responsible for the water pressure and IQ water maintenance downstream of the point of delivery.

A summary of the estimated monthly IQ water accounts, IQ water used, and the total annual billing determinants (for rate determination purposes) given existing water capacity reservation / "take or pay" arrangements is shown in Table 1C at the end of this report and shown as follows:

Summary of Estimated IQ Water Customer Accounts and Usage – Fiscal Year 2018 [*]

Customer Type	Number of Accounts	Annual IQ Water Usage Billed (kgal)
Bulk (with Capacity Entitlements)	19	3,358,137
Pressurized	56	822,701
Pressurized and Distributed	1,530	1,482,459
Total Average Annual IQ Water Accounts and Billed Usage	1,605	5,663,297

kgal = 1,000 Gallons

[*] Amounts derived from Table 1C.

Based on discussions with County staff and a review of recent historical trends, it was assumed that there would a minor increase in IQ water customers served by the System during the Forecast Period. With respect to IQ water consumption, it was assumed that IQ water use would be representative of the services demands incurred during the Fiscal Years 2017 and 2018. Except for bulk service customers that have a take-or-pay provision for service based on their requested capacity entitlement (i.e., a daily consumption use demand as defined in the District's IQ water policies), the delivery of IQ water is dependent on a variety of factors, including weather and rainfall conditions, availability of supply from the District wastewater treatment facilities (effluent), and needs of the customers. Maintaining a constant forecast based on recent historical trends for the Forecast Period is conservative and was recognized to minimize any volatility in the projection of rate revenues for the System.

IQ Water System Projected Customer Statistics [*]

Fiscal Year Ending September 30,	Total IQ Water Accounts	Total Flows (Billing Determinates)	Wastewater Treated (kgal)	Percent to Wastewater Treated
2018 (Actual)	1,605	5,663,279	7,323,690	77.3%
2019	1,606	5,522,967	7,715,643	71.6%
2020	1,610	5,526,250	7,846,371	70.4%
2021	1,613	5,528,927	7,973,333	69.3%
2022	1,617	5,532,209	8,097,179	68.3%
2023	1,620	5,534,887	8,218,416	67.3%
2024	1,624	5,538,169	8,339,653	66.4%

[*] Amounts shown derived from Tables 1C (historical) and 2C (projected) at the end of this Report.

Based on these assumptions associated with the development of the IQ water forecast and the corresponding rate revenues, the projected IQ water sales represented approximately 69% of the total wastewater effluent recognized for the Forecast Period.

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TEN LARGEST CUSTOMERS OF DISTRICT SYSTEM

In order to provide additional information regarding the existing customer base of the System, a summary of certain statistical information of the ten largest customers in Fiscal Year 2018 on the basis of revenue billed (pursuant to rates in effect during Fiscal Year 2018 for the District) has been presented based on information compiled by the District.

With respect to the top ten customers based on billed water user rate revenue, the District reports that such customers accounted for approximately 4.0% of the total District water rate revenue in Fiscal Year 2018 as shown in the following table:

District Water System Top 10 Customers Based on User Rate Revenue – Fiscal Year 2018 [1]

Customer	Service Class	Meter Size	Water Consumption (kgal)	Percent of Total Water Consumption	Total Retail Water Rate Revenues	Percent of Total Water Rate Revenues
Key Marco Delivery (Water-Only)	Commercial	6-inch	57,391	0.70%	$554,462	0.87%
Ritz Carlton Hotels	Commercial	6-inch	50,714	0.62%	473,105	0.74%
NWNG LLC	Commercial	6-inch	31,403	0.38%	246,239	0.39%
City of Marco Island [2]	Bulk Water	10-inch	60,290	0.73%	238,116	0.37%
Naples Community Hospital, Inc.	Commercial	6-inch	30,486	0.37%	230,576	0.36%
Southwind Village MHC, LLC [3]	MF – Resid.	4-inch	26,903	0.33%	243,937	0.38%
Creative Choice Homes [3]	MF – Resid.	8-inch	22,192	0.27%	197,373	0.31%
TEG Amberton MVP MSR WAV, LLC [3]	MF – Resid.	8-inch	21,254	0.26%	151,360	0.24%
Caribbean MHC, LLC [3]	MF – Resid.	4-inch	15,728	0.19%	122,523	0.19%
Pacifica Naples LLC [3]	MF – Resid.	8-inch	14,285	0.17%	101,525	0.16%
Top 10 District Customers			330,646	4.02%	$2,559,216	4.01%
Other District System Customers			7,901,975	95.98%	61,340,174	95.99%
Total District System			8,232,621	100.00%	$63,899,390	100.00%

MF – Resid. = Multi-Family Residential

[1] Based on information provided by the District; reflects amounts for the twelve (12) months ended September 30, 2018 (the most recently completed fiscal year for the System).
[2] Amounts shown reflect bulk water-only service to the City of Marco Island which i) is a wholesale customer of the District; and ii) has notified the County that it intends to terminate service beginning in Fiscal Year 2020.
[3] Represents customer with a large meter serving a number of residential dwelling units.

With respect to the top ten customers based on billed wastewater user rate revenue, the District reports that such customers accounted for approximately 1.7% of the total District wastewater rate revenue in Fiscal Year 2018 as shown in the following table:

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District Wastewater System Top 10 Customers Based on User Rate Revenue – Fiscal Year 2018 [1]

Customer	Service Class	Meter Size	Billed Wastewater Consumption (kgal)	Percent of Total Billed Wastewater Flow	Total Retail Wastewater Rate Revenues [3]	Percent of Total Wastewater Rate Revenues
Ritz Carlton Hotels	Commercial	6-inch	50,714	0.65%	$253,790	0.34%
NWNG LLC	Commercial	6-inch	31,403	0.40%	163,761	0.22%
Naples Community Hospital, Inc.	Commercial	6-inch	30,486	0.39%	159,643	0.22%
Southwind Village MHC, LLC [2]	MF – Resid.	4-inch	26,903	0.34%	130,657	0.18%
TEG Amberton MVP MSR WAV, LLC [2]	MF – Resid.	8-inch	21,254	0.27%	116,386	0.16%
Creative Choice Homes [3]	MF – Resid.	8-inch	22,162	0.28%	112,397	0.15%
Caribbean MHC, LLC [2]	MF – Resid.	4-inch	15,728	0.20%	82,131	0.11%
Pacifica Naples LLC [2]	MF – Resid.	8-inch	14,285	0.18%	76,940	0.10%
Capri TIC LLC [3]	MF – Resid.	8-inch	13,830	0.18%	73,252	0.10%
Par One Homeowner's Association, Inc. [2]	MF – Resid.	8-inch	10,471	0.13%	64,998	0.09%
Top 10 District Customers			237,266	3.02%	$1,233,955	1.67%
Other District System Customers			7,620,782	96.98%	72,501,787	98.33%
Total District System			$7,858,048	100.00%	$73,735,742	100.00%

MF – Resid. = Multi-Family Residential

[1] Based on information provided by the District; reflects amounts for the twelve (12) months ended September 30, 2018 (the most recently completed fiscal year for the System).
[2] Represents customer with a large meter serving a number of residential dwelling units.
[3] Amount shown do not include IQ water revenue or any other operating revenues or income available to or earned by the District

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With respect to the top ten customers based on billed water and wastewater user rate revenue, the District reports that such customers accounted for approximately 2.7% of the total District water and wastewater user rate revenue in Fiscal Year 2018 as shown in the following table:

District Water and Wastewater System Top 10 Retail Customers Based on User Rate Revenue – Fiscal Year 2018 [1]

Customer	Service Class	Total Water and Wastewater Rate Revenues [2]	Percent of Total Water and Wastewater Rate Revenues
Ritz Carlton Hotels	Commercial	$726,895	0.53%
Key Marco Delivery (Water-Only)	Commercial	554,462	0.40%
NWNG LLC	Commercial	410,000	0.30%
Naples Community Hospital, Inc.	Commercial	390,219	0.28%
Southwind Village MHC, LLC [3]	MF – Residential	374,594	0.27%
Creative Choice Homes [3]	MF – Residential	309,770	0.23%
TEG Amberton MVP MSR WAV, LLC [3]	MF – Residential	267,746	0.19%
City of Marco Island [4]	Bulk Water	238,116	0.17%
Caribbean MHC, LLC [3]	MF – Residential	204,654	0.15%
Capri TIC LLC [3]	MF – Residential	173,600	0.13%
Top 10 District Customers		$3,650,056	2.65%
Other District System Customers		133,985,076	97.35%
Total District System		$137,635,132	100.00%

MF – Residential = Multi-Family Residential

[1] Based on information provided by the District; reflects amounts for the twelve (12) months ended September 30, 2018 (the most recently completed fiscal year for the System).
[2] Amount shown do not include IQ water revenue or any other operating revenues or income available to or earned by the District
[3] Represents customer with a large meter serving a number of residential dwelling units.
[4] Amounts shown reflect bulk water-only service to the City of Marco Island which i) is a wholesale customer of the District; and ii) has notified the County that it intends to terminate service beginning in Fiscal Year 2020.

With respect to the top ten customers statistics provided above, the summary was solely for customers receiving water and wastewater service. As previously mentioned, the District does provide IQ water service; during the Fiscal Year 2018 the District reports the rate revenues from IQ sales was $3,741,663 during the Fiscal Year 2018. With respect to the top ten customers based on billed IQ water user rate revenue, the District reports that such customers accounted for approximately 27.7% of the total District IQ water rate revenue in Fiscal Year 2018 as shown in the following table:

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District IQ Water System Top 10 Customers Based on User Rate Revenue – Fiscal Year 2018 [*]

Customer	Irrigation Use	Meter Size	Billed IQ Water Consumption (kgal)	Percent of Total Billed IQ Water Flow	Total Retail IQ Water Rate Revenues	Percent of Total IQ Water Rate Revenues
Lely Development Corporation	Lawn	8-inch	384,032	12.76%	$171,935	4.60%
Lely resort Golf & Country Club	Golf Course	8-inch	294,455	9.79%	138,195	3.69%
Vineyards Development Corporation	Lawn/Golf	8-inch	271,485	9.02%	162,836	4.35%
Vineyards Development Corporation	Lawn/Golf	12-inch	253,482	8.43%	130,490	3.49%
Audubon Country Club	Lawn/Golf	6-inch	240,085	7.98%	106,453	2.85%
Foxfire Community Association	Lawn/Golf	6-inch	114,925	3.82%	74,132	1.98%
Imperial Golf Club, Inc.	Golf Course	6-inch	138,202	4.59%	71,778	1.92%
Windstar Club, Inc.	Golf Course	8-inch	143,166	4.76%	71,936	1.92%
Nassif Golf Ventures, LLC	Golf Course	8-inch	142,551	4.74%	62,648	1.67%
LaPlaya Golf Club	Golf Course	8-inch	66,665	2.22%	45,343	1.21%
Top 10 District Customers			2,049,048	68.11%	$1,035,746	27.68%
Other District System Customers			959,437	31.89%	2,705,917	72.32%
Total District System			$3,008,485	100.00%	$3,741,663	100.00%

[*] Based on information provided by the District; reflects amounts for the twelve (12) months ended September 30, 2018 (the most recently completed fiscal year for the System).

HISTORICAL OPERATING RESULTS

General

The historical operating results for the System for the fiscal years ended September 30, 2014 through 2018 (previously defined as the "Historical Period") are shown in detail on Table 4 at the end of this Report. The historical operating results were prepared based on financial information compiled and provided by the County and information reported by management as presented in the Comprehensive Annual Financial Reports (Annual Audit) of the County's Utilities Department for the respective fiscal years shown. In general, the historical operating results have been prepared in a manner consistent with the requirements of the Bond Resolution. Therefore, the amounts shown may reflect certain differences in the presentation of the financial results reported for the System in the Comprehensive Annual Financial Reports of the Utilities Department. Specifically, these major differences relate to: i) the determination of Operating Expenses (i.e., depreciation and amortization expenses not recognized); ii) the development of interest income (i.e., does not include earnings on System Development Fee Funds or any Construction Fund established from Bond proceeds which are restricted to such accounts or fair market adjustments as required by the reporting standards of Governmental Accounting Standards Board in order to recognize realized income); and iii) recognition of total debt service (principal and interest requirements) on all outstanding senior and subordinate lien debt indebtedness of the System.

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Summary of Historical Operating Results

The historical operating results for the System are shown on Table 4 at the end of this Report and are summarized below:

System Historical Operating Results and Annual Debt Service Coverage for the Historical Period ($000s) [1]

	Fiscal Year Ended September 30,				
	2014	2015	2016	2017	2018
Total Sales Revenue [2]	$104,921	$113,219	$120,673	$132,021	$142,618
Other Operating Revenue [3]	3,003	3,426	3,183	3,024	3,139
Total Operating Revenue	107,924	116,645	123,856	135,045	145,757
Non-Operating Revenue [4]	1,478	1,421	1,600	1,019	10,119
Gross Revenues	109,402	118,066	125,456	136,064	155,876
Operating Expenses [5]	69,710	74,344	84,474	97,904	90,508
Net Revenues	39,692	43,722	40,982	38,160	65,368
System Development Fees [6]	11,050	12,648	13,644	12,457	14,088
Pledged Funds Available for Annual Debt Service	50,742	56,370	54,626	50,617	79,456
Annual Debt Service [7]	9,953	9,712	6,828	6,721	8,578
Annual Debt Service Coverage					
Coverage – Pledged Funds					
Calculated Coverage	5.10	5.80	8.00	7.53	9.26
Required Minimum Coverage	1.25	1.25	1.25	1.25	1.25
AND					
Coverage – Net Revenues					
Calculated Coverage	3.99	4.50	6.00	5.68	7.62
Required Minimum Coverage	1.00	1.00	1.00	1.00	1.00
Subordinated Indebtedness [8]	11,595	11,513	11,513	6,831	11,148
Subordinated Indebtedness Coverage:					
Coverage – Pledged Funds					
Calculated Coverage [9]	3.30	3.84	4.00	6.18	6.17
Required Minimum Coverage	1.15	1.15	1.15	1.15	1.15
Less Other Required Transfers from Net Revenues [10]					
Annual Debt Service	9,953	9,712	6,828	6,721	8,578
Subordinated Indebtedness	11,595	11,513	11,513	6,831	11,148
Renewal and Replacement Fund [11]	---	---	---	---	---
Bonds Reserve Account [12]	---	---	---	---	---
Total Other Required Transfers	21,548	21,225	18,341	13,552	19,726
Net Revenues Available After Payment of Required Transfers – Transfer to Surplus Fund [13]	$18,144	$22,497	$22,641	$22,608	$45,642

[1] Amounts derived from Table 4 at end of this Report. Unless otherwise noted, amounts shown for each respective Fiscal Year were derived from: i) audited Comprehensive Annual Financial Reports for the Utilities Department; and ii) other financial information as provided by the Department and other County staff.

[2] Amounts shown reflect revenues derived from the application of the monthly rates for service and do not include other miscellaneous operating revenues.

[3] Amounts shown include other operating revenues such as customer service fees, meter installation fees (Connection Fees), and other revenues derived from the daily operation of the System.

Table Footnotes continued on following page.

Table footnotes (cont'd.)

[4] Amounts shown include investment income earned during the Historical Period on unrestricted funds which include: the Revenue Fund, accounts included in the Sinking Fund, the Renewal and Replacement Fund, and the Surplus Fund (primarily consists of the Water and Wastewater Capital Accounts established by the District for ongoing capital expenditure funding purposes); does not include investment income on System Development Fee funds or deposits on account in Project or Construction Fund established from the proceeds of the Outstanding Bonds, if any.

[5] Pursuant to the Bond Resolution, such amounts do not include depreciation or amortization expenses which are non-cash in nature. For the Fiscal Year 2017, the Operating Expenses include $7,545,041 in one-time weather-related expenses due to the effects of Hurricane Irma.

[6] Includes all System Development Fees, only a portion of which may legally available to pay debt service on the Bonds under Florida law. Under Florida law, impact fees such as the System Development Fees may be validly imposed against new construction or development in order to fund capital improvements or capacity that are necessitated by such new construction or development or to satisfy debt service for bonds or other obligations issued for such purposes. Proceeds of such System Development Fees may be used only for the capital improvements or capacity attributable to the new construction or development to pay associated debt service. Amounts shown include System Developments Fees received during the Historical Period from new development requesting capacity and Investment Income on estimated fund balances.

[7] Amounts shown reflect the Annual Debt Service payment for all Bonds outstanding during the Historical Period that were issued pursuant to the Bond Resolution. Amounts shown based on a "cash basis" of reporting (when payments are required to be made to bondholders and not when deposits are made by the District to the Principal and Interest Accounts within the Sinking Fund).

[8] Amounts shown reflect the debt service payments for loans secured by the County through the SRF loan program of which all the loans were refunded by the County from the proceeds of the 2016 Subordinate Note which is subordinate to the Bonds that were considered as being outstanding during each fiscal year of the Historical Period. Amounts shown based on a "cash basis" of reporting (when payments are required to be made to holders of the notes and not when deposits are made by the District to a note-repayment sinking fund). The debt service coverage ratio (rate covenant) for the SRF loans and the 2016 Subordinate Note are the same.

[9] The Subordinated Indebtedness coverage was determined as follows:

	2014	2015	2016	2017	2018
Pledged Funds Available	$50,225	$56,440	$54,700	$51,454	$73,221
Less Annual Debt Service plus 1.25 Coverage	(12,441)	(12,141)	(8,534)	(8,401)	(10,723)
Amounts Pledged for Subord. Indebtedness	$37,784	$44,299	$46,166	$43,053	$62,498
Total Subordinated Indebtedness	11,595	11,513	11,513	6,831	11,148
Debt Service Coverage – Calculated	3.26	3.85	4.01	6.30	5.61

[10] Amounts shown reflect required transfers to be made from Net Revenues to certain funds and accounts as delineated in the Bond Resolution.

[11] No transfers to the Renewal and Replacement Fund has been recognized during the Historical Period since the County maintained on deposit an amount equal to the Renewal and Replacement Fund Requirement (i.e., $300,000) as defined in the Bond Resolution.

[12] No deposit to the Reserve Account was recognized since the requirement for each series of Bonds was fully funded (either through the adoption of a surety policy or cash funded from the proceeds of the bonds issued or to be issued by the County) and there was no reported use of funds on deposit in the Reserve Account by the County to fund the Annual Debt payment during the Historical Period.

[13] Amounts shown represent remaining Net Revenues after payment of all required transfers as delineated in the Bond Resolution for deposit into the Surplus Fund which may be applied for any lawful purpose in connection with the System. Amounts shown do not include any System Development Fees that were received by the District during the Historical Period; such amounts were assumed to be maintained in the System Development Fees Fund and are available for the funding of expansion-related capital projects, including the payment of the Annual Debt Service and the Subordinated Indebtedness debt payments as appropriate. The County reports that the majority of the available funds were deposited into the respective Water and Wastewater Capital Accounts as established by the County in the Surplus Fund.

In the development of the historical operating results and debt service coverage ratios as shown above and in more detail on Table 4, several observations and information sources were recognized. The following is a summary of such observations and information sources.

1. In addition to the growth in System customers served during the Historical Period due to increased development, the County acquired i) the Orange Tree Utility Company water and wastewater system (privately-owned utility) on March 1, 2017 which increased the water utility customer base by approximately 2,573 customers and the wastewater utility customer base by approximately 2,497 wastewater customers; and ii) the Golden Gate water and wastewater system from FGUA (publicly-owned utility) on March 1, 2018 which increased the water utility customer base by approximately 2,161 customers (excluding private fire protection service) and the wastewater customer base by approximately 2,289 customers which resulted in an increase in System Gross Revenues and Operating Expenses for such

fiscal years. The Orange Tree Utility Company addition is fully recognized in the Fiscal Year 2018 results whereas the Golden Gate acquisition will be fully recognized during Fiscal Year 2019. It should be noted that the acquisition of the Orange Tree Utility Company was funded from available cash reserves and the Golden Gate acquisition was funded from proceeds associated with the issuance of the Series 2018 Bonds.

2. During the Historical Period and in addition to changes in water and wastewater customer demographics and use, the Board did annually adopt rate adjustments associated with specific rate adjustments approved pursuant to the performance of a rate study and by the application of the price index. The average System rate adjustments recognized during the Historical Period, which had a positive impact on revenues received from the charges for services as approved by the Board were estimated as follows:

Summary of Rate Adjustments Enacted During Historical Period

Fiscal Year in Effect	Average Annual Rate Adjustment [*]		
	Effective Date	% Adjustment	Type
2014	October 1, 2010	2.70%	Per Rate Study, Remained in Effect Until Fiscal Year 2014
2015	October 1, 2014	9.00%	Per Rate Study
2016	October 1, 2015	5.00%	Per Rate Study
2017	October 1, 2016	5.00%	Per Rate Study
2018	October 1, 2017	2.90%	Annual Price Index

[*] Amounts shown provided by County; represents average increase (anticipated rate revenue) in water and wastewater rates charged to customers during the Historical Period.

3. Based on a review of the Operating Expenses as reported by the County for the System, the primary expenses include wages and salaries, including related employee benefits, power, and chemical expenses. These specific expenses accounted for approximately 49% of the total reported Operating Expenses for the System for Fiscal Year 2018. Additionally, since the Fiscal Year 2014 Operating Expenses have increased by approximately 6% annually. The increase in Operating Expenses was due, in part to, i) increased growth in customers served and finished water delivered / wastewater treated; ii) the incremental addition of the Orange Tree Utility Company and Golden Gate utility systems; iii) improvements in the economy that has resulted in higher prices being paid for service (e.g., a contraction in the labor market due to a strong economy and increased construction costs resulting from an increased demand in labor and resources); and iv) continued inflation-based increases in labor-related and other operating expenses. For example, due to System growth and increased demands of the service area, the number of budgeted full-time personnel equivalents ("FTE") increased from 339 FTEs in Fiscal Year 2014 to 410 FTEs for Fiscal Year 2018 as reported in the District respective budgets; an increase in FTEs of approximately 21%.

4. On September 10, 2017, Hurricane Irma made landfall on Marco Island as a Category 3 storm which brought, among other things, localized flooding, widespread power outages, and some significant property damage. With respect to the System and as reported in the 2017 Comprehensive Annual Financial Report, the District incurred $7,545,041 in Operating Expenses directly related to Hurricane Irma (considered as a one-time expenditure) which resulted in an increase in expenses when compared to the prior period. The County reported no other extraordinary events occurring during the Historical Period that would affect the

level of expenses incurred and reported. To the extent this significant event had not occurred which resulted in an increase in expenses, the Annual Debt Service coverage from Net Revenues and System Development Fees for such year would have increased to 8.65 times the Annual Debt Service and from Net Revenues would have been 6.80 times the Annual Debt Service for the Fiscal Year 2017.

5. With respect to the Fiscal Year 2018, the County received insurance reimbursement proceeds for expenses (Extra Expense Coverage) that were incurred during Fiscal Years 2017 and 2018 (reference note 5 above) associated with the property damage and need to provide ongoing service as a result of the impacts from Hurricane Irma. Specifically, the County received $7,937,539 in reimbursement for such expenditures that included lift station and manhole clean-up, securing portable generators for lift station operation, and use of and securing equipment for other clean-up and service issues. Since the County recognized these expenditures as Operating Expenses in Fiscal Years 2017 and 2018, such amounts were included as a one-time revenue during Fiscal Year 2018. The County reported no other extraordinary events occurring during the Historical Period that would affect the level of revenues incurred and reported. To the extent this significant event had not occurred in the prior period which resulted in the receipt of the increased revenues during Fiscal Year 2018, the Annual Debt Service coverage from Net Revenues and System Development Fees for such year would have increased to 8.34 times the Annual Debt Service and from Net Revenues would have been 6.70 times the Annual Debt Service for the Fiscal Year 2018.

6. The debt service requirements shown for the Outstanding Bonds were derived from the actual debt service repayment schedules for each series of Bonds and have been reflected on a "cash basis" (when payments are made by the County and not when deposits to the Sinking Fund is required).

7. The County had previously secured low interest loans through the SRF loans, which are administered by the FDEP. Such loans are considered as Subordinated Indebtedness to the Outstanding Bonds and have a second lien on the Net Revenues and Pledged System Development Fees. The loan repayment requirements shown for such SRF Loans were based on the loan repayment schedules as provided by the FDEP and reflect when payments were required to be made to the FDEP as opposed to when the deposits to the Loan Debt Service Account by the County were made pursuant to the individual SRF loan agreements between the County and the State. Any interest expense that was incurred but capitalized from SRF loan proceeds (during the construction of the assets associated with the loan) are not reflected as interest expense in the year incurred since such amounts were recognized as a liability and added to the principal amount of the loan due at time of construction completion by the FDEP. On November 17, 2016 the County issued the 2016 Subordinate Note to refund all of the then principal outstanding SRF Loans to achieve interest expense savings. The County did not issue any additional Subordinated Indebtedness subsequent to the issue of the 2016 Subordinate Note. The note repayment requirements shown for the 2016 Subordinate Note were based on the actual repayment schedule as provided by the County and are presented on a "cash basis" as opposed to when the payments to the State are required.

8. Included as a flow of funds requirement is a transfer to the Renewal and Replacement Fund. The Bond Resolution provides that the System must make deposits to such fund from the

Net Revenues in order to pay the cost of extraordinary repairs to, extensions, enlargements, or additions to, or the replacement of Facilities of the System. Historically, the County has always maintained on deposit an amount equal to the Renewal and Replacement Fund Requirement (as defined in the Bond Resolution, such requirement is $300,000 or such other amount as certified by the Consulting Engineers; no modification to such requirement was made during the Historical Period per discussions with the County). For the purposes of the flow of funds analysis shown above and on Table 5 and since the County annually uses funds in the Surplus Fund to finance ongoing capital improvements (primarily for the renewals and replacement of utility plant), no transfer the Renewal and Replacement Fund Requirement equal to 5% of the Gross Revenues received by the County in the immediately preceding Fiscal Year was recognized since the County does annually rely on such funds to finance ongoing capital improvements to the System.

Issuance of Additional Bonds

Since the County is issuing Additional Bonds on a parity basis with the Outstanding Bonds[2], the County must meet certain financial tests relative to the issuance of such parity bonds as defined in the Bond Resolution (the "Additional Bonds Test"). The Additional Bonds Test requirements as outlined in the Bond Resolution states that the Net Revenues and System Development Fees of the System, as may be adjusted, must comply with certain debt service coverage requirements recognizing the maximum Annual Debt Service obligation for the Outstanding Bonds and Additional Bonds for: i) the most recent complete fiscal year; or ii) any twelve (12) consecutive months selected by the County of the twenty-four (24) months immediately preceding the issuance of the said Additional Bonds (the "twelve [12] consecutive months").

The Bond Resolution does provide that adjustments to Net Revenues can be made to reflect i) revisions to the rates and charges of the System if such rate increases had been implemented before the issuance of the Additional Bonds; and ii) the number of additional connections to the System that are estimated to result from the issuance of the proposed Additional Bonds when certain circumstances set forth in the Bond Resolution.

With respect to the calculation of the Additional Bonds Test as defined in the Bond Resolution and for the purposes of this Report, the estimated ability to meet the Additional Bonds Test was developed based on: i) financial information provided by the County for the twelve (12) month period ended September 30, 2018 (the "Computation Period"); ii) customer billing statistics for the Computation Period that corresponded to the revenues derived from the application of monthly user charges; iii) estimates of changes in the cost of utility operations due to the increase in System revenues as a result of the implementation of rates that were made effective by the County on October 1, 2018; and iv) the estimated Maximum Annual Debt Service for the County's Outstanding Bonds and the Series 2019 Bonds as provided by the County's Financial Advisor. As provided in the Bond Resolution, adjustments to the determination of the Net Revenues for the purposes of complying with the Additional Bonds Test can be recognized. Based on the provisions

[2] As previously defined, the Outstanding Bonds of the System prior to the issuance of the Series 2019 Bonds include the i) Water and Sewer Refunding Revenue Bond, Series 2013; ii) Water and Sewer Refunding Revenue Bond, Series 2015; iii) Water and Sewer Refunding Revenue Bonds, Series 2016; and iv) Water and Sewer Revenue Bond, Series 2018.

of the Bond Resolution, the following adjustments were made with respect to the evaluation of the ability of the County to meet the Additional Bonds Test based on the assumption as reflected in this Report:

1. The Gross Revenues were increased to reflect the application of the most recently adopted and enacted rates by the County for an annualized period as contained in the Rate Resolution (as previously mentioned, the County adopted and implemented water and sewer rates effective October 1, 2018) for the determination of the Net Revenues.

2. The Annual Debt Service payments for the Outstanding Bonds were adjusted to recognize the estimated Maximum Annual Debt Service on such Bonds, including the issuance of the Series 2019 Bonds which were based on assumptions as provided by the County's Financial Advisor. The Fiscal Year of the Maximum Annual Debt Service for the System was estimated to occur during Fiscal Year 2039.

With respect to the Additional Bonds Test, and based on: i) reported financial information as provided by the County for the Computation Period; ii) the Maximum Annual Debt Service for both the Outstanding Bonds and estimated for the Series 2019 Bonds as provided by the County's Financial Advisor; and iii) our understanding of the Additional Bonds Test requirements as set forth in the Bond Resolution, the Adjusted Net Revenues derived from System operations should be sufficient to meet the Additional Bonds Test requirements as shown below:

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Summary of Historical Operating Results – Additional Bonds Test

	Computation Period – Twelve Months Ended Sept. 30, 2018		
	County-Reported Estimate	Adjustments	As Adjusted
Total Sales Revenue [1]	$141,376,795	$3,952,612	$145,329,407
Other Operating Revenue	4,380,570	0	4,380,570
Subtotal	$145,757,365	$3,952,612	$149,709,977
Operating Expenses	90,511,063	---	90,511,063
Net Operating Revenue	$55,246,302	$3,952,612	$59,198,914
Other Available Revenues [3]	2,343,163	---	2,343,163
Adjusted Net Revenues	$57,589,465	$3,952,612	$61,542,077
Maximum Annual Debt Service Requirement [4]	$8,578,010	$7,035,490	$15,613,500
Test 1 – Adjusted Net Revenues Only			
Annual Debt Service Coverage – Adjusted	6.71		3.94
Annual Debt Service Coverage – Requirement	1.00		1.00
System Development Fees ("SDF") [5]	$14,386,938	$---	$14,386,938
Net Revenue Including Adjusted System Development Fees			
Annual Debt Service Coverage Including Pledged SDFs – Actual	8.39		4.86
Annual Debt Service Coverage Including Pledged SDFs – Requirement	1.25		1.25

[1] Per the Bond Resolution, sales revenues were only adjusted for the Fiscal Year 2019 currently effective 2.80% rate increase approved by the Board which became effective on October 1, 2018.
[2] Includes interest income on unrestricted fund balances as described in the Bond Resolution.
[3] Reflects increase in Annual Debt Service for the Fiscal Year 2018 adjusted to reflect the estimated Maximum Annual Debt Service requirements for the Outstanding Bonds and the Series 2019 Bonds.
[4] Amounts reflect System Development Fees and interest earned on such funds during the Fiscal Year 2018.

With respect to the development of the Additional Bonds Test as shown on the above table, the Bond Resolution does provide that the test recognize the following components: i) that the Net Revenues must be equal to 1.0 times the Maximum Annual Debt Service; and ii) the Net Revenues including the System Development Fees must be equal to 1.25 times the Maximum Annual Debt Service requirements. As can be seen above and recognizing the estimated Maximum Annual Debt Service on Outstanding Bonds as of the date of issuance of the Series 2019 Bonds, it is anticipated that the County will meet the Additional Bonds Test requirements as described in the Bond Resolution from the Adjusted Net Revenues and System Development Fees of the System. The test will be finalized by the County's independent certified public accountant coincident with the closing of the Series 2019 Bonds based on the actual Maximum Annual Debt Service requirements for the Bonds and Series 2019 Bonds and the actual historical operating results as reported in the 2018 Comprehensive Annual Financial Report; such calculations shown above are for informational purposes only.

PROJECTED OPERATING RESULTS

General

We have prepared projections of the operating results of the System for the six fiscal years 2019 through 2024. Projections were based on: i) actual operating results as contained within the County's Comprehensive Annual Financial Report and other financial information provided by the County; ii) actual Fiscal Year-to-date operating results through January 2019 based on financial information provided by the County; iii) the adopted budgetary information for the System for Fiscal Year 2019; iv) discussions with County staff and its consulting engineers regarding current and future utility trends and capital improvements to the System; and v) other information provided by the County and its consultants associated with the System.

Presented on Table 5 at the end of this Report are financial projections for the System. The table includes annual projections of Gross Revenues, Operating Expenses, payment of the Annual Debt Service, payment of Subordinated Indebtedness, and other required deposits to the various funds and accounts established by the Bond Resolution, including the Renewal and Replacement Fund and the Reserve Account, and funds established by the District which are available for capital outlay and other System purposes (e.g., the Water and Wastewater Capital Accounts). Projected revenue includes those from sales (rate revenue), interest income on the available unrestricted funds as defined in the Bond Resolution, and other miscellaneous revenues derived from System operations. The projected sales revenue has been forecasted based on revenue anticipated to be derived from the existing and Board-approved rates of the System. The projected Annual Debt Service shown on Table 5 at the end of this Report is subject to change based upon the actual terms of the sale of the Series 2019 Bonds.

Projected sales revenue for the System is based on the approved rate increases and assumed growth projections in customers and potable and IQ water usage / billed wastewater flows as illustrated on Tables 2A, 2B, and 2C for the respective water, wastewater, and IQ water systems at the end of this Report. These forecasts were based on historical growth and usage trends coupled with data provided by and discussions with the County relating to projected residential and commercial development within the District utility service area. Interest income has been estimated on balances in certain funds created by the Bond Resolution including balances in the Revenue Fund (operating reserves); Sinking Fund, including the Reserve Account, if applicable; and the Renewal and Replacement Fund and County maintained funds such as the Water and Wastewater Capital Accounts. Projected Operating Expenses are based on various factors such as projected expense increases due to inflation, projected changes in expenses associated with anticipated changes in operations and System growth, and the construction and implementation of the capital improvement plan. Funds received from the application of System Development Fees (Impact Fees) from the System have been assumed, for the purposes of the determination of rates, not to be available to pay Operating Expenses or the Annual Debt Service requirements. However, such charges have been recognized in the determination of debt service coverage requirements since the charges are considered as a Pledged Revenue for rate covenant requirements under the terms of the Bond Resolution.

Principal Considerations and Assumptions Regarding Projected Operating Results

In the preparation of this Report and the conclusions that follow, we have made certain assumptions with respect to conditions which may occur in the future. While we believe the assumptions are reasonable for the purpose of this Report, they are dependent upon future events and actual conditions may differ from those assumed. In addition, for our projections and estimates, we have used and relied upon certain information and assumptions provided to us or prepared by others, including: i) information and assumptions provided to us by the County such as data regarding historical financial information and historical customer and sales statistics and planned developments (future growth) anticipated for the District System; ii) information contained in the Comprehensive Annual Financial Reports prepared by management on behalf of the System and other supporting financial information; iii) information provided by the County's Financial Advisor with respect to assumptions regarding the issuance of the Series 2019 Bonds; and iv) information provided by the County and its consulting engineers with respect to the capital improvement program of the System, including incremental Operating Expenses associated with the implementation of such program. While we believe use thereof to be reasonable for the purpose of this Report, we offer no further assurances with respect thereto. To the extent that actual conditions differ from those assumed by us herein or from information or assumptions provided to us, or prepared by others, the actual results will vary from those estimated and projected herein.

In making the projections and estimates summarized in this Report, the principal considerations and assumptions made by us and the principal information and assumptions provided to us, or prepared by others, include the following:

1. Projected revenues from current retail rates and charges for the County's water, wastewater, and IQ water systems have been based on the schedule of rates and charges currently in effect or specifically approved by the Board pursuant to the Retail Rate Resolution. Such rates were applied to the customer and sales (usage / billed flow) forecast as shown on Table 6 at the end of this Report. The revenue projections recognize an overall increase in utility rate revenues due primarily to anticipated growth of the service area, the full absorption of the Golden Gate System that was acquired by the County on March 1, 2018, and the approved rate adjustments by the Board as delineated in the Rate Resolution.

   The projection of retail rate revenues for those years subsequent to the Fiscal Year 2021 (considered as a non-rate study year) recognize the application of an estimated price index (inflationary) adjustments as provided in the Retail Rate Resolution. The price index adjustment recognized beyond the Fiscal Year 2021 was based on the CPI index as projected by the Congressional Budget Office as contained in *"An Update to the Budget and Economic Outlook: 2019 to 2029"* published in January 2019 (the most recent update published at the time of the analysis, referred to as the "2019 CBO Report"), which for the remainder of the Forecast Period, was assumed to average 2.48% annually. The actual index to be implemented by the District will be based on the then reported consumer price index (actual) as used by the County. Reference is made to Table 6, which summarize the projected rate revenues under the existing and approved rates for the Forecast Period for the potable water, wastewater, and IQ water systems, respectively.

2. Projected revenues from current bulk or wholesale water rates and charges have been based on the schedule of rates currently in effect or specifically approved by the Board pursuant to the Bulk Water Resolution. Such rates were applied to the sales (usage) forecast as shown on Table 6 at the end of this report. The revenue projections recognize an overall increase in utility rate revenues due primarily to the approved retail rate adjustments by the Board as delineated in the Rate Resolution.

   The projection of retail rate revenues for those years subsequent to the Fiscal Year 2021 (considered as a non-rate study year) recognize the application of an estimated price index (inflationary) adjustments as provided in the Bulk Water Resolution. The price index adjustment recognized beyond the Fiscal Year 2021 was based on the CPI index as projected by the Congressional Budget Office as contained in the 2019 CBO Report which for the remainder of the Forecast Period was assumed to average 2.48% annually. The actual index to be implemented by the District will be based on the then reported consumer price index (actual) as used by the County. It should be noted that the City of Marco Island is currently the only wholesale potable water customer of the District and the city has formally notified the County of its intent to discontinue service beginning in Fiscal Year 2020. The projected bulk water revenue for the Forecast Period was estimated as follows:

Projection of Bulk Potable Water Revenue for Forecast Period

	Fiscal Year Ending September 30,					
	2019	2020 [1]	2021	2022	2023	2024
Projected Bulk Water Sales (kgal)	60,290	---	---	---	---	---
Bulk Water Rate ($ / 1,000 Gallons) [2]	$4.15	$4.24	$4.37	$4.48	$4.59	$4.70
Projected Wholesale Water Revenue	$361,880	$---	$---	$---	$---	$---

[1] The only customer receiving bulk potable water service is the City of Marco Island; the City formally gave 1-year's notice on September 26, 2018 to terminate service from the County which will become effective September 26, 2019 (essentially the end of Fiscal Year 2019).

[2] Fiscal Year 2019 rate represents the rates as approved by the Board pursuant to the Bulk Water Resolution. Subsequent rates after the Fiscal Year 2021 for the remainder of the Forecast Period represent rates adjusted annually by the assumed price index adjustment factor.

3. The District currently charges a System Development Fee to all new development requesting water and/or wastewater capacity, the purpose being to recoup the upfront or identified investment in utility plant identified to serve growth. These fees are not an operating revenue of the System for rate determination purposes but are considered as a source of funds to defray the cost of capital that would be recovered from rates if such fees were not in effect. With respect to the water and wastewater System Development Fees estimated to be collected by the District during the Forecast Period reflected in this analysis, the District has historically utilized such fees to pay a portion of the Annual Debt Service that was issued for expansion-related projects to meet future growth / development demands of the System; this funds utilization practice is anticipated to continue during the Forecast Period. The County is planning on initiating a water and wastewater System Development Fee review in the near-future but the results of such study cannot be anticipated at this time. Based on the customer projections assumed for the financial forecast as presented earlier in this report and the existing System Development Fees as of the date of this Report, the following projected system development fee collections were assumed.

Projected Water and Wastewater System Development (Impact) Fee Collections – For the Forecast Period

	Water System Development Fees			Wastewater System Development Fees			Total
Fiscal Year	System Development Fee per ERC	ERC Growth [*]	Annual System Development Fees	System Development Fee per ERC	ERC Growth [*]	Annual System Development Fees	Annual System Development Fees
2019	$2,562	1,850	$4,738,573	$2,701	1,778	$4,801,190	$9,539,762
2020	2,562	1,797	4,602,761	2,701	1,759	4,750,735	9,353,496
2021	2,562	1,796	4,600,173	2,701	1,692	4,570,659	9,170,833
2022	2,562	1,780	4,560,898	2,701	1,679	4,533,764	9,094,662
2023	2,562	1,745	4,470,383	2,701	1,644	4,441,038	8,911,421
2024	2,562	1,695	4,342,283	2,701	1,595	4,308,689	8,650,972
Total Received			$27,315,070			$27,406,075	$54,721,145

[*] Based on estimated new customer growth projections as shown on Tables 2A and 2B for the water and wastewater systems respective at the end of this Report and were based on discussions with the County regarding new development and any prepaid fees, projected development statistics pursuant to the development approval process, and historical trends in realized fee collections by the District.

Based on the direction of the County, all System Development Fees estimated to be earned by the District during the Forecast Period were first applied to "expansion-related" debt service payments and second applied to finance expansion-related capital expenditures. Based on this priority of funds use objective as provided by the County, it was assumed that all of the System Development Fees received by the County would be used to fund the expansion-related component of the debt service payments. This funding strategy of the County also allows to accrue funds from rates to be applied towards the funding of renewals, replacements, upgrades, and benefits (e.g., "capital re-investment") for the long-term benefit of the System; the need to fund ongoing capital re-investment is an ongoing issue of the County as well as other utilities both statewide and nationally as infrastructure ages and needs replacement; having a proactive capital re-investment plan that is fully funded is anticipated by the County to promote long-term rate sustainability coupled with a favorable blend of debt and equity (internal funds) financing.

4. The County also receives other operating revenues from miscellaneous fees and charges for specific customer service requests or needs that serve to reduce the rate revenue requirements. Examples of such revenues include water and wastewater service initiation fees, turn-on and turn-off charges, late payment penalties, and meter installation charges. Such revenues were projected based on discussions with County staff, and the majority of such revenues were generally held constant during the Forecast Period or increased by System growth.

5. The actual Fiscal Year 2017 and 2018 operating results and the adopted Fiscal Year 2019 Operating and Capital Budget associated with the operations of the potable water, wastewater, and IQ water systems as provided by the District (the "2019 Budget") served as the basis for the expenditure projections and the underlying assumptions reflected in such budget were assumed to be reasonable and representative of anticipated operations. The 2019 Budget projections represent the most recent financial forecast of the utility system as approved by the Board and was based on historical operating results and trends, known or anticipated conditions, and projected overall System financial needs and were incorporated into the financial forecast, except for adjustments and assumptions as noted hereafter.

6. The projected Operating Expenses associated with operation and maintenance of the System have been escalated from the Fiscal Year 2019 estimates predicated upon several assumptions and the nature of the expense. A summary of the projected Operating Expenses for the Forecast Period is included on Table 7 at the end of this Report. These projected expenses were escalated for the Forecast Period as follows:

   a. Budgeted Fiscal Year 2019 Operating Expenses that were assumed to generally increase annually by inflation, such as professional services, other contractual services, communications expense, materials and office supplies expenses, and certain other operating expenses, have been projected to increase from current budgetary levels at an annual inflation rate averaging approximately 2.48% for the Forecast Period. The forecast of inflation was based upon the CPI projections as presented in the 2019 CBO Report plus System growth in customers or metered water use / wastewater flows where applicable. This inflation forecast was compared to other pricing indices used by many utilities for financial forecasting and rate review purposes. Based on discussions with the County staff, the cost of the utility system's salaries and wages were increased above Fiscal Year 2018 budgeted amounts by 3.0% per year to reflect cost of living and merit adjustments. The costs of health insurance for employees were assumed to increase by 5.0% to 7.5% per year.

   b. Current period Water and Wastewater System electrical expenses were increased during the Forecast Period by a general or base inflation allowance of 2.69% based on twenty-year average change in the Consumer Price Index for All Urban Consumers for Electricity (CUSR0000SEFH01) as published by the *Bureau of Labor Statistics* as of November 2018. Based on these assumptions, the increase in System electric expenses was projected to average approximately 4.0% annually after Fiscal Year 2019 for the Forecast Period (which recognizes the consolidation of the Golden Gate Utility System purchased from the FGUA in March 2018). With respect to the IQ Water System, no significant projected growth in irrigation quality water sales was assumed due to the discretionary use of this commodity; the projected growth in electrical expense for this respective utility system was assumed to approximate 2.7% annually for the Forecast Period.

   c. Current period Water and Sewer System chemical expenses were increased during the Forecast Period by a general or base inflation allowance of 4.0% based on twenty-year average change in the Consumer Price Index for All Urban Consumers for Industrial Chemicals (WPU061) as published by the *Bureau of Labor Statistics* as of November 2018 plus an allowance for System growth. Based on these assumptions, the increase in System chemical expenses was projected to average approximately 5.5% annually after Fiscal Year 2019 for the Forecast Period. With respect to the Fiscal Year 2019, projected chemical expenses were estimated to range from 8.6% for the Water System and 6.1% for the Wastewater System, which recognized the full consolidation of the Golden Gate System into the District (results in increased sales / flows at the facilities). With respect to the IQ Water System, no significant projected growth in irrigation quality water sales was assumed due to the discretionary use of this commodity; the projected growth in chemical expense for this respective utility system was assumed to approximate 4.0% annually for the Forecast Period.

d. Repair and maintenance expenses were assumed to increase at 4.0% annually based on general or base inflation allowance of 3.3% based on three-year average change in the Construction Cost Index as published by the *Engineering News Record* as of December 2018, which assumes materials and supplies, contract services, and equipment use would be consistent with recent construction trends plus an allowance based on a review of historical expenditure trends and to recognize that as utility plant ages, repairs and maintenance costs tend to increase.

e. An allowance for bad debt expenses has been made to recognize that a certain amount of revenues will be considered as uncollectible and written off throughout the year. A bad debt ratio estimated at 0.15% of sales revenues was subsequently applied to the level of sales revenues projected for the Forecast Period to project the annual expense to be recognized, which was estimated based on general utility trends. The projected level of bad debt expense is estimated to average $322,000 annually over the Forecast Period.

f. In the projection of the estimated annual operating expense requirements, a contingency allowance has been included in the financial forecast for the years beyond Fiscal Year 2019. The contingency allowance assumed for the development of the projected revenue requirements was assumed to be 0.5% of the total combined potable water, wastewater, and IQ water operating expenses and was recognized in each fiscal year of the Forecast Period beginning in Fiscal Year 2020. The allowance has been included as an Operating Expense in order to provide funds to meet unknown or unplanned expenses throughout the fiscal year and to recognize potential changes in revenues that may result due to weather, conservation, and other factors. To the extent the contingency allowance is not required to meet annual Operating Expenses or provide funds for ongoing System operations, such monies would accrue to the benefit of the System and could be used for other purposes such as funding a capital account to finance renewals, replacements, and upgrades to the utility system over time. The estimated contingency expense recognized in the financial forecast averaged approximately $560,000 annually for the Forecast Period.

7. The financial projections of the utility Operating Expenses as reflected on Table 7 at the end of this Report include the recognition of additional employees that are anticipated to be required to meet the increased service level needs / requirements of the utility system. The recognition of the additional personnel was based on discussions with County staff and is primarily due to serving the increased growth of the utility system service area (i.e., increases in the number of customers served that pose a greater demand on the existing employee availability plus the addition of new treatment facilities as identified in the capital improvement plan to serve increasing capacity demand requirements).

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The following table summarizes the additional employees recognized in the financial forecast above the level of personnel assumed in the Fiscal Year 2019 Budget:

Summary of Personnel Assumed to be Added During Forecast Period

Position	Cost Center	Total Number of Positions [1]	Assumed Fiscal Year(s) of Addition	Additional Annual Personnel Services Cost by End of Forecast Period [2]
Accounting Technician	Client Billing	1	2021	$71,475
Accounting Technician	Client Accounting	1	2023	71,475
Accounting Technician	Accounting / Assessments / Estoppel	1	2023	71,475
Accounting Technician	Utility Customer Services	1	2021	71,475
Maintenance Specialist	IQ Water Maintenance	1	2024	71,475
Maintenance Specialist	Meter Operations	6	2020, 2022, 2024	473,397
Maintenance Specialist	Wastewater Field Operations	10	2020, 2021, 2022, 2023, 2024	788,996
Maintenance Specialist	Water Distribution	10	2020, 2021, 2022, 2023, 2024	788,996
Plant Operator	Northeast Regional Water Treatment Fac.	6	2021	492,248
Plant Operator	Northeast Water Reclamation Facility	6	2021	492,248
Total Employee Additions		43		$3,393,260

[1] Employees represent full-time equivalents.
[2] Reflects estimated salaries and benefits by Fiscal Year 2024.

As shown in the preceding table, the salaries and benefits of these additional full-time employees were assumed to approximate $3,393,260 by Fiscal Year 2024.

8. Included as an Operating Expense for the Forecast Period is an allowance for indirect or administrative costs for anticipated charges accounted for in the County's General Fund for services or support to the utility system. The estimate of the indirect charges for the Fiscal Year 2019 was based on the indirect cost allocation estimate prepared by the County and included as a cost component of the Fiscal Year 2019 Budget. For the remainder of the Forecast Period, and based on discussions with County staff, such amounts were increased by the labor escalation factor of 3.0% per year. Examples of expenditures included in this reimbursement to the General Fund for utility system operations are management and business planning expenses linked to the Board, the County administration and administrative support staff, human resources, finance and accounting, record keeping and management information systems ("MIS") activities, purchasing, and other related expenditures as identified by the County, which provide benefit to the utility system.

   In addition to the administrative cost allowance charged to the utility, there are certain other direct charges that are considered as interfund transfers to account for specific services provided by other departments or cost centers that benefit the District. An example of the interfund transfer would be fleet and information technology charges. Although classified in the budget as an interfund transfer, such expenditures have been recognized as an Operating Expense for financial forecast and in the determination of the rate covenant compliance analysis for the Forecast Period.

9. Also included as an Operating Expense funded from rate revenues is an operating transfer to the County's General Fund associated with a payment-in-lieu-of-tax ("PILT"). The County's

current policy for Fiscal Year 2019 based on a review of the budget documents for the District is to charge the PILT based on 5.75% of the second previous Fiscal Year's user rate revenues plus certain other revenues available at the time of calculation. For the remainder of the Forecast Period and based on discussions with the County, it was assumed that the PILT payment percentage would be remain at 5.75% for the remainder of the Forecast Period. With respect to the development of the financial forecast and recognizing that the Bond Resolution provides that after all required transfers, any available funds must be deposited into the Surplus Fund for the benefit of the System and that the imposition of the PILT is similar to the application of a franchise fee that is customary to the industry and which would be received by the County if the utility service were to be provided by a privately-owned utility, the PILT payment was considered as an Operating Expense.

Based on these assumptions, the projected PILT transfers assumed for the financial forecast are as follows:

Summary of Projected PILT Transfers – Forecast Period

Fiscal Year Ending September 30, (Projected)	Base Revenues for PILT Calculation	Transfer Percent	Projected PILT Transfer [*]
2019	$134,824,929	5.75%	$7,743,300
2020	144,195,144	5.75%	8,291,221
2021	152,091,224	5.75%	8,745,245
2022	157,794,810	5.75%	9,073,202
2023	163,080,875	5.75%	9,377,150
2024	169,461,035	5.75%	9,744,009

[*] Fiscal Year 2019 PILT transfer reflects budgeted amount.

10. Amounts associated with depreciation and amortization expenses have not been recognized in the development of the financial forecast. These expenditures represent non-cash expenses and are specifically excluded in the definition of Operating Expenses per the Bond Resolution (since the flow of funds and the District's general rate determination methodology is presented / determined on a "cash-needs" approach). As discussed later, an allowance for the funding of capital projects, renewals and replacements, and/or reserves from annual operations has been recognized that is essentially equivalent to the funding of annual depreciation expense.

11. The County has periodically issued utility revenue bonds pursuant to the terms and covenants of the Bond Resolution for the purpose of initially acquiring the utility assets and to fund additional capital expenditures to the System. As of October 1, 2018 (beginning of Fiscal Year 2019), the County had a total aggregate principal amount of $99,366,907 in bonds that were issued pursuant to the terms and conditions of the Bond Resolution (the "Outstanding Bonds"), which are secured by a senior lien pledge on the Net Revenues and from System Development Fees (the Pledged Funds) of the System.

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The following is a summary of the Outstanding Bonds as of October 1, 2018 for the System:

Summary of Outstanding Bonds Allocable to District System

Description	Principal Outstanding October 1, 2018 [*]	Maturity Date (Last Payment)	Repayment Terms
Senior Lien Bonds [2]:			
Water and Sewer Refunding Revenue Bond, Series 2013 (the "Series 2013 Bond")	$4,281,907	July 1, 2021	Level Debt Payments
Water and Sewer Refunding Revenue Bond, Series 2015 (the "Series 2015 Bond")	12,575,000	July 1, 2022	Level Debt Payments Through 2021, Increased Payment in 2022
Water and Sewer Refunding Revenue Bonds, Series 2016 (the "Series 2016 Bonds")	48,105,000	July 1, 2036	Interest-Only Through 2028, Then Level Debt Payments for Remaining Term
Water and Sewer Revenue Bond, Series 2018 (the "Series 2018 Bond")	34,405,000	July 1, 2029	Level Debt Payments to 2022; Increased Level Debt Payments for Remaining Term
Total Senior Lien Bonds (the "Outstanding Bonds")	$99,366,907		

[*] Amounts shown reflect the outstanding principal amount of the Bonds after the payment of any principal up to and including October 1, 2018 that were issued pursuant to the Bond Resolution.

During the Fiscal Year 2018 and as part of the acquisition of the Golden Gate System from the FGUA, the County issued Additional Bonds pursuant to the Bond Resolution. Specifically, the County issued the Water and Sewer Revenue Bond, Series 2018 (the "Series 2018 Bond") to refinance a portion of the then outstanding FGUA debt portfolio at the time of acquisition (the "Acquisition Bonds"). It should be noted that the County also defeased a certain amount of the FGUA debt portfolio from cash received from FGUA as part of the transaction and therefore are no longer considered outstanding (the defeased debt consisted primarily of SRF loans secured by the FGUA from the State).

The payment of the Annual Debt Service included in this Report for the Outstanding Bonds for each year of the Forecast Period was based on the existing debt service schedule for each respective issue and are presented on a "gross" basis (i.e., not net of interest earnings on any debt service-related funds or accounts). Furthermore, the amounts shown are based on the when the debt service requirements are actually paid to investors (a cash basis) to be consistent with the rate covenant as delineated in the Bond Resolution as opposed to when the monthly funding requirements from Net Revenues to the Water and Sewer System Sinking Fund (the Principal Account and Interest Account) (the "Sinking Fund") are required also as contained in the Bond Resolution (essentially an accrual basis). It was further assumed that the Outstanding Bonds would remain as debt obligations of the System and not be refunded or retired, in whole or in part, during the Forecast Period.

12. In addition to the Outstanding Bonds, on November 17, 2016, the District issued the Water and Sewer Refunding Revenue Note (Subordinate), Series 2016 in the principal amount $89,982,000 (previously defined as the "2016 Subordinate Note") to refund all of the outstanding loans previously secured by the District through the SRF loan program (all of the SRF loans were considered as Subordinated Indebtedness prior to the refunding transaction). The 2016 Subordinate Note is considered as Subordinated Indebtedness of the System; it is only subordinate debt currently outstanding. As of October 1, 2018, the County

had a total aggregate principal amount of $77,879,000 of the 2016 Subordinate Note outstanding payable under the following terms as summarized below.

Summary of Outstanding Subordinated Indebtedness Allocable to District System

Description	Principal Outstanding October 1, 2018 [1]	Maturity Date (Last Payment)	Repayment Terms [2]
Water and Sewer Refunding Revenue Note, 2016 Subordinate Note (the "Subordinate 2016 Note")	$77,879,000	July 1, 2029	Declining Payments Based on Initial Repayment Terms of the Refunded SRF Loans

[1] Amounts shown reflect the outstanding principal amount of the Subordinate Indebtedness after the payment of any principal up to and including October 1, 2018.
[2] The annual debt repayment recognizes a declining payment structured to match the repayment schedule of the SRF loans secured by the County for System capital improvement financing.

The payment of the annual debt service repayment requirements for the 2016 Subordinate Note included in this Report for each year of the Forecast Period was based on the existing note repayment schedule for the issue and are presented on a "gross" basis (i.e., not net of interest earnings on any debt service-related funds or accounts). Furthermore, the amounts shown are based on making monthly funding requirements in an amount necessary to pay the next respective semiannual payment on the 2016 Subordinate Note when due as stated in the Request for Quote that was issued to solicit proposals for the transaction (essentially an accrual basis) as opposed to when the note repayment requirements are actually paid. It was further assumed that the 2016 Subordinate Note would remain a debt obligation of the System and not be refunded or retired, in whole or in part, during the Forecast Period.

13. The County plans to issue tax-exempt Series 2019 Bonds on parity with the Outstanding Bonds for the primary purpose of financing certain capital improvement projects identified by the County. The assumptions provided by PFM Financial Advisors, LLC (the "Financial Advisor") to the County with respect to the issuance of the Series 2019 Bonds include: i) total principal amount of the bonds estimated at approximately $78,235,000 issued with a premium of $6,216,327; ii) an assumed average coupon rate of 5.00% with a 4.374869% True-Interest-Cost ("TIC"); iii) a term of twenty-years with no interest expense being funded from bond proceeds; iv) the funding requirement of a debt service Reserve Account for the Series 2019 Bonds in an amount equal to the debt service Reserve Account Requirement for the Series 2019 Bonds; v) a debt repayment schedule assuming a "wrapped schedule" whereby interest-only payments will be made until July 1, 2026 coupled with principal and interest payments thereafter that when recognizing the Annual Debt Service payments on the Outstanding Bonds and the Series 2019 Bonds, the payments will be more levelized yet decline over time as the Outstanding Bonds mature; and vi) the payment of issuance expenses associated with the Series 2019 Bonds. It is assumed that the Series 2019 Bonds would be issued on or about April 17, 2019. Based on the financing plan as prepared by the County's Financial Advisor, the deposit to the 2019 Construction Fund to finance the Cost of the Project from the proceeds of the Series 2019 Bonds was $76,000,000.

14. In addition to the Outstanding Bonds and the Series 2019 Bonds, the financial forecast assumes that the District will need to issue Additional Bonds during the Forecast Period in order to provide funding in support of the capital funding plan (discussed later in this section). Based on the operating results and funds availability predicated on the results of the financial analysis included in this Report, it is estimated that the District will need to fund approximately $104,039,000 of the total project costs associated with the construction of a Northeast Regional Wastewater Treatment Plant scheduled by the County to provide construction start-up on or about January 1, 2022 (during Fiscal Year 2022) and be placed into service during Fiscal Year 2025 from the issuance of Additional Bonds. Specifically, it was assumed that the County would issue additional bonds on a parity basis (same seniority of payment status) with the Outstanding Bonds and the Series 2019 Bonds (the Additional Bonds referred to as the Water and Sewer Revenue Bonds, Series 2022 or the "Series 2022 Bonds"). For the purposes of this Report, PRMG relied on the following assumptions provided by the County's Financial Advisor in the development of the Annual Debt Service requirements for the Series 2022 Bonds: i) a total principal amount of bonds issued of $111,465,000 to fund a total Construction Fund deposit of $104,039,000, with a premium assumed for the development of the overall principal amount of bonds in the amount of $4,612,944; ii) issuance costs equal to approximately 0.8% of the principal amount of bonds assumed at $892,444; iii) the cash funding of a debt service Reserve Account deposit of $11,146,500 equal to the estimated Reserve Account Requirement for the Series 2022 Bonds as estimated by the Financial Advisor; iv) an issuance date of October 1, 2022; v) an assumed average coupon rate of 5.00% with a 4.732969% TIC, which includes interest-only payments for the first eighteen (18) months of the debt repayment period and level debt service payments for the Series 2022 Bonds thereafter; vi) a twenty-five (25) year repayment schedule; and vii) an Annual Debt Service payment for the Series 2022 Bonds during the Forecast Period of approximately $5,573,250 (reflects interest-only payments) and beginning in Fiscal Year 2040 after the interest-only repayment period, level Annual Debt Service payments for the Series 2022 Bonds approximating $17,246,000. It should be noted that at the time of issuance of the Additional Bonds, the District plans to consult with its Financial Advisor relative to the timing, structure, and sale of such additional bonds and if market conditions are different as compared to the estimates assumed in the development of the financial forecast, the District will re-evaluate the level of rates in effect at the time of issuance to determine if the Net Revenues derived from operations will be considered sufficient to meet the District's financial objectives regarding the funding of the Utility revenue requirements and compliance with the rate covenants required to issue the Series 2022 Bonds.

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Based on the above assumptions, the Annual Debt Service requirement for the Forecast Period recognizing the Outstanding Bonds and the additional Series 2019 Bonds and Series 2022 Bonds, presented on a cash basis (when payments are required to be made to bondholders and not when deposits to the Sinking Fund are required from Net Revenues) and the 2016 Subordinate Note is projected as follows:

Projection of Annual Debt Service and Subordinated Indebtedness Funding Requirement

	Fiscal Year Ending September 30, [1]					
	2019	2020	2021	2022	2023	2024
Annual Debt Service Requirement:						
Series 2013 Bond	$1,473,424	$1,470,674	$1,464,174	$---	$---	$---
Series 2015 Bond	2,841,062	2,845,195	2,849,453	4,640,814	---	---
Series 2016 Bonds	2,405,250	2,405,250	2,405,250	2,405,250	2,405,250	2,405,250
Series 2018 Bond	3,059,161	3,060,417	3,055,349	3,064,076	4,111,235	4,106,765
Series 2019 Bonds [2]	1,629,896	3,911,750	3,911,750	3,911,750	3,911,750	3,911,750
Series 2022 Bonds [3]	---	---	---	2,786,625	5,573,250	5,573,250
Total Annual Debt Service Requirement	$12,386,731	$13,693,286	$13,685,979	$18,201,828	$16,001,485	$15,997,015
Subordinated Indebtedness Requirement [4]	10,704,822	10,261,368	10,260,882	8,797,480	8,798,442	8,797,830
Total Annual Debt Service and Subordinated Indebtedness Requirement	$22,113,615	$23,954,654	$23,946,858	$25,605,998	$24,799,927	$25,794,845

[1] Amounts shown reflects the Annual Debt Service payments on a "cash basis" and reflects when the Annual Debt Service payments are made to bondholders and not the "accrual basis," which recognizes when monthly deposits from Net Revenues are made into the Principal and Interest Accounts as contained in the Sinking Fund. Annual Debt Service requirements are presented on a "gross" basis and are not net of any investment income from amounts on deposit in the various accounts within the Sinking Fund as established by the County associated with Bonds, which is shown separately (i.e., included as a component of Gross Revenues).
[2] Amounts shown based on assumptions provided by the County's Financial Advisor dated as of January 7, 2019.
[3] Amounts shown based on assumptions provided by the County's Financial Advisor and reflects Additional Bonds anticipated to be issued during the Forecast Period to finance a portion of the Capital Improvement Plan.
[4] Amounts shown represent annual debt service payments for the 2016 Subordinated Note; reference Assumption No. 15 below.

15. Based on discussions with the County and the capital expenditure funding plan presented in the financial forecast, no additional Subordinated Indebtedness is assumed to be issued during the Forecast Period.

16. The capital expenditures for the System as shown on Table 3 at the end of this Report were based on information contained in the multi-year CIP schedule provided by the County along with additional information regarding the status of current and anticipated projects and annual departmental capital (general recurring plant) needs. Table 3 at the end of this Report provides a detailed listing of the capital projects for the potable water, wastewater, and IQ water systems as well as anticipated funding sources for such projects for the Forecast Period.

    Based on estimated costs developed by the County through the master planning process and estimates for departmental capital needs, the County has identified approximately $567.3 million in capital needs through the Fiscal Year 2024. The following is a summary of the estimated capital expenditures anticipated for the System and the expected funding sources relative to such capital program recognized in the development of the financial forecast presented in this report.

Summary of Estimated Capital Improvement Program and Funding Sources ($000s) [1][2]

	Fiscal Year Ending September 30,						Six-Year Total	
	2019	2020	2021	2022	2023	2024	Amount	Percent
Capital Expenditures:								
Water System	$41,187	$56,777	$25,908	$22,939	$24,338	$20,321	$191,470	33.8%
Wastewater System	46,333	65,050	36,509	90,326	85,148	29,670	353,036	62.2%
IQ Water System	17,268	1,300	1,402	1,049	848	922	22,789	4.0%
Total Capital Expenditures	$104,788	$123,126	$63,819	$114,315	$110,334	$50,913	$567,295	100.00%
Funding Sources:								
Annual Rate Revenue	$1,339	$1,387	$1,456	$1,442	$1,470	$1,503	$8,597	1.5%
Operating/Fleet Mgmt. Reserves	---	70	105	70	105	70	420	0.1%
Grants	350	350	350	350	---	---	1,400	0.3%
Water System Dev. Fees	868	---	5,000	---	5,000	---	10,868	1.9%
Wastewater System Dev. Fees	180	---	---	---	---	---	180	0.0%
Water Capital Account	20,431	34,915	20,046	22,103	18,648	19,635	135,778	24.0%
Wastewater Capital Account	41,423	50,601	36,862	43,532	27,890	29,705	230,013	40.5%
Additional Bonds:								
Series 2019 Bonds	40,197	35,803	---	---	---	---	76,000	13.4%
Series 2022 Bonds	----	---	---	46,818	57,221	---	104,039	18.3%
Total Funding Sources	$104,788	$123,126	$63,819	$114,315	$110,334	$50,913	$567,295	100.00%

[1] Summary of capital projects and funding sources by project derived from Table 3 at the end of this Report. Amounts shown include expenditures for projects budgeted in prior periods that are still under way (construction-work-in-progress); all budgeted projects for the Forecast Period as contained in the County's capital improvement plan were assumed to be constructed (fully funded, no carryforwards beyond the Forecast Period) to provide for the full funding of the plan.
[2] Amounts shown includes department capital which represents minor recurring capital expenditures which are part of the System Operating Budget which would be capitalized to plant-in-service.

In order to provide a funding mechanism to finance the costs of renewals, replacements, betterments, and upgrades to the potable water, wastewater, and IQ water utility systems, the County has recognized the funding of District-established water and wastewater capital accounts from annual operations. The capital accounts are internal funds that are a component of the Surplus Fund and are annually funded from the System Net Revenues after the payment of required fund deposits (e.g., Annual Debt Service) with the purpose of providing funding for a dedicated capital re-investment plan designed to meet ongoing capital expenditure requirements on a pay-as-you-go basis (which improves the overall equity position of the System). For the Forecast Period reflected in this report, the development of the revenue requirements includes continued funding or setting aside of monies in the capital accounts from System operations to meet these ongoing capital expenditure requirements and to maintain operation reserves. Based on discussions with County staff, minimum capital account deposits equal to at least 15% of the previous year's Gross Revenues were recognized for the financial forecast presented in this Report. PRMG also assumed additional transfers into the capital accounts from operations and existing fund balances or reserves to reduce the need to debt finance the renewal, replacement, and enhancement capital projects of the System as identified in the CIP. A summary of projected deposits into the potable water, wastewater and IQ water capital accounts funded annually from System operations is shown as follows and which were recognized in the development of the CIP funding plan previously presented:

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Summary of Projected Deposits to Potable Water Capital Account (Fund 412)

Fiscal Year	Minimum Deposit – 15% of Previous Year's Gross Revenues	Additional Deposits	Total Deposit
2019	$9,782,072	$4,000,000	$13,782,072
2020	10,549,769	3,400,000	13,949,769
2021	10,916,595	3,700,000	14,616,595
2022	11,368,573	4,900,000	16,268,573
2023	11,806,693	7,220,000	19,026,693
2024	12,254,211	7,400,000	19,654,211

Summary of Projected Deposits to Wastewater Capital Account (Fund 414) [*]

Fiscal Year	Minimum Deposit – 15% of Previous Year's Gross Revenues	Additional Deposits	Total Deposit
2019	$11,033,157	$11,134,512	$22,167,669
2020	12,955,260	11,126,106	24,081,866
2021	13,367,932	11,073,183	24,441,058
2022	13,668,743	11,020,297	24,688,979
2023	14,183,473	11,004,663	25,187,925
2024	14,717,372	10,987,912	25,705,141

Numbers in parenthesis represent County Fund numbers for financial reporting purposes.

[*] Amounts shown include funds for the IQ water system.

This capital expenditure funding mechanism is similar to the process used by other local governments associated with funding deposits to a R&R Fund that would be required by the bond resolutions adopted by public utilities in support of utility financings that is funded annually (reference is made to Assumption No. 17 for a discussion of deposits to the Renewal and Replacement Fund). The use of the capital account (which is a component of the Surplus Fund reserves for the System but is assumed to be restricted for capital expenditures in the financial plan presented in this report) represents a source of funds for capital expenditures funded annually from rates and serves to reduce the amount of capital projects to be funded from the issuance of Bonds or Subordinated Indebtedness.

17. Based on the provisions of the Bond Resolution that authorized the issuance of the Bonds, the District is required to maintain an R&R Fund. The purpose of the R&R Fund is to provide monies to pay the cost of major extensions, improvements or additions to, or the replacement or renewal of capital assets of the System, or extraordinary repairs of the System. As defined in the Bond Resolution, the R&R Fund Requirement is equal to $300,000 on such other amount as may be certified by the County's Consulting Engineers (the "R&R Fund Requirement"). No deposit is required to the Fund if the County maintains on deposit an amount equal to the R&R Fund Requirement. Pursuant to the Bond Resolution, the R&R Fund Requirement was established at $300,000 and this amount has not been adjusted based on the Consulting Engineer certification. Recognizing that the County maintains separate capital accounts for the Water and Wastewater (including the IQ water system) Systems, and makes deposits significantly in excess of the R&R Fund Requirement, the financial policy recognized in the development of the revenue requirements by the County is to maintain on deposit in the R&R Fund an amount necessary to satisfy the provisions of the Bond Resolution and to utilize funds in the capital account, System Development Fee Funds, or

other available funding sources to meet the ongoing capital needs of the System. Recognizing this policy: i) no change to the R&R Fund Requirement was assumed; ii) no deposits from Net Revenues to the R&R Fund were assumed to be made during the Forecast Period; and iii) no capital expenditures financed from amounts on deposit in such Fund have been recognized during the Forecast Period.

18. During the Fiscal Year 2017, Hurricane Irma struck the County, which resulted in a significant liability associated with debris removal and clean-up. In order to immediately fund the debris removal and clean-up efforts prior to the receipt of any emergency funding from the Federal Emergency Management Agency ("FEMA"), the County internally borrowed approximately $49.8 million from the System (considered as a loan by the General Fund pursuant to the County); these funds were derived from unrestricted cash reserves in the water and wastewater capital accounts as well as the un-appropriation of funds for certain capital projects that were determined by the County to be able to be deferred without materially impacting the ability to provide service in the short-run. In the development of the financial forecast and based on discussions with the County, it was assumed that the County would receive reimbursement from FEMA equal to seventy-five percent (75%) of the borrowed funds over a five-fiscal year period beginning in Fiscal Year 2020, without interest. The total reimbursement assumed during the Forecast Period from the County's General Fund to the Water Capital Account was $3,750,000 received in annual installments of $750,000 and the total reimbursement to the Wastewater Capital Account was $33,568,318 received in annual installments of $6,713,664. The receipt of these funds was not considered as a component of the Gross Revenues but a repayment of principal on an internal investment made by the County (deposited into the respective Capital Accounts).

    Based on the reimbursement assumptions as provided by the County, the majority of the funds used for the debris removal and clean-up was derived from the Wastewater Capital Account (due to the deferral of the capital program). To the extent that this reimbursement is not made or is substantially reduced or delayed, the County plans to subsequently evaluate the wastewater capital program as there may not be sufficient monies in the such fund to finance the wastewater capital plan (reference Assumption No. 16) based on the assumptions recognized in this Study. Specifically, the County may need to issue additional debt above what is contemplated in the financial plan presented in this report or may need to defer capital spending to later years; the County will monitor this situation over time to assure that the capital plan is fully funded (which is done annually by the County as part of the annual budget development process).

19. Investment income on funds and accounts created by the Bond Resolution or internally by the County has been recognized as an available revenue to be included in Gross Revenues and are considered available to fund the Operating Expenses, payment of the Annual Debt Service and Subordinated Indebtedness payments, and fund capital improvements and expenditures of the System. The interest rates have been applied to estimated balances in funds and accounts created in conformance to the Bond Resolution, including: i) Sinking Fund, which includes the Principal Account, Interest Account, Term Bond Redemption Account, and the Reserve Account; ii) the Renewal and Replacement Fund; and iii) the Revenue Fund, Operation and Maintenance Fund, and the Surplus Fund, exclusive of the Water Capital Account and the Wastewater Capital Account (which includes the IQ Water

System), which is identified separate by County practice to fund ongoing capital expenditures of the System (collectively referred to in this Report as the "Operating Reserves"), and the Water and Sewer System Development Fee Funds and as internally created by the County, including customer deposits, and the separately maintained capital accounts. It has also been assumed that any interest earnings on the System Development Fee Fund and Construction Funds associated with the issuance of Series 2019 Bonds and the anticipated Additional Bonds will be retained in the respective funds and not be included in the determination of Gross Revenues and being available for the payment of the Operating Expenses, the Annual Debt Service requirement or the payment of Subordinated Indebtedness payments consistent with the provisions of the Bond Resolution. Table 8 provides a summary of the transfers in and out of each fund / account and corresponding ending cash balances for each fund / account maintained by the District on behalf of the System.

In development of the estimated interest earnings shown on Table 8, an assumed interest rate of 1.50% was applied annually to the estimated average fund balances in each account maintained by the County during the Forecast Period. This interest rate assumption is based on recent earnings performance results of the District, historical trends in interest earnings, and a review of the earnings performance of available investment vehicles related to the County (e.g., Florida Prime – State Board of Administration). The assumed average interest rate was applied to the estimated average fund balances for each specific fund as maintained by the District for financial reporting and accounting purposes of the System. A summary of the interest earnings recognized in the financial forecast for each fiscal year of the Forecast Period as well as the estimated cash balances by individual fund or account are presented on Table 8 at the end of this report.

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Estimated Interest Earnings by Fund Assumed for the Forecast Period

	Fiscal Year Ending September 30, [1]					
	2019	2020	2021	2022	2023	2024
Operating Reserves (408) [2]	$575,350	$598,007	$582,689	$559,792	$517,409	$506,708
Renewal and Replacement Fund (408A)	4,500	4,500	4,500	4,500	4,500	4,500
Assessment / Fleet Mgmt. Reserves (409)	47,570	47,045	45,732	44,420	43,107	41,795
Sinking Fund:						
Principal and Interest Accounts (410)	144,960	147,623	148,634	156,942	136,271	137,092
Reserve Account (410)	274,462	333,139	333,139	416,737	500,336	500,336
Water Capital Account (412) [3]	361,309	229,955	109,986	92,241	62,957	48,690
Wastewater Capital Account (414) [3]	779,061	536,447	345,094	211,309	150,433	150,511
Earnings Recognized	$2,187,212	$1,896,716	$1,569,774	$1,485,941	$1,415,013	$1,389,632
System Development Fee Funds [4]	265,374	256,734	223,085	188,932	154,266	119,080
Construction Funds [5]	---	---	---	---	---	---
Total Earnings Realized	$2,452,586	$2,153,450	$1,792,859	$1,674,873	$1,569,279	$1,508,712

[1] Amounts shown derived from Table 8 at the end of this Report. Numbers in parenthesis reflect County Fund reference numbers for financial reporting purposes; the Renewal and Replacement Fund is included in the pooled cash of Fund 408 and has been separately identified for presentation purposes.

[2] Includes earnings on the Revenue Fund, Operation and Maintenance Fund, and the Surplus Fund, exclusive of the Water Capital Account and Wastewater Capital Account, which is separately identified.

[3] Represents earnings on the respective utility capital accounts established by the County as a sub-fund of the Surplus Fund and is used to annually fund capital expenditures of the System. The Wastewater Capital Account also includes funds available for capital funding for the IQ water system.

[4] For purposes of this analysis, assumed earnings on the System Development Fee Funds restricted to such funds until time of use during Forecast Period and were not considered as a component of the Gross Revenues of the System.

[5] No earnings were estimated on the Construction Fund established from the Series 2019 Bonds and Additional Bonds (i.e., anticipated Series 2022 Bonds) since i) the fund is gross funded based on the total estimated cost of the capital projects to be financed; and ii) to provide a contingency to the extent market conditions result in an increase in the project costs.

20. The financial forecasts assumes that all contracts, agreements, statutes, rules, and regulations which have been relied upon by us preparing this Report and the projected operating results contained herein will remain in effect in accordance with their terms and conditions, and such terms and conditions will be compiled with by the parties involved throughout the Forecast Period and no significant material or force majeure event (e.g., a hurricane, major, unplanned outage of the water and wastewater treatment facilities, or a significant change in regulations, etc.) will occur during the period. We make no representations or warranties and provide no opinion concerning the enforceability or legal interpretation of such contractual and legal requirements.

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Summary of Projected Operating Results

As shown on Table 5 at the end of this Report and summarized below, projections have been prepared of the operating results for the System. Such projections were prepared in accordance with our understanding of the flow of funds prescribed by the Bond Resolution and the assumptions and considerations used in the projections as described earlier. The projected operating results as shown on Table 5 are summarized as follows:

System Projected Operating Results and Estimated Annual Debt Service Coverage for the Forecast Period ($000s) [1]

	Fiscal Year Ending September 30,					
	2019	2020	2021	2022	2023	2024
Total Sales Revenue [2]	$149,908	$155,323	$161,279	$167,627	$174,119	$180,591
Other Operating Revenue [3]	4,608	4,663	4,052	4,145	4,240	4,338
Total Operating Revenue	$154,516	$159,986	$165,331	$171,772	$178,359	$184,929
Non-Operating Revenue [4]	2,184	1,911	1,585	1,496	1,480	1,484
Gross Revenues	$156,700	$161,897	$166,916	$173,268	$179,839	$186,413
Operating Expenses [5]	98,413	103,011	107,979	112,345	116,692	121,376
Net Revenues	58,287	58,886	58,937	60,923	$63,147	$65,037
System Development Fees [6]	9,805	9,610	9,394	9,284	9,066	8,770
Pledged Funds Available for Annual Debt Service	68,092	68,496	68,331	70,207	72,213	73,807
Annual Debt Service [7]						
Annual Debt Service Coverage:	11,409	13,693	13,686	16,809	16,001	15,997
Coverage – Pledged Funds:						
Calculated Coverage	5.97	5.00	4.99	4.18	4.51	4.61
Required Minimum Coverage	1.25	1.25	1.25	1.25	1.25	1.25
AND						
Coverage – Net Revenues:						
Calculated Coverage	5.11	4.30	4.31	3.62	3.95	4.07
Required Minimum Coverage	1.00	1.00	1.00	1.00	1.00	1.00
Subordinated Indebtedness [8]						
Subordinated Indebtedness Coverage:						
Total Annual Debt Service and Subordinated Indebtedness Payments	10,705	10,261	10,261	8,797	8,798	8,797
Coverage – Pledged Funds						
Calculated Coverage [9]	5.03	5.01	4.99	5.59	5.93	6.12
Required Minimum Coverage	1.15	1.15	1.15	1.15	1.15	1.15
Less Other Required Transfers from Net Revenues [10]						
Annual Debt Service	11,409	13,693	13,686	16,809	16,001	15,997
Subordinated Indebtedness	10,705	10,261	10,261	8,797	8,798	8,797
Renewal and Replacement Fund [11]	---	---	---	---	---	---
Bonds Reserve Account [12]	---	---	---	---	---	---
Total Other Required Transfers	22,114	23,954	23,947	25,606	24,799	24,794
Net Revenues Available After Payment of Required Transfers – Transfer to Surplus Fund [13][14]	$36,173	$34,932	$34,990	$35,317	$38,348	$40,243

Table footnotes on following page.

Table footnotes:

[1] Amounts derived from Table 5 at the end of this Report.

[2] Amount shown includes sales revenues from existing and adopted rates for monthly utility service, including the application of the annual price index rate adjustment as provided in the Rate Resolution (applied during years that no specific rate adjustment was approved by the Board), as identified earlier in this Report; no additional rate adjustments above the approved rates or the price index rate adjustment have been assumed during the Forecast Period.

[3] Amounts shown include other operating revenues such as customer service fees, meter installation fees (Connection Fees), and other revenues derived from the daily operation of the System.

[4] Amounts shown include investment income assumed to be earned during the Forecast Period on unrestricted funds which include: the Revenue Fund, accounts included in the Sinking Fund, the Renewal and Replacement Fund, and the Surplus Account (primarily consists of the Water and Wastewater Capital Accounts established by the District for capital expenditure funding purposes); does not include investment income on System Development Fee funds or deposits on account in the Series 2019 Bonds Project or Construction Fund or future funds established from the proceeds of Additional Bonds.

[5] Pursuant to the Bond Resolution, such amounts do not include depreciation or amortization expenses which are non-cash in nature.

[6] Includes all System Development Fees, only a portion of which may legally available to pay debt service on the Bonds under Florida law. Under Florida law, impact fees such as the System Development Fees may be validly imposed against new construction or development in order to fund capital improvements or capacity that are necessitated by such new construction or development or to satisfy debt service for bonds or other obligations issued for such purposes. Proceeds of such System Development Fees may be used only for the capital improvements or capacity attributable to the new construction or development to pay associated debt service. Amounts shown include System Developments Fees assumed to be received during the Forecast Period from new development requesting capacity and Investment Income on estimated fund balances.

[7] Amounts shown reflect the Annual Debt Service payment for the Outstanding Bonds, the Series 2019 Bonds and Additional Bonds (i.e., the Series 2022 Bonds) issued pursuant to the Bond Resolution which are assumed to be outstanding during each Fiscal Year of the Forecast Period. Amounts shown based on a "cash basis" of reporting (when payments are required to be made to bondholders and not when deposits are made by the District to the Principal and Interest Accounts within the Sinking Fund).

[8] Amounts shown reflect the debt service payments for the 2016 Subordinate Note which is subordinate to the Bonds that is assumed to be outstanding during each fiscal year of the Forecast Period. Amounts shown based on a "cash basis" of reporting (when payments are required to be made to holders of the notes and not when deposits are made by the District to a note-repayment sinking fund).

[9] The Subordinated Indebtedness coverage for the Forecast Period was determined as follows:

	2019	2020	2021	2022	2023	2024
Pledged Funds Available	$68,092	$68,496	$68,331	$70,207	$72,213	$73,807
Less Annual Debt Service plus 1.25 Coverage	(14,261)	(17,117)	(17,107)	(21,011)	(20,001)	(19,996)
Amounts Pledged for Subord. Indebtedness	$53,831	$51,379	$51,224	$49,196	$52,211	$53,811
Total Subordinated Indebtedness	10,705	10,261	10,261	8,797	8,798	8,797
Debt Service Coverage – Calculated	5.03	5.01	4.99	5.59	5.93	6.12

[10] Amounts shown reflect required transfers to be made from Net Revenues to certain funds and accounts as delineated in the Bond Resolution.

[11] No transfers to the Renewal and Replacement Fund has been recognized during the Forecast Period since it was assumed that the County would maintain on deposit an amount equal to the Renewal and Replacement Fund Requirement (i.e., $300,000) as defined in the Bond Resolution; reference is made to Footnote 14 below.

[12] No deposit to the Reserve Account was recognized since the fund for each series of Bonds was fully funded (either through the adoption of an surety policy or cash funded from the proceeds of the bonds issued or to be issued by the County) and there was no projected requirement to use funds on deposit in the Reserve Account to fund the Annual Debt payment during the Forecast Period.

[13] Amounts shown represent remaining Net Revenues after payment of all required transfers as delineated in the Bond Resolution for deposit into the Surplus Fund which may be applied for any lawful purpose in connection with the System. Amounts shown do not include any System Development Fees that may be received by the District during the Forecast Period; such amounts were assumed to be maintained in the System Development Fees Fund and are available for the funding of expansion-related capital projects, including the payment of the Annual Debt Service and the Subordinated Indebtedness debt payments as appropriate.

[14] The District has established a Capital Account for each respective water and wastewater system in the Surplus Account; the purpose of the Capital Accounts to provide ongoing funds for capital improvements to the System (similar in use to the Renewal and Replacement Fund).

FINDINGS AND CONCLUSIONS

Based upon the principal considerations and assumptions and the results of our studies and analyses, as summarized in this Report, which should be read in its entirety in conjunction with the following, the Consulting Engineer is of the opinion that:

1. Based upon the intended use of the System facilities, general field observations of the aboveground facilities, discussions with the management and staff of the County's Utilities

regulatory agencies, the existing facilities of the System appear to be in good condition and being operated in accordance with industry standards.

2. The System appears to be adequately maintained following manufacturer's recommendations and more stringent District standards.

3. The Utilities Department has historically provided for adequate operation by employing personnel capable of operating, maintaining, and expanding the System as necessary. Current management of the System appears to be well qualified for the positions for which they are responsible.

4. The existing System facilities along with the facilities, improvements and additions proposed in the Fiscal Year 2019 – Fiscal Year 2028 capital plan as developed by the Utilities Department for the System, can reasonably provide potable water and wastewater services to the service area through Fiscal Year 2030 in the case of the potable water system and Fiscal Year 2034 in the case of the wastewater system.

5. All required permits for operating the system are current, renewal applications are submitted in a timely manner and the District remains compliant with regulatory agencies. Recently acquired utilities by the County are being brought up to District standards in permitting and operation so as to maintain compliance. To the Consulting Engineer's knowledge, the County is in compliance with all federal and state regulatory requirements relating to the provision of water and wastewater services, and there are no outstanding orders requiring corrective actions issued by any regulatory agency. The Consulting Engineer has no reason to believe that the necessary permits for the construction of new facilities and the operation of the System will not be renewed, modified, or extended on a timely basis with the appropriate regulatory agencies.

6. During the course of the engineering due diligence investigations, nothing has come to the attention of the Consulting Engineer that lead them to believe that significant funds above current funding levels will be required for System improvements beyond that identified herein for the Forecast Period. Subsequent to closing, should the County discover any additional capital needs, funding can be provided by increasing the Renewal and Replacement Fund and Surplus Fund deposits, issuance of additional bonds, or by increasing rates.

In addition, the Feasibility Consultant is of the opinion that:

1. The projected growth in customers and usage of the System represent reasonable and attainable projections for the purposes of this Report based on current economic conditions and recent development plans for the service area.

2. The projected growth in the Operating Expenses represents reasonable projections for the purposes of this Report.

3. The System revenues estimated to be earned during the Forecast Period from i) the County-approved water, wastewater, and irrigation quality water retail rates, which also includes and assumes the annual application of a price index (inflationary) rate adjustment, as contained

in Resolution No. 2018-129 adopted by the Board on July 10, 2018 for the District (previously defined as the "Retail Rate Resolution"); and ii) the County-approved wholesale water rates as contained in Resolution No. 2018-130 adopted by the Board on July 10, 2018 for the District (previously defined as the "Wholesale Rate Resolution" and, collectively with the Retail Rate Resolution, the "Rate Resolution"), should be sufficient to pay the projected Operating Expenses, pay the estimated Annual Debt Service on the Outstanding Bonds, the anticipated Series 2019 Bonds, and projected Additional Bonds and the debt service payments on the Subordinated Indebtedness coming due in such years, and make the projected deposits to the Renewal and Replacement Fund and to the Surplus Fund which is available for paying the cost of major extensions, improvements or additions to, or the replacement or renewal of capital assets of the System, or extraordinary repairs of the System and continue to be in compliance with the rate covenant contained in the Bond Resolution. The Board has annually adjusted the rates associated with the application of previously approved adjustments or through the application of a price index factor for the Fiscal Years 2015 to 2018 (in accordance with the provisions of the rate resolution in effect at that time) and has adopted projected rates and indexing provisions to be placed in effect during the Forecast Period.

4. Based on financial information as provided by the County, which includes, but is not limited to, the Comprehensive Annual Financial Reports for the System, the Pledged Funds of the System have historically (for the past five Fiscal Years ended September 30, 2018 as contained in this Report) been in compliance with the rate covenant contained in the Bond Resolution.

5. The District's rates currently in effect for water and wastewater service are considered comparable to charges for similar service provided by other publicly-owned utilities located in proximity to the County in the southwestern portion of Florida. The projected implementation of the approved rate adjustments or estimated price index adjustments assumed for the Forecast Period as represented in this Report is not expected by the Feasibility Consultant and the Utilities Department to negatively affect the customer growth or sales (billed water and wastewater use or flow) assumed for the Forecast Period or the overall the competitiveness of the County's monthly user rates over the Forecast Period. The Board has the ability to increase the rates above the rates presented in the rate implementation plan as contained in the Rate Resolution which were assumed for the projections.

6. The Water and Wastewater System Development Fees are impact fees and are comparable to the fees charged by neighboring utilities. The Feasibility Consultant considers the System Development Fees to be reasonable, which were based on the utility plant-in-service as reported in the County's Comprehensive Annual Financial Report and the near-term capital requirements of the System contained in the System's adopted capital improvement plan at the time of fee determination. Based on discussions with the Utilities Department staff, the application of the System Development Fees is not expected to negatively affect System growth.

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COLLIER COUNTY WATER-SEWER DISTRICT, FLORIDA

COMBINED CONSULTING ENGINEERS AND BOND FEASIBILITY REPORT
WATER AND SEWER REVENUE BONDS, SERIES 2019

LIST OF TABLES AND APPENDICES

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Appendix	Description
A	Engineering Portion of CCWSD Engineering and Bond Feasibility Report Dated March 2019

Table 1A

Collier County Water-Sewer District
Bond Feasibility Report - Series 2019 Bonds

Summary of Historical Water System Customer and Sales Statistics [1]

Line No.	Description	Fiscal Year Ended September 30, 2014	2015	2016	2017	2018
	Individually-metered Residential Service					
1	Average Annual Customers	49,756	51,341	53,596	56,883	61,498
2	Average Annual ERCs [2]	51,285	53,056	55,472	58,938	63,620
3	Total Annual Sales (kgal)	3,381,158	3,368,307	3,394,292	3,673,776	3,882,425
4	Average Monthly Use Per Customer (kgal)	5.66	5.47	5.28	5.38	5.26
5	Average Monthly Use Per ERC (kgal)	5.49	5.29	5.10	5.19	5.09
	Master-metered Residential					
6	Average Annual Customers	3,123	3,136	3,152	3,177	3,241
7	Average Annual ERCs [2]	20,163	20,228	20,250	20,396	20,781
8	Total Annual Sales (kgal)	2,230,067	2,239,050	2,240,830	2,196,792	2,263,341
9	Average Monthly Use Per Customer (kgal)	59.51	59.50	59.24	57.62	58.20
10	Average Monthly Use Per ERC (kgal)	9.22	9.22	9.22	8.98	9.08
	Commercial Service					
11	Average Annual Customers	2,345	2,392	2,447	2,495	2,715
12	Average Annual ERCs [2]	9,391	9,732	9,871	9,990	10,615
13	Total Annual Sales (kgal)	1,318,091	1,351,651	1,382,086	1,393,699	1,486,194
14	Average Monthly Use Per Customer (kgal)	46.84	47.09	47.07	46.55	45.62
15	Average Monthly Use Per ERC (kgal)	11.70	11.57	11.67	11.63	11.67
	Irrigation Service					
16	Average Annual Customers	511	521	544	566	594
17	Average Annual ERCs [2]	1,409	1,436	1,486	1,526	1,606
18	Total Annual Sales (kgal)	475,573	475,880	477,296	539,972	540,371
19	Average Monthly Use Per Customer (kgal)	77.56	76.12	73.07	79.50	75.81
20	Average Monthly Use Per ERC (kgal)	28.13	27.62	26.77	29.49	28.04
	Total Retail Service					
21	Average Annual Customers	55,735	57,390	59,739	63,121	68,048
22	Average Annual ERCs [2]	82,248	84,452	87,079	90,849	96,622
23	Total Annual Sales (kgal)	7,404,889	7,434,888	7,494,504	7,804,239	8,172,331
24	Average Monthly Use Per Customer (kgal)	11.07	10.80	10.45	10.30	10.01
25	Average Monthly Use Per ERC (kgal)	7.50	7.34	7.17	7.16	7.05
	Wholesale Service [3]					
26	Average Annual Customers	1	1	1	1	1
27	Total Annual Sales (kgal)	63,399	66,093	63,357	62,184	60,290
	Total System					
28	Average Annual Customers	55,736	57,391	59,740	63,122	68,049
29	Total Annual Sales (kgal)	7,468,288	7,500,981	7,557,861	7,866,423	8,232,621
30	Total Finished Water Produced (kgal)	8,709,854	8,807,819	8,883,729	8,892,418	9,268,799
31	Non-Revenue Water (kgal)	1,241,566	1,306,838	1,325,868	1,025,995	1,036,178
32	Non-Revenue Water as Percent of Production	14.3%	14.8%	14.9%	11.5%	11.2%
33	Total Finished Water Produced (MGD)	23.863	24.131	24.272	24.363	25.394
34	Maximum Consecutive 3-Day Daily Demand Peaking Factor [4]	1.23	1.24	1.29	1.28	1.27
35	Maximum Consecutive 3-day Flow (MGD) [4]	29.280	29.920	31.220	31.110	32.228

Footnotes:

[1] Amounts shown derived from detailed customer billing information as provided by the County. For Fiscal Year 2017, amounts shown include the additional statistics associated with the acquisition of the Orange Tree Utility Company on March 1, 2017 and the Golden Gate water and wastewater utility system on March 1, 2018.

[2] ERC = Equivalent Residential Connection and is representative of the average daily capacity of a single-family residential unit and places all customers on an "equivalent basis" to measure the estimated total number of units served.

[3] Amounts shown represent wholesale potable water sales to the City of Marco Island; there are no other wholesale water customers served by the County.

[4] Based on information contained in the Revised 2019 Water, Wastewater, IQ Water and Bulk Potable Water Master Plan/CIP Plan update for the Expanded CCWSD dated December 7, 2018 (the "2019 Master Plan Update") and other information provided by the County; reflects basis for capacity planning of treatment facilities by County as contained in the 2019 Master Plan Update.

Table 1B

Collier County Water-Sewer District
Bond Feasibility Report - Series 2019 Bonds

Summary of Historical Wastewater System Customer and Sales Statistics [1]

Line No.	Description	Fiscal Year Ended September 30, 2014	2015	2016	2017	2018
	Individually-metered Residential Service					
1	Average Annual Customers	52,134	52,867	55,028	58,886	62,933
2	Average Annual ERCs [2]	53,805	54,632	56,991	61,078	65,330
3	Total Annual Sales (kgal)	3,457,197	3,417,511	3,462,249	3,752,660	3,862,491
4	Average Monthly Use Per Customer (kgal)	5.53	5.39	5.24	5.31	5.11
5	Average Monthly Use Per ERC (kgal)	5.35	5.21	5.06	5.12	4.93
	Master-metered Residential					
6	Average Annual Customers	3,061	3,070	3,085	3,104	3,162
7	Average Annual ERCs [2]	19,753	19,924	20,004	20,106	20,491
8	Total Annual Sales (kgal)	2,190,647	2,207,056	2,208,252	2,165,005	2,229,507
9	Average Monthly Use Per Customer (kgal)	59.64	59.91	59.65	58.12	58.77
10	Average Monthly Use Per ERC (kgal)	9.24	9.23	9.20	8.97	9.07
	Commercial Service					
11	Average Annual Customers	2,866	3,195	3,209	3,332	3,476
12	Average Annual ERCs [2]	9,809	11,553	11,749	12,180	12,718
13	Total Annual Sales (kgal)	1,495,688	1,610,549	1,654,525	1,683,538	1,766,050
14	Average Monthly Use Per Customer (kgal)	43.49	42.00	42.97	42.11	42.34
15	Average Monthly Use Per ERC (kgal)	12.71	11.62	11.74	11.52	11.57
	Total Retail Service					
16	Average Annual Customers	58,061	59,132	61,322	65,322	69,571
17	Average Annual ERCs [2]	83,367	86,108	88,744	93,364	98,539
18	Total Annual Sales (kgal)	7,143,532	7,235,116	7,325,026	7,601,203	7,858,048
19	Average Monthly Use Per Customer (kgal)	10.25	10.20	9.95	9.70	9.41
20	Average Monthly Use Per ERC (kgal)	7.14	7.00	6.88	6.78	6.65
21	Total Wastewater Treated (kgal)	5,905,190	6,269,450	6,521,250	6,764,340	7,323,690
22	Total Wastewater Treated (AADF-MGD)	16.179	17.177	17.866	18.532	20.065
23	Annual Wastewater Treated Per ERC (Kgal)	70.83	72.81	73.48	72.45	74.32
24	Maximum Consecutive 3-Day Daily Demand Peaking Factor [3]	1.34	1.18	1.64	1.67	1.18
25	Maximum Consecutive 3-day Flow (MGD) [3]	21.670	20.250	29.250	30.900	23.690

Footnotes:

[1] Amounts shown derived from detailed customer billing information as provided by the County. For Fiscal Year 2017, amounts shown include the additional statistics associated with the acquisition of the Orange Tree Utility Company on March 1, 2017 and the Golden Gate water and wastewater utility system on March 1, 2018.

[2] ERC = Equivalent Residential Connection and I representative of the average daily capacity of a single-family residential unit and places all customers on an "equivalent basis" to measure the estimated total number of units served.

[3] Based on information contained in the Revised 2019 Water, Wastewater, IQ Water and Bulk Potable Water Master Plan/CIP Plan update for the Expanded CCWSD dated December 7, 2018 (the "2019 Master Plan Update") and other information provided by the County; reflects basis for capacity planning of treatment facilities by County as contained in the 2019 Master Plan Update.

Table 1C

Collier County Water-Sewer District
Bond Feasibility Report - Series 2019 Bonds
Irrigation Quality Water System

Summary of Historical Irrigation Quality Water System Customer and Sales Statistics [1]

Line No.	Description	Fiscal Year Ended September 30, 2016	2017	2018
	Major Users with Service Contracts			
1	Average Annual Customers	20	19	19
2	Total Annual Sales - Allocation per Contract (kgal) [2]	1,574,826	2,478,145	2,561,071
3	Total Annual Sales - Additional Use above Contract Allocation (kgal) [3]	560,154	1,015,028	797,066
4	Total Annual Sales - Delivered to Customers (kgal)	2,134,980	3,493,173	3,358,137
5	Average Monthly Use (Delivered) Per Customer (kgal)	8,895.75	15,320.93	14,728.67
	Pressurized Customers			
6	Average Annual Customers	56	56	56
7	Total Annual Sales (kgal)	946,249	847,606	822,701
8	Average Monthly Use Per Customer (kgal)	1,397.71	1,261.32	1,224.26
	Pressurized and Distributed Customers			
9	Average Annual Customers	1,531	1,531	1,530
10	Total Annual Sales (kgal)	1,384,367	1,437,423	1,482,459
11	Average Monthly Use Per Customer (kgal)	75.35	78.24	80.74
	Total IQ Water Service			
12	Average Annual Customers	1,607	1,606	1,605
13	Total Annual Sales (kgal)	4,465,596	5,778,202	5,663,297
14	Average Monthly Use Per Customer (kgal)	231.51	299.82	294.04
15	Total Wastewater Treated (kgal)	6,521,250	6,764,340	7,323,690
16	Percent of Wastewater Treated	68.5%	85.4%	77.3%

Footnotes:

[1] Amounts shown derived from detailed customer billing information as provided by the County.

[2] Amounts shown reflect customers with a IQ Water service agreement with flows equal to the capacity allocation or entitlement reserved by the customer on a "take-or-pay" basis.

[3] Represents additional IQ Water deliveries to Major Users above the capacity entitlement (take-or-pay provisions); represents the use of available IQ Water to provide service after providing service to all customers of the system.

Table 2A

Collier County Water-Sewer District
Bond Feasibility Report - Series 2019 Bonds

Summary of Projected Water System Customer and Sales Statistics [1]

Line No.	Description	Fiscal Year Ending September 30, 2019	2020	2021	2022	2023	2024
	Individually-metered Residential Service						
1	Average Annual Customers	64,566	66,195	67,784	69,373	70,932	72,441
2	Average Annual ERCs [2]	66,741	68,421	70,061	71,701	73,311	74,871
3	Total Annual Sales (kgal)	4,111,685	4,206,946	4,299,233	4,391,125	4,480,545	4,566,529
4	Average Monthly Use Per Customer (kgal)	5.31	5.30	5.29	5.27	5.26	5.25
5	Average Monthly Use Per ERC (kgal)	5.13	5.12	5.11	5.10	5.09	5.08
	Master-metered Residential						
6	Average Annual Customers	3,280	3,289	3,298	3,305	3,312	3,319
7	Average Annual ERCs [2]	20,979	21,002	21,070	21,135	21,200	21,265
8	Total Annual Sales (kgal)	2,331,920	2,333,534	2,343,062	2,352,323	2,361,584	2,370,845
9	Average Monthly Use Per Customer (kgal)	59.25	59.12	59.20	59.31	59.42	59.53
10	Average Monthly Use Per ERC (kgal)	9.26	9.26	9.27	9.27	9.28	9.29
	Commercial Service						
11	Average Annual Customers	2,850	2,872	2,893	2,911	2,928	2,945
12	Average Annual ERCs [2]	10,896	10,967	11,031	11,083	11,130	11,177
13	Total Annual Sales (kgal)	1,501,370	1,512,615	1,522,774	1,531,072	1,538,415	1,545,759
14	Average Monthly Use Per Customer (kgal)	43.90	43.89	43.86	43.83	43.78	43.74
15	Average Monthly Use Per ERC (kgal)	11.48	11.49	11.50	11.51	11.52	11.52
	Irrigation Service						
16	Average Annual Customers	609	618	627	636	645	654
17	Average Annual ERCs [2]	1,643	1,666	1,689	1,712	1,735	1,758
18	Total Annual Sales (kgal)	551,352	559,643	567,934	576,225	584,516	592,807
19	Average Monthly Use Per Customer (kgal)	75.45	75.46	75.48	75.50	75.52	75.54
20	Average Monthly Use Per ERC (kgal)	27.96	27.99	28.02	28.05	28.07	28.10
	Total Retail Service						
21	Average Annual Customers	71,305	72,974	74,602	76,225	77,817	79,359
22	Average Annual ERCs [2]	100,260	102,056	103,852	105,632	107,377	109,072
23	Total Annual Sales (kgal)	8,496,329	8,612,738	8,733,004	8,850,746	8,965,060	9,075,940
24	Average Monthly Use Per Customer (kgal)	9.93	9.84	9.76	9.68	9.60	9.53
25	Average Monthly Use Per ERC (kgal)	7.062	7.033	7.008	6.982	6.958	6.934
	Wholesale Service [3]						
26	Average Annual Customers	1	-	-	-	-	-
27	Total Annual Sales (kgal)	60,290	-	-	-	-	-
	Total System						
28	Average Annual Customers	71,306	72,974	74,602	76,225	77,817	79,359
29	Total Annual Sales (kgal)	8,556,619	8,612,738	8,733,004	8,850,746	8,965,060	9,075,940
30	Total Finished Water Produced (kgal)	9,778,993	9,843,129	9,980,576	10,115,138	10,245,783	10,372,503
31	Non-Revenue Water (kgal)	1,222,374	1,230,391	1,247,572	1,264,392	1,280,723	1,296,563
32	Non-Revenue Water as Percent of Production	12.5%	12.5%	12.5%	12.5%	12.5%	12.5%
33	Total Finished Water Produced (MGD)	26.792	26.967	27.344	27.713	28.071	28.418
34	Maximum Consecutive 3-Day Daily Demand Peaking Factor [4]	1.30	1.30	1.30	1.30	1.30	1.30
35	Maximum Consecutive 3-day Flow (MGD) [4]	34.829	35.058	35.547	36.027	36.492	36.943

Footnotes:

[1] Amounts shown represent the customer sales forecast relied upon in the development of the projected rate revenue.

[2] ERC = Equivalent Residential Connection and is representative of the average daily capacity of a single-family residential unit and places all customers on an "equivalent basis" to measure the estimated total number of units served.

[3] Amounts shown represent wholesale potable water sales to the City of Marco Island; the City has notified the County of its intent to discontinue the receipt of Wholesale service at the end of Fiscal Year 2019; no other wholesale service was assumed for the Forecast Period.

[4] Based on information contained in the Revised 2019 Water, Wastewater, IQ Water and Bulk Potable Water Master Plan/CIP Plan update for the Expanded CCWSD dated December 7, 2018 (the "2019 Master Plan Update") and other information provided by the County; reflects basis for capacity planning of treatment facilities by County as contained in the 2019 Master Plan Update.

Table 2B

Collier County Water-Sewer District
Bond Feasibility Report - Series 2019 Bonds
Wastewater System

Summary of Projected Wastewater System Customer and Sales Statistics [1]

Line No.	Description	Fiscal Year Ending September 30, 2019	2020	2021	2022	2023	2024
	Individually-metered Residential Service						
1	Average Annual Customers	65,504	67,145	68,728	70,287	71,817	73,298
2	Average Annual ERCs [2]	67,965	69,663	71,300	72,909	74,489	76,021
3	Total Annual Sales (kgal)	4,102,114	4,205,292	4,304,856	4,403,026	4,499,182	4,592,338
4	Average Monthly Use Per Customer (kgal)	5.22	5.22	5.22	5.22	5.22	5.22
5	Average Monthly Use Per ERC (kgal)	5.03	5.03	5.03	5.03	5.03	5.03
	Master-metered Residential						
6	Average Annual Customers	3,200	3,208	3,214	3,219	3,224	3,229
7	Average Annual ERCs [2]	20,677	20,728	20,758	20,787	20,815	20,843
8	Total Annual Sales (kgal)	2,283,400	2,289,890	2,293,863	2,297,709	2,301,555	2,305,401
9	Average Monthly Use Per Customer (kgal)	59.47	59.49	59.48	59.49	59.49	59.50
10	Average Monthly Use Per ERC (kgal)	9.20	9.21	9.21	9.21	9.21	9.22
	Commercial Service						
11	Average Annual Customers	3,580	3,598	3,615	3,629	3,642	3,655
12	Average Annual ERCs [2]	12,938	12,997	13,050	13,091	13,127	13,162
13	Total Annual Sales (kgal)	1,770,936	1,781,366	1,790,575	1,797,790	1,803,910	1,810,031
14	Average Monthly Use Per Customer (kgal)	41.23	41.26	41.28	41.29	41.28	41.27
15	Average Monthly Use Per ERC (kgal)	11.41	11.42	11.43	11.44	11.45	11.46
	Total Retail Service						
16	Average Annual Customers	72,283	73,950	75,556	77,134	78,682	80,181
17	Average Annual ERCs [2]	101,580	103,389	105,108	106,787	108,431	110,026
18	Total Annual Sales (kgal)	8,156,450	8,276,549	8,389,294	8,498,525	8,604,647	8,707,770
19	Average Monthly Use Per Customer (kgal)	9.40	9.33	9.25	9.18	9.11	9.05
20	Average Monthly Use Per ERC (kgal)	6.69	6.67	6.65	6.63	6.61	6.60
21	Total Wastewater Treated (kgal)	7,720,091	7,857,543	7,988,229	8,115,799	8,240,760	8,361,997
22	Total Wastewater Treated (AADF-MGD)	21.151	21.528	21.886	22.235	22.577	22.910
23	Annual Wastewater Treated Per ERC (Kgal)	76.00	76.00	76.00	76.00	76.00	76.00
24	Maximum Consecutive 3-Day Daily Demand Peaking Factor [3]	1.500	1.500	1.500	1.500	1.500	1.500
25	Maximum Consecutive 3-day Flow (MGD) [3]	31.726	32.291	32.828	33.353	33.866	34.364

Footnotes:

[1] Amounts shown represent the customer sales forecast relied upon in the development of the projected rate revenue.

[2] ERC = Equivalent Residential Connection and is representative of the average daily capacity of a single-family residential unit and places all customers on an "equivalent basis" to measure the estimated total number of units served.

[3] Based on information contained in the Revised 2019 Water, Wastewater, IQ Water and Bulk Potable Water Master Plan/CIP Plan update for the Expanded CCWSD dated December 7, 2018 (the "2019 Master Plan Update") and other information provided by the County; reflects basis for capacity planning of treatment facilities by County as contained in the 2019 Master Plan Update.

Table 2C

Collier County Water-Sewer District
Bond Feasibility Report - Series 2019 Bonds
Irrigation Quality Water System

Summary of Projected Irrigation Quality Water System Customer and Sales Statistics [1]

Line No.	Description	Fiscal Year Ending September 30, 2019	2020	2021	2022	2023	2024
	Major Users with Service Contracts						
1	Average Annual Customers	19	19	19	19	19	19
2	Total Annual Sales - Allocation per Contract (kgal) [2]	2,489,681	2,489,681	2,489,681	2,489,681	2,489,681	2,489,681
3	Total Annual Sales - Additional Use above Contract Allocation (kgal) [3]	753,998	753,998	753,998	753,998	753,998	753,998
4	Total Annual Sales - Delivered to Customers (kgal)	3,243,679	3,243,679	3,243,679	3,243,679	3,243,679	3,243,679
5	Average Monthly Use (Delivered) Per Customer (kgal)	14,226.66	14,226.66	14,226.66	14,226.66	14,226.66	14,226.66
	Pressurized Customers						
6	Average Annual Customers	56	57	58	59	60	61
7	Total Annual Sales (kgal)	801,201	803,135	805,069	807,002	808,936	810,869
8	Average Monthly Use Per Customer (kgal)	1,192.26	1,174.17	1,156.71	1,139.83	1,123.52	1,107.74
	Pressurized and Distributed Customers						
9	Average Annual Customers	1,531	1,534	1,536	1,539	1,541	1,544
10	Total Annual Sales (kgal)	1,478,087	1,479,436	1,480,180	1,481,528	1,482,272	1,483,621
11	Average Monthly Use Per Customer (kgal)	80.45	80.37	80.30	80.22	80.16	80.07
	Total IQ Water Service						
12	Average Annual Customers	1,606	1,610	1,613	1,617	1,620	1,624
13	Total Annual Sales (kgal)	5,522,967	5,526,250	5,528,927	5,532,209	5,534,887	5,538,169
14	Average Monthly Use Per Customer (kgal)	286.58	286.04	285.64	285.11	284.72	284.18
15	Total Wastewater Treated (kgal)	7,712,643	7,846,371	7,973,333	8,097,179	8,218,416	8,339,653
16	Percent of Wastewater Treated	71.6%	70.4%	69.3%	68.3%	67.3%	66.4%

Footnotes:

[1] Amounts shown derived from detailed customer billing information as provided by the County.

[2] Amounts shown reflect customers with a IQ Water service agreement with flows equal to the capacity allocation or entitlement reserved by the customer on a "take-or-pay" basis.

[3] Represents additional IQ Water deliveries to Major Users above the capacity entitlement (take-or-pay provisions); represents the use of available IQ Water to provide service after providing service to all customers of the system.

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Table 3

Collier County Water-Sewer District
Bond Feasibility Report - Series 2019 Bonds

Estimated Capital Improvement Expenditure Program and Estimated Funding Sources - for the Forecast Period

Line No.	Description	Funding Source	Fiscal Year Ending September 30, 2019	2020	2021	2022	2023	2024	Total
	WATER SYSTEM								
	Departmental Capital								
1	Autos and Trucks	FUND 409	$ -	$ 35,000	$ 52,272	$ 35,000	$ 52,272	$ 35,000	$ 209,545
2	Radios and Equipment	Rate	72,459	73,909	75,387	76,894	78,432	80,001	457,082
3	Data Processing Equipment	Rate	149,331	152,318	155,364	158,471	161,641	164,873	941,998
4	Other Machinery and Equipment	Rate	358,207	365,371	372,679	380,132	387,735	395,490	2,259,615
5	Additional Personnel Equipment Costs	Rate	-	10,454	31,454	10,454	10,302	10,454	73,120
6	Total Departmental Capital		$ 579,998	$ 637,052	$ 687,156	$ 660,953	$ 690,383	$ 685,819	$ 3,941,360
	Fund 411: Expansion-Related Water System Capital Projects								
7	Operating Project - Impact Fee Refunds	WDEV	$ 50,000	$ -	$ -	$ -	$ -	$ -	$ 50,000
8	NERWTP First Phase (5 MGD) online by 2028	WDEV	45,912	-	-	-	-	-	45,912
9	NE Water Storage Tank and Potable Water Transmission Mains	B1	18,812,948	19,561,000	-	-	-	-	38,373,948
10	NE Water Storage Tank and Potable Water Transmission Mains	WDEV	748,052	-	-	-	-	-	748,052
11	Golden Gate City Utility Phase 2 (Expand Distrib)	WDEV	-	-	5,000,000	-	5,000,000	-	10,000,000
12	NE Utility Facility	WDEV	23,662	-	-	-	-	-	23,662
13	Total Fund 411: Expansion-Related Water System Capital Projects		$ 19,680,573	$ 19,561,000	$ 5,000,000	$ -	$ 5,000,000	$ -	$ 49,241,573
	Fund 412: Renewal and Replacement-Related Water System Capital Projects								
14	Integrated Asset Management Program	WOpex	$ 721,767	$ 817,067	$ 617,067	$ 617,067	$ 500,000	$ 500,000	$ 3,772,968
15	Water Meter Renewal and Replacement Program	WCA	1,638,732	400,000	300,000	300,000	300,000	300,000	3,238,732
16	Real Property/Infrastructure Audit	WOpex	66,423	50,000	50,000	50,000	50,000	50,000	316,423
17	Cross Connections Program	WCA	256,012	890,000	285,000	500,000	500,000	500,000	2,931,012
18	Fire Hydrants Replacement	WCA	376,390	376,390	376,390	676,390	300,000	300,000	2,405,562
19	Utility Master Plan	WOpex	156,470	100,000	100,000	100,000	100,000	100,000	656,470
20	Water Plant Concrete Structure Rehabilitation	WCA	141,947	250,000	200,000	225,000	250,000	250,000	1,316,947
21	FDOT Utility Construction Projects - W	WCA	331,123	250,000	1,500,000	150,000	1,500,000	150,000	3,881,123
22	Countywide Utility Projects - Water	WCA	135,641	335,641	235,641	235,641	150,000	150,000	1,242,562
23	Wellfield SCADA Support Operating	WCA	259,235	250,000	300,000	300,000	300,000	300,000	1,709,235
24	Wellfield/Raw Water Booster Station Op TSP	WCA	406,440	1,206,440	1,206,440	3,206,440	1,206,440	1,000,000	8,232,202
25	SCRWTP Deep Injection Well	WCA	4,875	100,000	-	100,000	-	-	204,875
26	SCRWTP SCADA Support Operating	WCA	298,549	300,000	250,000	300,000	300,000	300,000	1,748,549
27	Water Plant Compliance Assurance	WCA	1,000,000	-	-	-	-	-	1,000,000
28	Lime Treatment TSP	WCA	154,824	554,824	154,824	3,054,824	200,000	200,000	4,319,296
29	Facility Infrastructure Main Water	WCA	484,507	509,507	549,507	524,507	420,000	400,000	2,888,029
30	Infrastructure TSP Field Ops-Water	WCA	318,492	318,492	318,492	328,492	240,000	220,000	1,743,966
31	Infrastructure TSP -Water Plants	WCA	688,340	688,340	688,340	678,340	470,000	450,000	3,663,359
32	Utility Billing Customer Service Software	WCA	974,350	974,350	-	-	-	-	1,948,700
33	Naples Park Water Main Replacement	WCA	154,974	7,979,974	3,825,000	3,825,000	-	-	15,784,948
34	Naples Park Water Main Replacement	GRANTS	-	175,000	175,000	175,000	-	-	525,000
35	Large Meters Renewal & Replacement	WCA	207,038	200,000	200,000	200,000	200,000	200,000	1,207,038

Table 3

Collier County Water-Sewer District
Bond Feasibility Report - Series 2019 Bonds

Estimated Capital Improvement Expenditure Program and Estimated Funding Sources - for the Forecast Period

Line No.	Description	Funding Source	Fiscal Year Ending September 30, 2019	2020	2021	2022	2023	2024	Total
36	SCRWTP Reactor #4	WCA	171,500	2,671,500	-	-	-	-	2,843,000
37	SCRWTP Capital TSP	WCA	438,946	-	-	-	-	-	438,946
38	SCRWTP SCADA TSP	WCA	65,286	-	-	-	-	-	65,286
39	NCRWTP SCADA TSP	WCA	90,825	-	-	-	-	-	90,825
40	PUD Operations/Collection Center	WCA	2,000,000	-	-	-	-	-	2,000,000
41	Orangetree HSP & Chloramine Systems	WCA	624,000	900,000	-	-	-	-	1,524,000
42	YMCA Road AC WM Replacement	WCA	508,059	-	-	-	-	-	508,059
43	Cyber Security SCADA	WCA	171,153	100,000	100,000	100,000	100,000	100,000	671,153
44	Tamiami Wellfield-Two Wells	WCA	1,721,304	1,821,304	221,370	-	-	-	3,763,978
45	Old Lely AC Pipe Replacement	WCA	1,724,264	2,724,264	2,224,264	2,224,264	-	-	8,897,058
46	Collier County Utility Standards	WCA	41,439	20,000	20,000	20,000	20,000	20,000	141,439
47	Water Security Systems	WCA	403,500	803,500	603,500	603,500	500,000	500,000	3,414,002
48	Distribution System TSP	WCA	471,430	1,271,430	1,271,430	1,271,430	1,271,430	1,000,000	6,557,152
49	10 Year Water Supply Plan	WCA	64,443	100,000	-	-	-	-	164,443
50	NCRWTP SCADA Support Operating	WCA	320,106	300,000	300,000	315,000	315,000	315,000	1,865,106
51	SCADA Compliance Assurance Program- Water	WCA	174,862	85,000	90,000	95,000	100,000	105,000	649,862
52	Membrane Treatment	WCA	15,394	100,000	-	1,000,000	-	-	1,115,394
53	General Legal Services	WOpex	213,757	50,000	50,000	50,000	50,000	50,000	463,757
54	Variable Frequency Drives Replacement	WCA	276,065	326,065	500,000	250,000	500,000	250,000	2,102,131
55	SCRWTP Operating TSP	WCA	367,405	867,405	667,405	667,405	500,000	500,000	3,569,622
56	NCRWTP Operating TSP	WCA	402,584	702,584	702,584	702,584	500,000	500,000	3,510,335
57	Distribution Repump Station TSP	WCA	388,366	388,366	588,366	588,366	500,000	500,000	2,953,465
58	State Revolving Loan Funding	WOpex	3,864	10,000	10,000	10,000	10,000	10,000	53,864
59	Wellfield Program	WCA	328,051	150,000	150,000	150,000	150,000	150,000	1,078,051
60	PUD Hydraulic Modeling	WCA	271,061	100,000	100,000	100,000	100,000	100,000	771,061
61	Financial Services	WOpex	164,452	30,000	30,000	30,000	100,000	30,000	384,452
62	GM Comprehensive Planning Technical Support	WCA	42,875	50,000	25,000	25,000	25,000	25,000	192,875
63	Distribution Capital Projects (Ongoing)	WCA	114,937	4,114,937	4,514,937	1,714,937	1,730,000	2,300,000	14,489,750
64	Palm River AC Pipe Replacement	WCA	48,128	-	-	-	4,400,000	4,700,000	9,148,128
65	Golden Gate City Utility Compliance	WCA	238,657	313,657	138,657	138,657	100,000	100,000	1,029,628
66	VBR WM Replacement-Apt. to US41	WCA	177,515	2,177,515	-	-	-	-	2,355,029
67	Variable TDS Treatment Bridge-the-Gap	WCA	147,302	147,302	147,302	147,302	3,000,000	-	3,589,208
68	SCRWTP Odor Control	WCA	-	-	-	-	-	5,000,000	5,000,000
69	Rehabilitate Two Tamiami Wells	WCA	-	750,000	-	-	-	750,000	1,500,000
70	NCRWTP Generators 1 & 4	WCA	-	-	-	-	1,500,000	-	1,500,000
71	Interim NE Potable Water Pump Station	B1	496,000	1,488,000	-	-	-	-	1,984,000
72	NE Utility Facility	WCA	96,232	-	-	-	-	-	96,232
73	Golden Gate Interconnect	WCA	89,529	89,529	89,529	89,529	-	-	358,115
74	I-75 / CR951	WCA	47,452	-	-	-	-	-	47,452
75	Gulfshore Dr AC WM Abandon Ph 2 (cap)	WCA	320,137	320,137	-	-	-	-	640,274
76	Orange Tree Plant TSP	WCA	211,299	211,299	211,299	211,299	-	-	845,195
77	Warren St. Looping	WCA	21,465	-	-	-	-	-	21,465
78	Trail Blvd. WM Replacement	WCA	10,388	-	-	-	-	-	10,388

Table 3

Collier County Water-Sewer District
Bond Feasibility Report - Series 2019 Bonds

Estimated Capital Improvement Expenditure Program and Estimated Funding Sources - for the Forecast Period

Line No.	Description	Funding Source	Fiscal Year Ending September 30, 2019	2020	2021	2022	2023	2024	Total
79	Hurricane Irma	WCA	1,909,868	-	-	-	-	-	1,909,868
80	SRO Wellfield Rep	WCA	3,223	-	-	-	-	-	3,223
81	2011 - 7 Water Ltng	WCA	83,085	83,085	-	-	-	-	166,171
82	Well / Plant Power	WCA	118,833	118,833	-	-	-	-	237,666
83	PUD Operations Center TS	WCA	1,863	-	-	-	-	-	1,863
84	Vanderbilt Dr. WM	WCA	194,068	194,068	-	-	-	-	388,137
85	NE Service Area Integration	WCA	40,905	-	-	-	-	-	40,905
86	SCRWTP Facilities	WCA	5,006	-	-	-	-	-	5,006
87	NCRWTP Facilities	WCA	13,535	-	-	-	-	-	13,535
88	PUOC Facilities	WCA	16,221	-	-	-	-	-	16,221
89	Naples Park Basin	WCA	989,057	989,057	989,354	-	-	-	2,967,467
90	VB Dr. CDS Basin 1	WCA	669,296	669,296	669,497	-	-	-	2,008,088
91	BCHS Water Main Replacement	WCA	71,132	71,132	-	-	-	-	142,264
92	SCRWTP Power System	WCA	125,000	125,000	-	-	-	-	250,000
93	Well Water Booster	WCA	70,750	70,750	-	-	-	-	141,500
94	Improvement GC Blvd. Water Main Replacement	WCA	197,024	-	-	-	-	-	197,024
95	Goodland	WCA	48,588	-	-	-	-	-	48,588
96	Tree Farm Rd. Loop	WCA	7,395	-	-	-	-	-	7,395
97	Wildflower Loop	WCA	10,448	-	-	-	-	-	10,448
98	NRO Well 6 Turb R	WCA	55,142	55,142	-	-	-	-	110,283
99	Manatee GST Upgrade	WCA	84,219	84,219	84,219	84,219	-	-	336,875
100	Twin Eagles Mon P	WCA	17,422	17,422	-	-	-	-	34,845
101	NERC 16" WM/Fireline	WCA	247,597	247,597	247,672	-	-	-	742,866
102	Customer Service / Billing	WCA	13,440	-	-	-	-	-	13,440
103	Adjustments for General Project Deferral	WCA	(5,000,000)	(5,000,000)	(5,000,000)	(3,000,000)	(3,000,000)	(2,000,000)	(23,000,000)
104	Total Fund 412: Renewal and Replacement-Related Water System Capital Projects		$ 22,253,278	$ 37,635,421	$ 21,078,086	$ 23,135,194	$ 19,457,871	$ 20,375,000	$ 143,934,851
105	**Total Water System Capital Projects / Expenditures**		$ 42,513,849	$ 57,833,473	$ 26,765,243	$ 23,796,147	$ 25,148,254	$ 21,060,819	$ 197,117,784
	WASTEWATER SYSTEM								
	Departmental Capital								
106	Autos and Trucks	FUND 409	$ -	$ 35,000	$ 52,320	$ 35,000	$ 52,320	$ 35,000	$ 209,640
107	Radios and Equipment	Rate	62,974	64,234	65,518	66,829	68,165	69,529	397,249
108	Data Processing Equipment	Rate	180,819	184,435	188,124	191,887	195,724	199,639	1,140,628
109	Other Machinery and Equipment	Rate	452,876	461,933	471,172	480,595	490,207	500,011	2,856,794
110	Additional Personnel Equipment Costs	Rate	-	10,464	31,464	10,464	10,432	10,464	73,288
111	Total Departmental Capital		$ 696,669	$ 756,066	$ 808,599	$ 784,775	$ 816,849	$ 814,643	$ 4,677,601
	Fund 413: Expansion-Related Wastewater System Capital Projects								
112	NEWRF First Phase (4 MGD) online by 2025	B2	$ -	$ -	$ -	$ 46,818,000	$ 57,221,000	$ -	$ 104,039,000
113	NE Wastewater Transmission Mains	B1	2,507,100	7,523,000	-	-	-	-	10,030,100

Table 3

Collier County Water-Sewer District
Bond Feasibility Report - Series 2019 Bonds

Estimated Capital Improvement Expenditure Program and Estimated Funding Sources - for the Forecast Period

Line No.	Description	Funding Source	Fiscal Year Ending September 30, 2019	2020	2021	2022	2023	2024	Total
114	Pump Station 133	SDEV	68,450	-	-	-	-	-	68,450
115	NE Utility Facility	SDEV	47,328	-	-	-	-	-	47,328
116	NE Regional WRF	SDEV	23,710	-	-	-	-	-	23,710
117	NE Project Management / Overs	SDEV	40,519	-	-	-	-	-	40,519
118	Total Fund 413: Expansion-Related Wastewater System Capital Projects		$ 2,687,107	$ 7,523,000	$ -	$ 46,818,000	$ 57,221,000	$ -	$ 114,249,107
	Fund 414: Renewal and Replacement Wastewater System Capital Projects								
119	Integrated Asset Management	SOpex	$ 470,177	$ 620,177	$ 620,177	$ 620,177	$ 500,000	$ 500,000	$ 3,330,708
120	Biosolids Reuse Facility	SCA	487,267	587,267	587,267	587,267	100,000	-	2,349,067
121	Real Property/Infrastructure Audit	SCA	8,536	50,000	50,000	50,000	50,000	50,000	258,536
122	Utilities Master Plan	SOpex	122,379	100,000	100,000	100,000	100,000	100,000	622,379
123	Gravity Sewers TSP CAP	SCA	178,932	178,932	178,932	178,932	3,750,000	4,500,000	8,965,726
124	Force Main Improvements Cap	SCA	981,277	1,981,277	1,981,277	3,481,277	2,500,000	2,500,000	13,425,109
125	Wastewater Pump Station TSP	SCA	110,337	5,110,337	8,110,337	5,110,337	4,000,000	6,000,000	28,441,347
126	Master Pump Stations TSP Cap	SCA	439,333	1,439,333	1,439,333	4,439,333	2,000,000	2,000,000	11,757,333
127	Wastewater Collection Power System Cap	SCA	87,125	87,125	87,125	587,125	550,000	600,000	1,998,502
128	NCWRF Power System TSP	SCA	11,572	111,572	111,572	411,572	400,000	400,000	1,446,287
129	SCWRF Power System Cap	SCA	11,149	111,149	111,149	311,149	300,000	300,000	1,144,594
130	NCWRF SCADA Support Operating	SCA	348,146	348,146	348,146	348,146	330,000	360,000	2,082,583
131	SCWRF SCADA Support Operating	SCA	247,629	247,629	247,629	247,629	220,000	240,000	1,450,517
132	NE Service Area-Twin Eagles Community Pump Station & Force Main	SCA	128,295	128,295	-	-	-	-	256,591
133	WW Remote Sites MSP	SCA	369,218	369,218	369,218	369,218	250,000	250,000	1,976,874
134	WW Treatment Plants MSP	SCA	685,574	635,574	635,574	635,574	450,000	440,000	3,482,295
135	Naples Park Gravity Sewer Replacement	SCA	646,948	8,621,948	4,821,948	7,321,948	4,500,000	4,500,000	30,412,793
136	Naples Park Gravity Sewer Replacement	Grants	350,000	175,000	175,000	175,000	-	-	875,000
137	Basin 305 Program Capital	SCA	397,103	397,103	397,103	397,103	-	-	1,588,410
138	MPS 305 Group 1 Pump Stations	SCA	-	410,000	410,000	-	-	-	820,000
139	CPS 309.09	SCA	620,000	-	-	-	-	-	620,000
140	Basin 306 Program Capital	SCA	693,610	693,610	693,610	693,610	-	-	2,774,442
141	Gravity Transmission Systems TSP	SCA	256,878	-	-	100,000	100,000	100,000	556,878
142	Force Main Transmission Systems TSP	SCA	1,045,189	45,189	45,189	2,045,189	1,000,000	1,000,000	5,180,756
143	WW Pump Station TSP	SCA	2,378,988	1,178,988	1,178,988	278,988	100,000	100,000	5,215,953
144	Master PS TSP Op	SCA	1,769,811	769,811	769,811	1,269,811	1,000,000	1,000,000	6,579,246
145	Collections Power System TSP	SCA	52,465	52,465	52,465	152,465	100,000	100,000	509,860
146	Water Reclamation Facilities TSP	SCA	5,527,558	5,327,558	5,327,558	5,327,558	5,500,000	6,000,000	33,010,231
147	NCWRF Headwork & IQ Pump Station	SCA	124,764	5,124,764	5,124,764	3,124,764	1,200,000	1,300,000	15,999,058
148	NCWRF SCADA TSP	SCA	72,581	-	-	100,000	100,000	100,000	372,581
149	SCWRF SCADA TSP	SCA	28,106	-	-	100,000	100,000	100,000	328,106
150	WW Collections SCADA Telemetry	SCA	81,259	-	-	100,000	100,000	100,000	381,259
151	PUD Operations/Collection Center	SCA	300,000	300,000	300,000	300,000	-	-	1,200,000
152	Orange Tree Plant TSP	SCA	1,180,660	1,180,660	1,180,660	1,180,660	1,000,000	-	5,722,639
153	Cyber Security SCADA	SCA	171,153	-	-	-	-	-	171,153

Table 3

Collier County Water-Sewer District
Bond Feasibility Report - Series 2019 Bonds

Estimated Capital Improvement Expenditure Program and Estimated Funding Sources - for the Forecast Period

Line No.	Description	Funding Source	Fiscal Year Ending September 30, 2019	2020	2021	2022	2023	2024	Total
154	Orange Tree Waste Water Treatment Plant Exp.	SCA	5,000,000	-	-	-	-	-	5,000,000
155	Immokalee Rd FM (951 to Logan Blvd Phase)	SCA	1,875,000	75,000	75,000	75,000	-	-	2,100,000
156	County Utility Standards	SOpex	56,351	25,000	25,000	25,000	25,000	25,000	181,351
157	MPS 302 Reconfiguration	SCA	766,215	2,566,215	66,215	66,215	-	-	3,464,860
158	MPS 308 Replacement (Shadowlawn-Linwood)	SCA	50,000	3,050,000	-	-	-	-	3,100,000
159	Golden Gate City CAP	SCA	491,422	300,000	300,000	300,000	300,000	200,000	1,891,422
160	Logan Blvd FM (Immokalee Rd to VBR)	SCA	2,000,000	-	-	-	-	-	2,000,000
161	Eliminate NPDES Monitoring	SCA	500,000	-	-	-	-	-	500,000
162	Golden Gate MBR Addition Study	SCA	150,000	-	-	-	-	-	150,000
163	SCWRF Reject Storage Tank Conversion	SCA	1,425,000	-	-	-	-	-	1,425,000
164	General Legal Services	SOpex	221,237	100,000	100,000	100,000	100,000	100,000	721,237
165	Livingston Rd FM Phase 7	SCA	3,059,450	2,129,450	-	-	-	-	5,188,900
166	Facility Infrastructure Maintenance Wastewater	SCA	339,267	439,267	439,267	439,267	350,000	350,000	2,357,070
167	WW Security Systems	SCA	73,322	573,322	573,322	573,322	500,000	500,000	2,793,288
168	SCADA Compliance Assurance Program- Wastewater	SCA	119,654	119,654	119,654	119,654	100,000	105,000	683,614
169	FDOT Utility Construction Projects - WW	SCA	71,636	71,636	571,636	271,636	500,000	-	1,486,543
170	CW Util Proj-WW	SCA	304,187	304,187	304,187	304,187	200,000	200,000	1,616,748
171	WW Collection SCADA Telemetry	SCA	198,655	460,000	460,000	460,000	460,000	460,000	2,498,655
172	NCWRF Technical Support Program	SCA	166,585	666,585	766,585	166,585	-	-	1,766,340
173	SCWRF Technical Support Program	SCA	77,883	577,883	677,883	77,883	-	-	1,411,534
174	State Revolving Loan Funding	SOpex	2,550	10,000	10,000	10,000	10,000	10,000	52,550
175	PUD Hydraulic Modeling	SOpex	178,993	25,000	25,000	25,000	25,000	25,000	303,993
176	Financial Services	SOpex	163,077	30,000	30,000	30,000	100,000	30,000	383,077
177	GM Comprehensive Planning Technical Support	SOpex	55,228	-	-	-	-	-	55,228
178	Livingston Rd FM Phase 8	SCA	-	3,000,000	-	-	-	-	3,000,000
179	Livingston Rd FM Phase 9	SCA	-	-	2,000,000	-	-	-	2,000,000
180	MPS 104 Reconfiguration and Rehabilitation	SCA	-	-	-	2,000,000	-	-	2,000,000
181	MPS 310 Reconfiguration and Rehabilitation	SCA	-	-	-	2,000,000	-	-	2,000,000
182	Palm River Gravity Sewer Replacement	SCA	-	-	-	500,000	1,000,000	-	1,500,000
183	Interim 1.5 MGD NE Wastewater Treatment Plant	B1	2,410,000	7,231,000	-	-	-	-	9,641,000
184	Utility Billing Customer Serv Software	SCA	249,675	249,675	249,675	249,675	-	-	998,700
185	Basin 101 Program Capital	SCA	939,827	939,827	939,827	939,827	-	-	3,759,309
186	Creekside Phase 2 Force Main	SCA	666,600	666,600	666,800	-	-	-	2,000,000
187	8th Street Interceptor Sewer	SCA	500,000	500,000	500,000	500,000	-	-	2,000,000
188	MPS 309 (E Naples Middle School)	SCA	100,000	-	-	-	-	-	100,000
189	MPS 107 Re-Configuration	SCA	150,000	150,000	-	-	-	-	300,000
190	MPS 300 Rehab	SCA	125,000	125,000	-	-	-	-	250,000
191	PS 302.07 Gravity Sewer	SCA	124,052	124,052	-	-	-	-	248,104
192	MPS 301 Rehabilitation	SCA	100,000	100,000	-	-	-	-	200,000
193	MPS 321 Rehabilitation	SCA	100,000	100,000	-	-	-	-	200,000
194	MPS 321 Force Main to SCWRF	SCA	100,000	-	-	-	-	-	100,000
195	SCWRF IQ Storage Improvements	SCA	100,000	-	-	-	-	-	100,000
196	SCWRF Turbo Blowers	SCA	468,329	468,329	-	-	-	-	936,658

Table 3

Collier County Water-Sewer District
Bond Feasibility Report - Series 2019 Bonds

Estimated Capital Improvement Expenditure Program and Estimated Funding Sources - for the Forecast Period

Line No.	Description	Funding Source	Fiscal Year Ending September 30, 2019	2020	2021	2022	2023	2024	Total
197	Hurricane Irma	SCA	4,033,698	-	-	-	-	-	4,033,698
198	Inv Warehouse SS	SCA	9,137	-	-	-	-	-	9,137
199	VB Dr CDS Basin 1	SCA	3,063,544	3,063,544	-	-	-	-	6,127,089
200	Tree Farm Rd. Loop	SCA	29,200	-	-	-	-	-	29,200
201	Pump Station 312	SCA	42,642	-	-	-	-	-	42,642
202	NCWRF Facilities	SCA	10,075	-	-	-	-	-	10,075
203	SCWRF Facilities	SCA	17,942	-	-	-	-	-	17,942
204	Customer Service / Billing	SCA	32,328	-	-	-	-	-	32,328
205	Grant Application	SOpex	2,336	-	-	-	-	-	2,336
206	Palm River WM Rep	SCA	60,087	-	-	-	-	-	60,087
207	NE Utility Facility	SCA	58,209	58,209	-	-	-	-	116,418
208	MPS 302 Bypass	SCA	58,771	58,771	-	-	-	-	117,542
209	Western Interconnect	SCA	50,000	50,000	-	-	-	-	100,000
210	MPS 302 Easement	SCA	945	-	-	-	-	-	945
211	Twin Eagle CPS	SCA	255,501	255,501	255,501	255,501	-	-	1,022,003
212	OT Pump Station	SCA	634,275	634,275	-	-	-	-	1,268,550
213	Adjustments for Deferred Capital Expenditures	SCA	(8,000,000)	(8,000,000)	(8,000,000)	(6,000,000)	(6,000,000)	(5,000,000)	(41,000,000)
214	Total Fund 414: Renewal and Replacement Wastewater System Capital Projects		$ 44,221,905	$ 57,681,111	$ 36,610,385	$ 43,633,585	$ 27,970,000	$ 29,645,000	$ 239,761,986
215	**Total Wastewater System Capital Projects / Expenditures**		$ 47,605,681	$ 65,960,177	$ 37,418,983	$ 91,236,359	$ 86,007,849	$ 30,459,643	$ 358,688,693
	IQ WATER SYSTEM								
	Departmental Capital								
216	Autos and Trucks	FUND 409	$ -	$ -	$ 407	$ -	$ 407	$ -	$ 815
217	Radios and Equipment	Rate	11,366	11,594	11,826	12,062	12,303	12,549	71,701
218	Data Processing Equipment	Rate	12,950	13,209	13,473	13,743	14,017	14,298	81,690
219	Other Machinery and Equipment	Rate	38,017	38,777	39,553	40,344	41,151	41,974	239,816
220	Additional Personnel Equipment Costs	Rate	-	81	81	81	265	3,581	4,091
221	Total Departmental Capital		$ 62,333	$ 63,662	$ 65,341	$ 66,230	$ 68,144	$ 72,403	$ 398,113
	Fund 414: Renewal and Replacement IQ Water System Capital Projects								
222	IQ Power Systems	IQCA	$ -	$ -	$ -	$ -	$ -	$ -	$ -
223	IQ SCADA Support Operating	IQOpex	261,769	261,769	261,769	261,769	200,000	200,000	1,447,076
224	IQ Water System TSP	IQCA	462,158	582,158	582,158	582,158	400,000	400,000	3,008,630
225	IQ SCADA TSP	IQCA	22,664	-	-	100,000	100,000	100,000	322,664
226	IQ Aquifer Storage and Recovery	IQCA	200,912	200,912	300,912	300,912	280,000	350,000	1,633,649
227	Interim IQ pump station, IQ Storage Tank and All Pipelines	B1	15,970,952	-	-	-	-	-	15,970,952
228	Goodlette IQ Water Main	IQCA	453,137	453,137	453,272	-	-	-	1,359,546
229	IQ Water System TSP	IQCA	95,713	-	-	-	-	-	95,713
230	Adjustments for Deferred Capital Expenditures	IQCA	-	-	-	-	-	-	-

Table 3

Collier County Water-Sewer District
Bond Feasibility Report - Series 2019 Bonds

Estimated Capital Improvement Expenditure Program and Estimated Funding Sources - for the Forecast Period

Line No.	Description	Funding Source	Fiscal Year Ending September 30, 2019	2020	2021	2022	2023	2024	Total
231	Total		$ 17,467,304	$ 1,497,975	$ 1,598,111	$ 1,244,839	$ 980,000	$ 1,050,000	$ 23,838,230
232	**Total Irrigation Quality Water System Capital Projects / Expenditures**		$ 17,529,638	$ 1,561,637	$ 1,663,452	$ 1,311,069	$ 1,048,144	$ 1,122,403	$ 24,236,343
233	**SUBTOTAL CAPITAL PROJECTS - WATER, WASTEWATER AND IQ WATER**		$ 107,649,168	$ 125,355,288	$ 65,847,678	$ 116,343,575	$ 112,204,247	$ 52,642,864	$ 580,042,820
	LESS CAPITAL PROJECTS RECLASSIFIED TO OPERATING EXPENSES								
234	Reclassification of Water CIP Projects to Operating Expenses	WOpex	$ 1,326,732	$ 1,057,067	$ 857,067	$ 857,067	$ 810,000	$ 740,000	$ 5,647,934
235	Reclassification of Wastewater CIP Projects to Operating Expenses	SOpex	1,272,329	910,177	910,177	910,177	860,000	790,000	5,652,859
236	Reclassification of Irrigation Quality Water CIP Projects to Operating Expenses	IQOpex	261,769	261,769	261,769	261,769	200,000	200,000	1,447,076
237	**TOTAL UTILITY SYSTEM CAPITAL PROJECTS / EXPENDITURES**		$ 104,788,338	$ 123,126,275	$ 63,818,665	$ 114,314,562	$ 110,334,247	$ 50,912,864	$ 567,294,951
	PROJECTED FUNDING SOURCES								
238	Operating Reserves	OR	$ -	$ -	$ -	$ -	$ -	$ -	$ -
239	Water System Development Fee Fund	WDEV	867,625	-	5,000,000	-	5,000,000	-	10,867,625
240	Wastewater System Development Fee Fund	SDEV	180,007	-	-	-	-	-	180,007
241	Water Capital Account	WCA	20,430,546	34,915,354	20,046,019	22,103,127	18,647,871	19,635,000	135,777,917
242	Wastewater Capital Account	SCA	41,424,160	50,601,140	36,861,550	43,531,478	27,890,000	29,705,000	230,013,329
243	Rate Revenue	RATE	1,339,000	1,386,780	1,456,096	1,441,958	1,470,377	1,502,864	8,597,074
244	Renewal and Replacement Fund	RR	-	-	-	-	-	-	-
245	Outside Agency Grants	GRANTS	350,000	350,000	350,000	350,000	-	-	1,400,000
246	Motor Pool Reserves	FUND 409	-	70,000	105,000	70,000	105,000	70,000	420,000
247	Additional Bonds, Series 2019	B1	40,197,000	35,803,000	-	-	-	-	76,000,000
248	Additional Bonds, Series 2022	B2	-	-	-	46,818,000	57,221,000	-	104,039,000
249	**TOTAL CAPITAL PROGRAM - PROJECTED FUNDING SOURCES**		$ 104,788,338	$ 123,126,275	$ 63,818,665	$ 114,314,562	$ 110,334,247	$ 50,912,864	$ 567,294,951

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Table 4

Collier County Water-Sewer District
Bond Feasibility Report - Series 2019 Bonds

Summary of Historical Operating Results and Debt Coverage [1]

Line No.	Description	Fiscal Year Ended September 30, 2014	2015	2016	2017	2018
	Gross Revenues					
	Rate Revenues [2]					
1	Water Rate Revenue	$ 47,393,837	$ 50,847,592	$ 54,509,703	$ 59,576,845	$ 64,308,436
2	Wastewater Rate Revenue	54,449,547	59,116,384	62,975,400	68,826,384	74,477,903
3	IQ Water Rate Revenue	3,077,649	3,255,336	3,187,480	3,617,474	3,832,147
4	Total Rate Revenues	$ 104,921,033	$ 113,219,312	$ 120,672,583	$ 132,020,703	$ 142,618,486
5	Other Operating Revenue [3]	3,003,311	3,425,362	3,183,568	3,024,317	3,138,879
6	Non-Operating Revenue [4]	1,478,079	1,421,473	1,599,527	1,018,979	10,118,515
7	Total Gross Revenues	$ 109,402,423	$ 118,066,147	$ 125,455,678	$ 136,063,999	$ 155,875,880
	Operating Expenses [5]					
8	Salaries and Wages	$ 17,270,955	$ 18,158,945	$ 19,735,764	$ 22,308,096	$ 22,466,298
9	Employee Benefits	7,643,905	7,233,738	9,877,129	12,261,637	11,229,145
10	Contractual Services	15,991,546	18,119,665	24,892,004	29,555,958	22,106,620
11	Materials, Supplies, and Maintenance	9,777,665	13,643,272	13,143,420	16,735,875	16,501,940
12	Utilities	6,256,872	6,314,044	5,914,229	6,261,613	6,725,987
13	Insurance	1,823,004	1,799,978	1,502,466	1,482,994	1,780,697
14	Fertilizer, Herbicides, and Chemicals	4,690,678	5,059,556	5,071,803	4,569,090	3,622,183
15	Other Operating Expenses	6,255,330	4,014,439	4,336,805	4,728,932	6,075,031
16	Total Operating Expenses	$ 69,709,955	$ 74,343,637	$ 84,473,620	$ 97,904,195	$ 90,507,901
17	Net Revenues	$ 39,692,468	$ 43,722,510	$ 40,982,058	$ 38,159,804	$ 65,367,979
	System Development Fees [6]					
18	Water System Development Fees	$ 5,588,482	$ 6,465,947	$ 6,717,637	$ 6,387,056	$ 7,073,928
19	Wastewater System Development Fees	5,461,771	6,181,789	6,926,037	6,070,009	7,013,635
20	Total System Development Fee Collections	$ 11,050,253	$ 12,647,736	$ 13,643,674	$ 12,457,065	$ 14,087,562
21	Special Assessment Proceeds	$ -	$ -	$ -	$ -	$ -
22	Total Other Pledged Revenues	$ 11,050,253	$ 12,647,736	$ 13,643,674	$ 12,457,065	$ 14,087,562
23	Pledged Revenues Available for Annual Debt Service	$ 50,742,721	$ 56,370,247	$ 54,625,732	$ 50,616,868	$ 79,455,541
	Annual Debt Service [7]					
24	Water and Sewer Refunding Revenue Bonds, Series 2006	$ 3,564,428	$ 3,334,302	$ 2,185,033	$ -	$ -
25	Water and Sewer Refunding Revenue Bonds, Series 2009	1,877,444	1,867,195	1,870,970	-	-
26	Water and Sewer Refunding Revenue Bonds, Series 2013	4,511,100	4,511,050	2,304,799	1,472,924	1,472,424
27	Water and Sewer Refunding Revenue Bonds, Series 2015	-	-	233,002	2,842,523	2,844,195
28	Water and Sewer Refunding Revenue Bonds, Series 2016	-	-	233,844	2,405,250	2,405,250
29	Water and Sewer Refunding Revenue Bonds, Series 2018	-	-	-	-	1,856,141
30	Total Annual Debt Service	$ 9,952,972	$ 9,712,547	$ 6,827,648	$ 6,720,697	$ 8,578,010
	Annual Debt Service Coverage					
	Pledged Funds Debt Service Coverage:					
31	Pledged Revenues Available for Annual Debt Service	$ 50,742,721	$ 56,370,247	$ 54,625,732	$ 50,616,868	$ 79,455,541
32	Total Annual Debt Service	9,952,972	9,712,547	6,827,648	6,720,697	8,578,010
33	Debt Service Coverage	5.10	5.80	8.00	7.53	9.26
34	Required Minimum Coverage	1.25	1.25	1.25	1.25	1.25
	AND					
	Net Revenues Debt Service Coverage:					
35	Net Revenues	$ 39,692,468	$ 43,722,510	$ 40,982,058	$ 38,159,804	$ 65,367,979
36	Total Annual Debt Service	9,952,972	9,712,547	6,827,648	6,720,697	8,578,010
37	Debt Service Coverage	3.99	4.50	6.00	5.68	7.62
38	Required Minimum Coverage	1.00	1.00	1.00	1.00	1.00

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Table 4

Collier County Water-Sewer District
Bond Feasibility Report - Series 2019 Bonds

Summary of Historical Operating Results and Debt Coverage [1]

Line No.	Description	Fiscal Year Ended September 30, 2014	2015	2016	2017	2018
	Subordinated Indebtedness [8]					
39	SRF #CS120597090	$ 886,479	$ 886,480	$ 886,480	$ 15,958	$ -
40	SRF #CS120597100	1,463,311	1,463,311	1,463,311	732,175	-
41	SRF #WWG12059715L 01	440,335	440,335	440,335	32,602	-
42	SRF #WWG12059715L 02	1,944,448	1,944,449	1,944,449	201,896	-
43	SRF #WWG12059715L 03	668,242	668,241	668,242	27,526	-
44	SRF #CS12059715P	346,589	346,589	346,589	179,549	-
45	SRF #CS12059717S	363,095	363,094	363,094	35,649	-
46	SRF #WW597180	266,494	266,494	266,494	133,431	-
47	SRF #DW1111 010	187,607	187,607	187,607	24,260	-
48	SRF #DW1111 020	357,596	357,596	357,596	187,042	-
49	SRF #DW1111 030	1,478,874	1,478,711	1,478,711	97,909	-
50	SRF #DW1111 040	3,192,322	3,110,325	3,110,325	1,626,046	-
51	Water and Sewer Refunding Revenue Note (Subordinate), Series 2016	-	-	-	3,536,798	11,148,154
52	Total Subordinated Indebtedness	$ 11,595,392	$ 11,513,232	$ 11,513,231	$ 6,830,841	$ 11,148,154
53	**Total System Debt Service**	$ 21,548,364	$ 21,225,779	$ 18,340,879	$ 13,551,538	$ 19,726,164
	Subordinated Indebtedness Coverage					
	Subordinate Lien Debt Service Coverage:					
54	Pledged Revenues Available for Annual Debt Service	$ 50,742,721	$ 56,370,247	$ 54,625,732	$ 50,616,868	$ 79,455,541
55	Less: Annual Debt Service	(9,952,972)	(9,712,547)	(6,827,648)	(6,720,697)	(8,578,010)
56	Less: Allowance for Debt Service Coverage on Annual Debt Service @ 25%	(2,488,243)	(2,428,137)	(1,706,912)	(1,680,174)	(2,144,503)
57	Total Pledged Revenues Available for Subordinated Indebtedness Coverage	$ 38,301,506	$ 44,229,563	$ 46,091,172	$ 42,215,997	$ 68,733,028
58	Total Subordinated Indebtedness	$ 11,595,392	$ 11,513,232	$ 11,513,231	$ 6,830,841	$ 11,148,154
59	Debt Service Coverage - Calculated	3.30	3.84	4.00	6.18	6.17
60	Required Minimum Coverage	1.15	1.15	1.15	1.15	1.15
	Less Other Required Transfers from Net Revenues [9]					
61	Annual Debt Service	$ 9,952,972	$ 9,712,547	$ 6,827,648	$ 6,720,697	$ 8,578,010
62	Subordinated Indebtedness	11,595,392	11,513,232	11,513,231	6,830,841	11,148,154
63	Renewal and Replacement Fund [10]	-	-	-	-	-
64	Bonds Reserve Account [11]	-	-	-	-	-
65	Total Other Required Transfers from Net Revenues	$ 21,548,364	$ 21,225,779	$ 18,340,879	$ 13,551,538	$ 19,726,164
66	**Net Revenues Available After Payment of Required Transfers - Transfer to Surplus Fund [12]**	$ 18,144,104	$ 22,496,732	$ 22,641,179	$ 24,608,265	$ 45,641,815

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Table 4

Collier County Water-Sewer District
Bond Feasibility Report - Series 2019 Bonds

Summary of Historical Operating Results and Debt Coverage [1]

	Fiscal Year Ended September 30,				
	2014	2015	2016	2017	2018
Charges for Service Revenue Excluding Rate Revenues	$2,100,242	$2,850,466	$2,809,162	$2,613,114	$2,817,732
Miscellaneous Revenues	903,069	574,897	374,406	411,203	321,147
Total Other Operating Revenue	$3,003,311	$3,425,362	$3,183,568	$3,024,317	$3,138,879
Adjustments					
Capital Settlements	($55,840)	$0	$0	$0	$0
Contributed Capital	0	0	(21,795)	0	0
Miscellaneous Accruals	55,840	0	21,795	0	0
Total Adjustments	$0	$0	$0	$0	$0
Total Adjusted Other Operating Revenue	$3,003,311	$3,425,362	$3,183,568	$3,024,317	$3,138,879

	Fiscal Year Ending September 30,				
	2014	2015	2016	2017	2018
Investment Income per Audit	$960,938	$1,490,948	$1,614,523	$1,077,313	$2,137,382
Adjustments					
System Development Fee Funds Investment Income	($111,661)	($160,767)	($200,224)	($156,291)	($233,150)
Fair Market Value	0	0	0	0	0
Operating Grant	600,000	35,674	0	0	28,669
Insurance Company Refunds - Operating	28,802	55,618	185,229	97,958	8,185,614
Total Adjustments	$517,141	($69,475)	($14,995)	($58,333)	$7,981,133
Total Adjusted Non-Operating Revenue	$1,478,079	$1,421,473	$1,599,527	$1,018,979	$10,118,515

Footnotes:

[1] Amounts derived from Table 4 at end of this Report. Unless otherwise noted, amounts shown for each respective Fiscal Year were derived from: i) audited Comprehensive Annual Financial Reports for the Utilities Department; and ii) other financial information as provided by the Department and other County staff.

[2] Amounts shown reflect revenues derived from the application of the monthly rates for service and do not include other miscellaneous operating revenues.

[3] Amounts shown include other operating revenues such as customer service fees, meter installation fees (Connection Fees), other revenues derived from the daily operation of the System and, the following adjustments:

[4] Amounts shown include investment income earned during the Historical Period on unrestricted funds which include: the Revenue Fund, accounts included in the Sinking Fund, the Renewal and Replacement Fund, and the Surplus Fund (primarily consists of the Water and Wastewater Capital Accounts established by the District for capital expenditure funding purposes); does not include investment income on System Development Fee funds or deposits on account in Project or Construction Fund established from the proceeds of the Outstanding Bonds, if any. The following table is a summary of investment income recognized.

[5] Pursuant to the Bond Resolution, such amounts do not include depreciation or amortization expenses which are non-cash in nature. For the Fiscal Year 2017, the Operating Expenses include $7,545,041 in one-time weather-related expenses due to the effects of Hurricane Irma.

[6] Includes all System Development Fees, only a portion of which may legally available to pay debt service on the Bonds under Florida law. Under Florida law, impact fees such as the System Development Fees may be validly imposed against new construction or development in order to fund capital improvements or capacity that are necessitated by such new construction or development or to satisfy debt service for bonds or other obligations issued for such purposes. Proceeds of such System Development Fees may be used only for the capital improvements or capacity attributable to the new construction or development to pay associated debt service. Amounts shown include System Developments Fees received during the Historical Period from new development requesting capacity and Investment Income on estimated fund balances.

[7] Amounts shown reflect the Annual Debt Service payment for all Bonds outstanding during the Historical Period that were issued pursuant to the Bond Resolution. Amounts shown based on a "cash basis" of reporting (when payments are required to be made to bondholders and not when deposits are made by the District to the Principal and Interest Accounts within the Sinking Fund).

[8] Amounts shown reflect the debt service payments for loans secured by the County through the State Revolving Fund (SRF) loan program of which all the loans were refunded by the County from the proceeds of the 2016 Subordinate Note which is subordinate to the Bonds that were considered as being outstanding during each fiscal year of the Historical Period. Amounts shown based on a "cash basis" of reporting (when payments are required to be made to holders of the notes and not when deposits are made by the District to a note-repayment sinking fund). The debt service coverage ratio for the SRF loans and the 2016 Subordinate Note are the same.

[9] Amounts shown reflect required transfers to be made from Net Revenues to certain funds and accounts as delineated in the Bond Resolution.

[10] No transfers to the Renewal and Replacement Fund has been recognized during the Historical Period since the County maintained on deposit an amount equal to the Renewal and Replacement Fund Requirement (i.e., $300,000) as defined in the Bond Resolution.

[11] No deposit to the Reserve Account was recognized since the requirement for each series of Bonds was fully funded (either through the adoption of an surety policy or cash funded from the proceeds of the bonds issued or to be issued by the County) and there was no reported use of funds on deposit in the Reserve Account to fund the Annual Debt payment during the Historical Period.

[12] Amounts shown represent remaining Net Revenues after payment of all required transfers as delineated in the Bond Resolution for deposit into the Surplus Fund which may be applied for any lawful purpose in connection with the System. Amounts shown do not include any System Development Fees that were received by the District during the Historical Period; such amounts were assumed to be maintained in the System Development Fees Fund and are available for the funding of expansion-related capital projects, including the payment of the Annual Debt Service and the Subordinated Indebtedness debt payments as appropriate. The County reports that the majority of the available funds were deposited into the respective Water and Wastewater Capital Accounts as established by the County in the Surplus Fund.

Table 5

Collier County Water-Sewer District
Bond Feasibility Report - Series 2019 Bonds

Summary of Projected Operating Results and Debt Coverage [1]

Line No.	Description	Fiscal Year Ending September 30, 2019	2020	2021	2022	2023	2024
	Gross Revenues						
	Rate Revenues [2]						
1	Water Rate Revenue	$ 67,497,089	$ 69,994,008	$ 73,087,853	$ 75,982,500	$ 78,964,955	$ 81,925,940
2	Wastewater Rate Revenue	78,706,777	81,280,364	83,790,315	87,141,066	90,548,534	93,956,225
3	IQ Water Rate Revenue	3,704,483	4,048,231	4,400,510	4,503,299	4,605,607	4,708,864
4	Total Rate Revenues	$ 149,908,349	$ 155,322,603	$ 161,278,679	$ 167,626,865	$ 174,119,096	$ 180,591,029
5	Other Operating Revenue [3]	4,608,300	4,662,914	4,052,135	4,145,118	4,240,326	4,338,304
6	Non-Operating Revenue [4]	2,183,545	1,911,329	1,584,623	1,495,789	1,479,813	1,484,154
7	Total Gross Revenues	$ 156,700,194	$ 161,896,846	$ 166,915,437	$ 173,267,772	$ 179,839,235	$ 186,413,487
	Operating Expenses [5]						
8	Salaries and Wages	$ 24,237,060	$ 25,895,184	$ 27,577,588	$ 28,708,809	$ 29,870,711	$ 31,136,563
9	Employee Benefits	11,932,940	12,564,777	13,573,096	14,434,217	15,346,600	16,341,543
10	Contractual Services	26,809,930	27,221,726	27,948,492	28,752,130	29,386,414	30,105,409
11	Materials, Supplies, and Maintenance	14,449,700	15,010,809	15,567,416	16,142,723	16,751,654	17,394,982
12	Utilities	7,737,100	8,053,550	8,382,837	8,721,099	9,068,591	9,424,545
13	Insurance	1,955,100	2,044,196	2,137,760	2,235,987	2,339,120	2,447,394
14	Fertilizer, Herbicides, and Chemicals	5,627,700	5,923,590	6,251,833	6,592,947	6,948,917	7,319,786
15	Other Operating Expenses	5,663,594	6,297,084	6,540,457	6,757,115	6,979,737	7,206,259
16	Total Operating Expenses	$ 98,413,124	$ 103,010,917	$ 107,979,479	$ 112,345,028	$ 116,691,743	$ 121,376,481
17	Net Revenues	$ 58,287,070	$ 58,885,929	$ 58,935,958	$ 60,922,745	$ 63,147,492	$ 65,037,006
	System Development Fees [6]						
18	Water System Development Fees	$ 4,738,573	$ 4,602,761	$ 4,600,173	$ 4,560,898	$ 4,470,383	$ 4,342,283
19	Wastewater System Development Fees	4,801,190	4,750,735	4,570,659	4,533,764	4,441,038	4,308,689
20	Interest Income from System Development Fees	265,374	256,734	223,085	188,932	154,266	119,080
21	Total System Development Fee Collections	$ 9,805,137	$ 9,610,230	$ 9,393,918	$ 9,283,593	$ 9,065,686	$ 8,770,051
22	Special Assessment Proceeds	$0	$0	$0	$0	$0	$0
23	Total Other Pledged Funds	$ 9,805,137	$ 9,610,230	$ 9,393,918	$ 9,283,593	$ 9,065,686	$ 8,770,051
24	Pledged Funds Available for Annual Debt Service	$ 68,092,206	$ 68,496,160	$ 68,329,877	$ 70,206,338	$ 72,213,178	$ 73,807,057
	Annual Debt Service [7]						
25	Water and Sewer Refunding Revenue Bonds, Series 2013	$ 1,473,424	$ 1,470,674	$ 1,464,174	$ -	$ -	$ -
26	Water and Sewer Refunding Revenue Bonds, Series 2015	2,841,062	2,845,195	2,849,453	4,640,817	-	-
27	Water and Sewer Refunding Revenue Bonds, Series 2016	2,405,250	2,405,250	2,405,250	2,405,250	2,405,250	2,405,250
28	Water and Sewer Refunding Revenue Bonds, Series 2018	3,059,161	3,060,417	3,055,349	3,064,076	4,111,235	4,106,765
29	Water and Sewer Bonds, Series 2019	1,629,896	3,911,750	3,911,750	3,911,750	3,911,750	3,911,750
30	Additional Bonds, Series 2022	-	-	-	2,786,625	5,573,250	5,573,250
31	Total Annual Debt Service	$ 11,408,793	$ 13,693,286	$ 13,685,976	$ 16,808,518	$ 16,001,485	$ 15,997,015
	Annual Debt Service Coverage						
	Pledged Funds Available for Debt Service Coverage:						
32	Pledged Funds Available for Annual Debt Service	$ 68,092,206	$ 68,496,160	$ 68,329,877	$ 70,206,338	$ 72,213,178	$ 73,807,057
33	Total Annual Debt Service	11,408,793	13,693,286	13,685,976	16,808,518	16,001,485	15,997,015
34	Debt Service Coverage	5.97	5.00	4.99	4.18	4.51	4.61
35	Required Minimum Coverage	1.25	1.25	1.25	1.25	1.25	1.25
	AND						
	Net Revenues Debt Service Coverage:						
36	Net Revenues	$ 58,287,070	$ 58,885,929	$ 58,935,958	$ 60,922,745	$ 63,147,492	$ 65,037,006
37	Total Annual Debt Service	11,408,793	13,693,286	13,685,976	16,808,518	16,001,485	15,997,015
38	Debt Service Coverage	5.11	4.30	4.31	3.62	3.95	4.07
39	Required Minimum Coverage	1.00	1.00	1.00	1.00	1.00	1.00

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Table 5

Collier County Water-Sewer District
Bond Feasibility Report - Series 2019 Bonds

Summary of Projected Operating Results and Debt Coverage [1]

Line No.	Description	Fiscal Year Ending September 30, 2019	2020	2021	2022	2023	2024
	Subordinated Indebtedness [8]						
40	Water and Sewer Refunding Revenue Note (Subordinate), Series 2016	$ 10,704,822	$ 10,261,368	$ 10,260,882	$ 8,797,480	$ 8,798,442	$ 8,797,830
41	Total Subordinated Indebtedness	$ 10,704,822	$ 10,261,368	$ 10,260,882	$ 8,797,480	$ 8,798,442	$ 8,797,830
	Subordinated Indebtedness Coverage						
	Subordinate Lien Debt Service Coverage:						
42	Pledged Funds Available for Annual Debt Service	$ 68,092,206	$ 68,496,160	$ 68,329,877	$ 70,206,338	$ 72,213,178	$ 73,807,057
43	Less: Annual Debt Service	(11,408,793)	(13,693,286)	(13,685,976)	(16,808,518)	(16,001,485)	(15,997,015)
44	Less: Allowance for Debt Service Coverage on Annual Debt Service @ 25%	(2,852,198)	(3,423,322)	(3,421,494)	(4,202,130)	(4,000,371)	(3,999,254)
45	Total Pledged Funds Available for Subordinated Indebtedness Coverage	$ 53,831,215	$ 51,379,552	$ 51,222,407	$ 49,195,690	$ 52,211,322	$ 53,810,789
46	Total Subordinated Indebtedness	$ 10,704,822	$ 10,261,368	$ 10,260,882	$ 8,797,480	$ 8,798,442	$ 8,797,830
47	Debt Service Coverage - Calculated	5.03	5.01	4.99	5.59	5.93	6.12
48	Required Minimum Coverage	1.15	1.15	1.15	1.15	1.15	1.15
	Less Other Required Transfers from Net Revenues [9]						
49	Annual Debt Service	$ 11,408,793	$ 13,693,286	$ 13,685,976	$ 16,808,518	$ 16,001,485	$ 15,997,015
50	Subordinated Indebtedness	10,704,822	10,261,368	10,260,882	8,797,480	8,798,442	8,797,830
51	Renewal and Replacement Fund [10]	-	-	-	-	-	-
52	Bonds Reserve Account [11]	-	-	-	-	-	-
53	Total Other Required Transfers from Net Revenues	$ 22,113,615	$ 23,954,654	$ 23,946,858	$ 25,605,998	$ 24,799,927	$ 24,794,845
	Net Revenues Available After Payment of Required Transfers -						
54	**Transfer to Surplus Fund [12] [13]**	$ 36,173,455	$ 34,931,275	$ 34,989,100	$ 35,316,747	$ 38,347,565	$ 40,242,161

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Table 5

Collier County Water-Sewer District
Bond Feasibility Report - Series 2019 Bonds

Summary of Projected Operating Results and Debt Coverage [1]

Footnotes:

[1] Amounts derived from Table 5 at end of this Report. Unless otherwise noted, amounts shown for each respective Fiscal Year were derived from: i) audited Comprehensive Annual Financial Reports for the Utilities Department; and ii) other financial information as provided by the Department and other County staff.

[2] Amount shown includes sales revenues from existing and adopted rates for monthly utility service, including the application of the annual price index rate adjustment as provided in the Rate Resolution (applied during years which no specific rate adjustment was approved by the Board), as identified earlier in this Report; no additional rate adjustments above the approved rates or the price index rate adjustment have been assumed during the Forecast Period.

[3] Amounts shown include other operating revenues such as customer service fees, meter installation fees (Connection Fees), other revenues derived from the daily operation of the System.

[4] Amounts shown include investment income assumed to be earned during the Forecast Period on unrestricted funds which include: the Revenue Fund, accounts included in the Sinking Fund, the Renewal and Replacement Fund, and the Surplus Account (primarily consists of the Water and Wastewater Capital Accounts established by the District for capital expenditure funding purposes); does not include investment income on System Development Fee funds or deposits on proceeds of additional parity bonds.

[5] Pursuant to the Bond Resolution, such amounts do not include depreciation or amortization expenses which are non-cash in nature.

[6] Includes all System Development Fees, only a portion of which may legally available to pay debt service on the Bonds under Florida law. Under Florida law, impact fees such as the System Development Fees may be validly imposed against new construction or development in order to fund capital improvements or construction or development or to satisfy debt service for bonds or other obligations issued for such purposes. Proceeds of such System Development Fees the capital improvements or capacity attributable to the new construction or development to pay associated debt service. Amounts shown include System Developments Fees may be used only for capacity that are necessitated by such new received during the Historical Period from new development requesting capacity and Investment Income on estimated fund balances.

[7] Amounts shown reflect the Annual Debt Service payment for the Outstanding Bonds, the Series 2019 Bonds and additional parity bonds issued pursuant to the Bond Resolution which are assumed to be outstanding during each fiscal year of the Forecast Period. Amounts shown based on a "cash basis" of reporting (when payments are required to be made to bondholders and not when deposits are made by the District to the Principal and Interest Accounts within the Sinking Fund).

[8] Amounts shown reflect the debt service payments for the 2016 Subordinate Note which is subordinate to the Bonds that is assumed to be outstanding during each fiscal year of the Forecast Period. Amounts shown based on a "cash basis" of reporting (when payments are required to be made to holders of the notes and not when deposits are made by the District to a note-repayment sinking fund).

[9] Amounts shown reflect required transfers to be made from Net Revenues to certain funds and accounts as delineated in the Bond Resolution.

[10] No transfers to the Renewal and Replacement Fund has been recognized during the Forecast Period since it was assumed that the County would maintain on deposit an amount equal to the Renewal and Replacement Fund Requirement (i.e., $300,000) as defined in the Bond Resolution; reference is made to assumption 13 below.

[11] No deposit to the Reserve Account was recognized since the fund for each series of Bonds was fully funded (either through the adoption of a surety policy or cash funded from the proceeds of the bonds issued or to be issued by the County) and there was no projected requirement to use funds on deposit in the Reserve Account to fund the Annual Debt payment during the Forecast Period.

[12] Amounts shown represent remaining Net Revenues after payment of all required transfers as delineated in the Bond Resolution for deposit into the Surplus Fund which may be applied for any lawful purpose in connection with the System. Amounts shown do not include any System Development Fees that may be received by the District during the Forecast Period; such amounts were assumed to be maintained in the System Development Fees Fund and are available for the funding of expansion-related capital projects, including the payment of the Annual Debt Service and the Subordinated Indebtedness debt payments as appropriate.

[13] The District has established a Capital Account for each respective water and wastewater system in the Surplus Account; the purpose of the Capital Accounts to provide ongoing funds for capital improvements to the System (similar in use to the Renewal and Replacement Fund).

Table 6

Collier County Water-Sewer District
Bond Feasibility Report - Series 2019 Bonds

Summary of Projected Rate Revenue for the Forecast Period [1]

Line No.	Description	Fiscal Year Ending September 30, 2019	2020	2021	2022	2023	2024
	Water System Rate Revenue						
1	Average Water System Rate Adjustment - Type	In Effect	Approved	Approved	Price Index	Price Index	Price Index
2	Average Water System Rate Adjustment - Percent		2.90%	2.90%	2.50%	2.50%	2.40%
3	Single-family Residential	$ 34,402,503	$ 36,261,396	$ 38,169,103	$ 39,992,280	$ 41,870,596	$ 43,737,467
4	Multi-family Residential	16,883,113	17,399,681	17,970,990	18,489,087	19,025,804	19,555,897
5	Commercial	11,101,491	11,513,244	11,921,257	12,281,126	12,647,282	13,009,021
6	Irrigation	4,266,201	4,456,330	4,652,759	4,836,942	5,028,654	5,221,539
7	Wholesale	245,825	-	-	-	-	-
8	Fire Protection	352,131	363,356	373,745	383,066	392,619	402,015
9	Total Water System Rate Revenue	$ 67,251,264	$ 69,994,008	$ 73,087,853	$ 75,982,500	$ 78,964,955	$ 81,925,940
	Wastewater System Rate Revenue						
10	Average Wastewater System Rate Adjustment - Type	In Effect	Approved	Approved	Price Index	Price Index	Price Index
11	Average Wastewater System Rate Adjustment - Percent		2.90%	2.90%	2.50%	2.50%	2.40%
12	Single-family Residential	$ 45,429,564	$ 47,539,604	$ 49,667,663	$ 52,069,211	$ 54,522,974	$ 56,978,505
13	Multi-family Residential	19,534,184	19,716,368	19,843,391	20,376,683	20,916,647	21,454,930
14	Commercial	13,743,029	14,024,392	14,279,262	14,695,172	15,108,912	15,522,790
15	Total Wastewater System Rate Revenue	$ 78,706,777	$ 81,280,364	$ 83,790,315	$ 87,141,066	$ 90,548,534	$ 93,956,225
	Irrigation Quality Water System Rate Revenue						
16	Average IQ Water System Rate Adjustment - Type	In Effect	Approved	Approved	Price Index	Price Index	Price Index
17	Average IQ Water System Rate Adjustment - Percent		9.00%	9.00%	2.50%	2.50%	2.40%
18	Bulk Service	$ 1,258,827	$ 1,373,266	$ 1,487,705	$ 1,516,315	$ 1,544,925	$ 1,573,534
19	Pressurized Service	539,581	589,427	645,530	665,602	685,844	706,148
20	Pressurized and Distributed Service	1,906,074	2,085,538	2,267,275	2,321,382	2,374,839	2,429,181
21	Total Irrigation Quality Water System Rate Revenue	$ 3,704,483	$ 4,048,231	$ 4,400,510	$ 4,503,299	$ 4,605,607	$ 4,708,864
22	Total System Rate Revenue	$ 149,662,524	$ 155,322,603	$ 161,278,679	$ 167,626,865	$ 174,119,096	$ 180,591,029

Footnotes:

[1] Projected rate revenues based on i) the customer and sales forecast presented on Tables 2A, 2B and 2C and ii) the estimated indexed rates assumed to be made effective during the Forecast Period based on the CPI index as projected by the Congressional Budget Office as contained in "An Update to the Budget and Economic Outlook: 2019 to 2029" published in January 2019.

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Table 7

Collier County Water-Sewer District
Bond Feasibility Report - Series 2019 Bonds

Projection of Operating Expenses - Combined Water, Wastewater and IQ Water Systems

Line No.	Description	CAFR Classifications	Escalation Reference [1]	Fiscal Year Ending September 30, 2019	2020	2021	2022	2023	2024
	OPERATING EXPENSES								
	Public Utilities Division Administration								
	Personnel Services								
1	Regular Salaries	Salaries and Wages	Labor	$ 155,699	$ 160,370	$ 165,181	$ 170,137	$ 175,241	$ 180,498
2	ER 457 Deferred Comp	Salaries and Wages	Labor	3,000	3,090	3,183	3,278	3,377	3,478
3	Vacation Sell Back	Employee Benefits	Labor	1,908	1,965	2,024	2,085	2,147	2,212
4	Reserve for Salary Adjustment	Salaries and Wages	Labor	3,204	3,300	3,399	3,501	3,606	3,714
5	Social Security Matching	Employee Benefits	Labor	10,335	10,645	10,964	11,293	11,632	11,981
6	Retirement Regular	Employee Benefits	Labor	39,473	40,657	41,877	43,133	44,427	45,760
7	Health Insurance	Employee Benefits	Ins-Health	13,100	13,755	14,615	15,711	16,889	18,156
8	Dental Insurance	Employee Benefits	Ins-Dental	490	515	540	567	596	625
9	Short Term Disability Ins	Employee Benefits	Ins-Disability	100	105	110	116	122	128
10	Long Term Disability Ins	Employee Benefits	Ins-Disability	200	210	221	232	243	255
11	Life Insurance Short and Long Term	Employee Benefits	Constant	450	450	450	450	450	450
12	Workers Compensation Regular	Employee Benefits	WorkComp	3,341	3,508	3,683	3,868	4,061	4,264
13	Total Personnel Services			$ 231,300	$ 238,570	$ 246,248	$ 254,370	$ 262,790	$ 271,521
	Other Operating Expenses								
14	Legal Fees	Contractual Services	Inflation	$ 129,200	$ 132,301	$ 135,741	$ 139,134	$ 142,612	$ 146,035
15	IT Capital Allocation	Contractual Services	Labor	400	412	424	437	450	464
16	Info Technology Automation Allocation	Contractual Services	Labor	51,400	52,942	54,530	56,166	57,851	59,587
17	IT Billing Hours Allocation	Contractual Services	Labor	20,100	20,703	21,324	21,964	22,623	23,301
18	IT Microsoft Office Allocation	Contractual Services	Labor	100	103	106	109	113	116
19	Interdepartmental Payment For Services	Contractual Services	Labor	10,000	10,300	10,609	10,927	11,255	11,593
20	Other Contractual Services	Contractual Services	Inflation	14,600	14,950	15,339	15,723	16,116	16,502
21	Out of County Travel Professional Development	Other Operating Expenses	UtilityEmployees	11,500	11,946	12,781	13,280	13,795	14,348
22	Out of County Travel Regular Business	Other Operating Expenses	UtilityEmployees	500	519	556	577	600	624
23	Motor Pool Rental Charge	Other Operating Expenses	Inflation	300	307	315	323	331	339
24	Motor Pool Capital Recovery Charge	Other Operating Expenses	Inflation	5,200	5,325	5,463	5,600	5,740	5,878
25	Telephone Access Charges	Other Operating Expenses	Inflation	3,400	3,482	3,572	3,661	3,753	3,843
26	Cellular Telephone	Other Operating Expenses	UtilityEmployees	9,300	9,661	10,336	10,739	11,156	11,603
27	Telephone System Support Allocation	Other Operating Expenses	Inflation	100	102	105	108	110	113
28	Postage Freight and UPS	Other Operating Expenses	Inflation	100	102	105	108	110	113
29	Electricity	Utilities	Electric	7,000	7,255	7,516	7,783	8,058	8,341
30	Water and Sewer	Utilities	Inflation	2,500	2,560	2,627	2,692	2,760	2,826
31	Lease Equipment	Other Operating Expenses	Inflation	4,900	5,018	5,148	5,277	5,409	5,538
32	Insurance General	Insurance	Gen-Ins	4,100	4,305	4,520	4,746	4,984	5,233
33	Property Insurance	Insurance	Gen-Ins	4,000	4,200	4,410	4,631	4,862	5,105
34	Auto Insurance	Insurance	Constant	500	500	500	500	500	500
35	Building R and M ISF Billings	Materials, Supplies, and Maintenance	Repair	2,000	2,072	2,149	2,230	2,317	2,410
36	Fleet Maint ISF Labor and Overhead	Materials, Supplies, and Maintenance	Repair	800	829	859	892	927	964
37	Fleet Maint ISF Parts and Sublet	Materials, Supplies, and Maintenance	Repair	100	104	107	112	116	120
38	Fleet Non Maint ISF Parts and Sublet	Materials, Supplies, and Maintenance	Repair	300	311	322	335	348	361
39	Communication Equipment RM Outside Vendors	Materials, Supplies, and Maintenance	Repair	800	829	859	892	927	964
40	Data Processing Equipment R and M	Materials, Supplies, and Maintenance	Repair	600	622	645	669	695	723
41	Printing and/or Binding Outside Vendors	Other Operating Expenses	Inflation	100	102	105	108	110	113
42	Photo Processing	Other Operating Expenses	Inflation	100	102	105	108	110	113
43	Licenses and Permits	Other Operating Expenses	Inflation	500	512	525	538	552	565
44	Minor Office Equipment	Materials, Supplies, and Maintenance	Inflation	500	512	525	538	552	565
45	Minor Office Furniture	Materials, Supplies, and Maintenance	Inflation	10,000	10,240	10,506	10,769	11,038	11,303
46	Minor Data Processing Equipment	Materials, Supplies, and Maintenance	Inflation	500	512	525	538	552	565
47	Fuel and Lubricants ISF Billings	Materials, Supplies, and Maintenance	Fuel	500	528	557	587	619	653
48	Minor Operating Equipment	Materials, Supplies, and Maintenance	Inflation	2,700	2,765	2,837	2,908	2,980	3,052

Table 7

Collier County Water-Sewer District
Bond Feasibility Report - Series 2019 Bonds

Projection of Operating Expenses - Combined Water, Wastewater and IQ Water Systems

Line No.	Description	CAFR Classifications	Escalation Reference [1]	Fiscal Year Ending September 30, 2019	2020	2021	2022	2023	2024
49	Computer Software	Other Operating Expenses	Inflation	900	922	946	969	993	1,017
50	Other Operating Supplies	Materials, Supplies, and Maintenance	Inflation	2,000	2,048	2,101	2,154	2,208	2,261
51	Books Publications and Subscriptions	Materials, Supplies, and Maintenance	Inflation	400	410	420	431	442	452
52	Dues and Memberships	Other Operating Expenses	UtilityEmployees	3,000	3,116	3,334	3,464	3,599	3,743
53	Other Training Educational Expenses	Other Operating Expenses	UtilityEmployees	22,400	23,269	24,895	25,866	26,871	27,947
54	Total Other Operating Expenses			$ 327,400	$ 336,798	$ 348,351	$ 358,593	$ 369,144	$ 379,894
55	Total Public Utilities Division Administration Expenses			$ 558,700	$ 575,368	$ 594,598	$ 612,963	$ 631,934	$ 651,415
	Public Utilities Facilities Management								
	Personnel Services								
56	Regular Salaries	Salaries and Wages	Labor	$ 351,193	$ 361,729	$ 372,581	$ 383,758	$ 395,271	$ 407,129
57	ER 457 Deferred Comp	Salaries and Wages	Labor	1,000	1,030	1,061	1,093	1,126	1,159
58	Other Salaries and Wages	Salaries and Wages	Labor	84,745	87,287	89,906	92,603	95,381	98,243
59	Overtime	Salaries and Wages	Labor	7,648	7,877	8,114	8,357	8,608	8,866
60	Vacation Sell Back	Employee Benefits	Labor	2,109	2,172	2,237	2,305	2,374	2,445
61	Special Pay Adjustment	Employee Benefits	Labor	36,646	37,745	38,878	40,044	41,245	42,483
62	Reserve for Salary Adjustment	Salaries and Wages	Labor	7,051	7,263	7,480	7,705	7,936	8,174
63	Social Security Matching	Employee Benefits	Labor	37,513	38,638	39,798	40,991	42,221	43,488
64	Retirement Regular	Employee Benefits	Labor	42,869	44,155	45,480	46,844	48,249	49,697
65	Health Insurance - Job Bankers / PT	Employee Benefits	Ins-Health	26,200	27,510	29,229	31,422	33,778	36,312
66	Health Insurance	Employee Benefits	Ins-Health	78,600	82,530	87,688	94,265	101,335	108,935
67	Dental Insurance	Employee Benefits	Ins-Dental	2,940	3,087	3,241	3,403	3,574	3,752
68	Short Term Disability Ins	Employee Benefits	Ins-Disability	600	630	662	695	729	766
69	Long Term Disability Ins	Employee Benefits	Ins-Disability	1,200	1,260	1,323	1,389	1,459	1,532
70	Life Insurance Short and Long Term	Employee Benefits	Constant	1,009	1,009	1,009	1,009	1,009	1,009
71	Workers Compensation Regular	Employee Benefits	WorkComp	1,480	1,554	1,632	1,713	1,799	1,889
72	Total Personnel Services			$ 682,803	$ 705,477	$ 730,318	$ 757,596	$ 786,093	$ 815,877
	Other Operating Expenses								
73	County Employee Physicals	Contractual Services	UtilityEmployees	$ 300	$ 312	$ 334	$ 347	$ 361	$ 375
74	IT Capital Allocation	Contractual Services	Labor	40,500	41,715	42,966	44,255	45,583	46,951
75	Info Technology Automation Allocation	Contractual Services	Labor	21,100	21,733	22,385	23,057	23,748	24,461
76	IT Microsoft Office Allocation	Contractual Services	Labor	900	927	955	983	1,013	1,043
77	Interdepartmental Payment For Services	Contractual Services	Labor	1,700	1,751	1,804	1,858	1,913	1,971
78	Other Contractual Services	Contractual Services	Inflation	100,700	103,117	105,798	108,443	111,154	113,822
79	Temporary Labor	Contractual Services	Inflation	119,600	122,470	125,655	128,796	132,016	135,184
80	Out of County Travel Professional Development	Other Operating Expenses	UtilityEmployees	5,000	5,196	5,567	5,786	6,013	6,246
81	Out of County Travel Regular Business	Other Operating Expenses	UtilityEmployees	300	312	334	347	361	375
82	Motor Pool Capital Recovery Charge	Other Operating Expenses	Inflation	30,100	30,822	31,624	32,414	33,225	34,022
83	Telephone Base Cost	Other Operating Expenses	Inflation	3,500	3,584	3,677	3,769	3,863	3,956
84	Telephone Access Charges	Other Operating Expenses	Inflation	1,000	1,024	1,051	1,077	1,104	1,130
85	Cellular Telephone	Other Operating Expenses	UtilityEmployees	8,400	8,730	9,352	9,721	10,102	10,493
86	Telephone System Support Allocation	Other Operating Expenses	Inflation	200	205	210	215	221	226
87	Postage Freight and UPS	Other Operating Expenses	Inflation	200	205	210	215	221	226
88	Electricity	Utilities	Electric	58,800	60,914	63,073	65,290	67,571	69,911
89	Trash and Garbage Disposal	Utilities	Inflation	21,900	22,426	23,009	23,584	24,173	24,754
90	Water and Sewer	Utilities	Inflation	8,600	8,806	9,035	9,261	9,493	9,721
91	Rent - Building	Other Operating Expenses	Gen-Ins	63,600	66,780	70,119	73,625	77,306	81,172
92	Insurance General	Insurance	Gen-Ins	17,600	18,480	19,404	20,374	21,393	22,463
93	Property Insurance	Insurance	Gen-Ins	37,200	39,060	41,013	43,064	45,217	47,478
94	Auto Insurance	Insurance	Constant	3,700	3,700	3,700	3,700	3,700	3,700
95	Building R and M ISF Billings	Materials, Supplies, and Maintenance	Repair	1,500	1,554	1,611	1,673	1,738	1,807

Table 7

Collier County Water-Sewer District
Bond Feasibility Report - Series 2019 Bonds

Projection of Operating Expenses - Combined Water, Wastewater and IQ Water Systems

Line No.	Description	CAFR Classifications	Escalation Reference [1]	Fiscal Year Ending September 30, 2019	2020	2021	2022	2023	2024
96	Fleet Maint ISF Labor and Overhead	Materials, Supplies, and Maintenance	Repair	2,300	2,383	2,471	2,565	2,665	2,771
97	Fleet Maint ISF Parts and Sublet	Materials, Supplies, and Maintenance	Repair	1,000	1,036	1,074	1,115	1,159	1,205
98	Fleet Non Maint ISF Parts and Sublet	Materials, Supplies, and Maintenance	Repair	500	518	537	558	579	602
99	Printing and/or Binding Outside Vendors	Other Operating Expenses	Inflation	200	205	210	215	221	226
100	Clerks Recording Fees Etc	Other Operating Expenses	Inflation	400	410	420	431	442	452
101	Office Supplies General	Materials, Supplies, and Maintenance	Inflation	5,500	5,632	5,778	5,923	6,071	6,217
102	Copying Charges	Materials, Supplies, and Maintenance	Inflation	500	512	525	538	552	565
103	Minor Data Processing Equipment	Materials, Supplies, and Maintenance	Inflation	1,000	1,024	1,051	1,077	1,104	1,130
104	Clothing and Uniform Purchases	Materials, Supplies, and Maintenance	UtilityEmployees	2,000	2,079	2,227	2,315	2,405	2,498
105	Personal Safety Equipment	Materials, Supplies, and Maintenance	UtilityEmployees	3,000	3,118	3,340	3,472	3,608	3,748
106	Fuel and Lubricants ISF Billings	Materials, Supplies, and Maintenance	Fuel	5,800	6,119	6,456	6,811	7,185	7,580
107	Medical Supplies	Materials, Supplies, and Maintenance	Inflation	500	512	525	538	552	565
108	Minor Operating Equipment	Materials, Supplies, and Maintenance	Inflation	4,500	4,608	4,728	4,846	4,967	5,086
109	Computer Software	Other Operating Expenses	Inflation	5,900	6,042	6,199	6,354	6,512	6,669
110	Other Operating Supplies	Materials, Supplies, and Maintenance	Inflation	2,200	2,253	2,311	2,369	2,428	2,487
111	Books Publications and Subscriptions	Materials, Supplies, and Maintenance	Inflation	1,000	1,024	1,051	1,077	1,104	1,130
112	Dues and Memberships	Other Operating Expenses	UtilityEmployees	5,200	5,404	5,790	6,018	6,253	6,496
113	Tuition	Employee Benefits	UtilityEmployees	15,000	15,589	16,701	17,359	18,038	18,738
114	Other Training Educational Expenses	Other Operating Expenses	UtilityEmployees	18,000	18,707	20,041	20,831	21,646	22,485
115	Total Other Operating Expenses			$ 620,900	$ 640,996	$ 664,320	$ 686,267	$ 708,979	$ 732,136
116	Total Public Utilities Facilities Management Expenses			$ 1,303,703	$ 1,346,474	$ 1,394,638	$ 1,443,863	$ 1,495,073	$ 1,548,013
	Public Utilities Critical Infrastructure Security								
	Personnel Services								
117	Regular Salaries	Salaries and Wages	Labor	$ 274,300	$ 282,529	$ 291,005	$ 299,735	$ 308,727	$ 317,989
118	ER 457 Deferred Comp	Salaries and Wages	Labor	500	515	530	546	563	580
119	Vacation Sell Back	Employee Benefits	Labor	671	691	712	733	755	778
120	Special Pay Adjustment	Employee Benefits	Labor	28,810	29,674	30,565	31,481	32,426	33,399
121	Reserve for Salary Adjustment	Salaries and Wages	Labor	5,486	5,651	5,820	5,995	6,175	6,360
122	Social Security Matching	Employee Benefits	Labor	23,697	24,408	25,140	25,894	26,671	27,471
123	Retirement Regular	Employee Benefits	Labor	27,092	27,905	28,742	29,604	30,492	31,407
124	Health Insurance	Employee Benefits	Ins-Health	52,400	55,020	58,459	62,843	67,556	72,623
125	Dental Insurance	Employee Benefits	Ins-Dental	1,960	2,058	2,161	2,269	2,382	2,502
126	Short Term Disability Ins	Employee Benefits	Ins-Disability	400	420	441	463	486	511
127	Long Term Disability Ins	Employee Benefits	Ins-Disability	800	840	882	926	972	1,021
128	Life Insurance Short and Long Term	Employee Benefits	Constant	784	784	784	784	784	784
129	Total Personnel Services			$ 416,900	$ 430,495	$ 445,241	$ 461,275	$ 477,990	$ 495,423
	Other Operating Expenses								
130	County Employee Physicals	Contractual Services	Labor	$ 200	$ 206	$ 212	$ 219	$ 225	$ 232
131	IT Microsoft Office Allocation	Contractual Services	Labor	400	412	424	437	450	464
132	Other Contractual Services	Contractual Services	Inflation	647,200	662,733	679,964	696,963	714,387	731,532
133	Temporary Labor	Contractual Services	Labor	71,200	73,336	75,536	77,802	80,136	82,540
134	Out of County Travel Professional Development	Other Operating Expenses	Inflation	3,800	3,891	3,992	4,092	4,194	4,295
135	Cellular Telephone	Other Operating Expenses	Inflation	3,600	3,686	3,782	3,877	3,974	4,069
136	Telephone System Support Allocation	Other Operating Expenses	Inflation	200	205	210	215	221	226
137	Building R and M ISF Billings	Materials, Supplies, and Maintenance	Repair	112,700	116,757	121,077	125,678	130,580	135,803
138	Printing and/or Binding Outside Vendors	Other Operating Expenses	Inflation	100	102	105	108	110	113
139	Office Supplies General	Materials, Supplies, and Maintenance	Inflation	2,000	2,048	2,101	2,154	2,208	2,261
140	Minor Office Equipment	Materials, Supplies, and Maintenance	Inflation	500	512	525	538	552	565
141	Minor Office Furniture	Materials, Supplies, and Maintenance	Inflation	800	819	840	862	883	904
142	Minor Data Processing Equipment	Materials, Supplies, and Maintenance	Inflation	500	512	525	538	552	565

Table 7

Collier County Water-Sewer District
Bond Feasibility Report - Series 2019 Bonds

Projection of Operating Expenses - Combined Water, Wastewater and IQ Water Systems

Line No.	Description	CAFR Classifications	Escalation Reference [1]	Fiscal Year Ending September 30, 2019	2020	2021	2022	2023	2024
143	Clothing and Uniform Purchases	Materials, Supplies, and Maintenance	Inflation	1,000	1,024	1,051	1,077	1,104	1,130
144	Personal Safety Equipment	Materials, Supplies, and Maintenance	Inflation	1,200	1,229	1,261	1,292	1,325	1,356
145	Medical Supplies	Materials, Supplies, and Maintenance	Inflation	500	512	525	538	552	565
146	Minor Operating Equipment	Materials, Supplies, and Maintenance	Inflation	4,600	4,710	4,833	4,954	5,078	5,199
147	Computer Software	Other Operating Expenses	Inflation	2,900	2,970	3,047	3,123	3,201	3,278
148	Other Operating Supplies	Materials, Supplies, and Maintenance	Inflation	3,000	3,072	3,152	3,231	3,311	3,391
149	Electrical Supplier	Materials, Supplies, and Maintenance	Inflation	1,000	1,024	1,051	1,077	1,104	1,130
150	Books Publications and Subscriptions	Materials, Supplies, and Maintenance	Inflation	500	512	525	538	552	565
151	Dues and Memberships	Other Operating Expenses	Inflation	400	410	420	431	442	452
152	Other Training Educational Expenses	Other Operating Expenses	Inflation	17,900	18,330	18,806	19,276	19,758	20,232
153	Total Other Operating Expenses			$ 876,200	$ 899,012	$ 923,966	$ 949,020	$ 974,898	$ 1,000,869
154	Total Public Utilities Critical Infrastructure Security			$ 1,293,100	$ 1,329,507	$ 1,369,207	$ 1,410,295	$ 1,452,888	$ 1,496,293
	Public Utilities Division Operations Support								
	Personnel Services								
155	Regular Salaries	Salaries and Wages	Labor	$ 1,202,415	$ 1,238,487	$ 1,275,642	$ 1,313,911	$ 1,353,329	$ 1,393,929
156	ER 457 Deferred Comp	Salaries and Wages	Labor	3,000	3,090	3,183	3,278	3,377	3,478
157	Other Salaries and Wages	Salaries and Wages	Labor	52,124	53,688	55,298	56,957	58,666	60,426
158	Overtime	Salaries and Wages	Labor	1,807	1,861	1,917	1,975	2,034	2,095
159	Vacation Sell Back	Employee Benefits	Labor	5,205	5,361	5,522	5,688	5,858	6,034
160	Reserve for Salary Adjustment	Salaries and Wages	Labor	24,057	24,779	25,522	26,288	27,076	27,889
161	Social Security Matching	Employee Benefits	Labor	98,577	101,534	104,580	107,718	110,949	114,278
162	Retirement Regular	Employee Benefits	Labor	112,619	115,998	119,477	123,062	126,754	130,556
163	Health Insurance - Job Bankers / PT	Employee Benefits	Ins-Health	13,100	13,755	14,615	15,711	16,889	18,156
164	Health Insurance	Employee Benefits	Ins-Health	235,800	247,590	263,064	282,794	304,004	326,804
165	Dental Insurance	Employee Benefits	Ins-Dental	8,820	9,261	9,724	10,210	10,721	11,257
166	Short Term Disability Ins	Employee Benefits	Ins-Disability	1,800	1,890	1,985	2,084	2,188	2,297
167	Long Term Disability Ins	Employee Benefits	Ins-Disability	3,600	3,780	3,969	4,167	4,376	4,595
168	Life Insurance Short and Long Term	Employee Benefits	Constant	3,450	3,450	3,450	3,450	3,450	3,450
169	Workers Compensation Regular	Employee Benefits	WorkComp	2,876	3,020	3,171	3,329	3,496	3,671
170	Additional Personnel Salary	Salaries and Wages	Calculated	-	-	-	-	46,177	47,563
171	Additional Personnel Benefits	Employee Benefits	Calculated	-	-	-	-	23,216	23,912
172	Total Personnel Services			$ 1,769,250	$ 1,827,544	$ 1,891,119	$ 1,960,622	$ 2,102,559	$ 2,180,388
	Other Operating Expenses								
173	IT Capital Allocation	Contractual Services	Labor	$ 600	$ 618	$ 637	$ 656	$ 675	$ 696
174	Info Technology Automation Allocation	Contractual Services	Labor	59,400	61,182	63,017	64,908	66,855	68,861
175	IT Microsoft Office Allocation	Contractual Services	Labor	2,100	2,163	2,228	2,295	2,364	2,434
176	Indirect Cost Reimbursement	Contractual Services	Indirect	3,138,200	3,232,346	3,329,316	3,429,196	3,532,072	3,638,034
177	Interdepartmental Payment For Services	Contractual Services	Labor	1,200	1,236	1,273	1,311	1,351	1,391
178	Other Contractual Services	Contractual Services	Inflation	130,000	133,120	136,581	139,996	143,496	146,939
179	Temporary Labor	Contractual Services	Inflation	42,000	43,008	44,126	45,229	46,360	47,473
180	Out of County Travel Professional Development	Other Operating Expenses	UtilityEmployees	3,500	3,636	3,891	4,043	4,201	4,369
181	Out of County Travel Regular Business	Other Operating Expenses	UtilityEmployees	400	416	445	462	480	499
182	Telephone Access Charges	Other Operating Expenses	Inflation	6,000	6,144	6,304	6,461	6,623	6,782
183	Cellular Telephone	Other Operating Expenses	UtilityEmployees	6,000	6,233	6,671	6,932	7,201	7,490
184	Telephone System Support Allocation	Other Operating Expenses	Inflation	200	205	210	215	221	226
185	Postage Freight and UPS	Other Operating Expenses	Inflation	200	205	210	215	221	226
186	Insurance General	Insurance	Gen-Ins	41,700	43,785	45,974	48,273	50,687	53,221
187	Property Insurance	Insurance	Gen-Ins	2,100	2,205	2,315	2,431	2,553	2,680
188	Building R and M ISF Billings	Materials, Supplies, and Maintenance	Repair	500	518	537	558	579	602
189	Office Equipment R and M	Materials, Supplies, and Maintenance	Repair	300	311	322	335	348	361

Table 7

Collier County Water-Sewer District
Bond Feasibility Report - Series 2019 Bonds

Projection of Operating Expenses - Combined Water, Wastewater and IQ Water Systems

Line No.	Description	CAFR Classifications	Escalation Reference [1]	Fiscal Year Ending September 30, 2019	2020	2021	2022	2023	2024
190	Printing and/or Binding Outside Vendors	Other Operating Expenses	Inflation	200	205	210	215	221	226
191	Licenses and Permits	Other Operating Expenses	Inflation	200	205	210	215	221	226
192	Payment In Lieu of Taxes (PILT)	Contractual Services	Input	7,743,300	8,291,221	8,745,245	9,073,202	9,377,150	9,744,009
193	Legal Advertising	Other Operating Expenses	Inflation	2,000	2,048	2,101	2,154	2,208	2,261
194	Office Supplies General	Materials, Supplies, and Maintenance	Inflation	7,000	7,168	7,354	7,538	7,727	7,912
195	Copying Charges	Materials, Supplies, and Maintenance	Inflation	1,000	1,024	1,051	1,077	1,104	1,130
196	Minor Office Equipment	Materials, Supplies, and Maintenance	Inflation	1,000	1,024	1,051	1,077	1,104	1,130
197	Minor Office Furniture	Materials, Supplies, and Maintenance	Inflation	300	307	315	323	331	339
198	Minor Data Processing Equipment	Materials, Supplies, and Maintenance	UtilityEmployees	1,500	1,558	1,668	1,733	1,800	1,872
199	Clothing and Uniform Purchases	Materials, Supplies, and Maintenance	UtilityEmployees	1,300	1,351	1,445	1,502	1,560	1,623
200	Personal Safety Equipment	Materials, Supplies, and Maintenance	UtilityEmployees	600	623	667	693	720	749
201	Fuel and Lubricants ISF Billings	Materials, Supplies, and Maintenance	Fuel	1,200	1,266	1,336	1,409	1,487	1,568
202	Minor Operating Equipment	Materials, Supplies, and Maintenance	Inflation	200	205	210	215	221	226
203	Computer Software	Other Operating Expenses	Inflation	34,000	34,816	35,721	36,614	37,530	38,430
204	Books Publications and Subscriptions	Materials, Supplies, and Maintenance	Inflation	1,300	1,340	1,403	1,448	1,494	1,544
205	Dues and Memberships	Other Operating Expenses	UtilityEmployees	2,900	3,013	3,224	3,350	3,481	3,620
206	Tuition	Employee Benefits	UtilityEmployees	7,100	7,376	7,894	8,202	8,522	8,863
207	Other Training Educational Expenses	Other Operating Expenses	UtilityEmployees	21,100	21,921	23,459	24,376	25,324	26,338
208	Total Other Operating Expenses			$ 11,260,600	$ 11,914,002	$ 12,478,623	$ 12,918,860	$ 13,338,488	$ 13,824,352
209	Total Public Utilities Division Operations Support Expenses			$ 13,029,850	$ 13,741,545	$ 14,369,743	$ 14,879,482	$ 15,441,047	$ 16,004,740
	Public Utilities Inventory Control								
	Personnel Services								
210	Regular Salaries	Salaries and Wages	Labor	$ 476,747	$ 491,049	$ 505,781	$ 520,954	$ 536,583	$ 552,680
211	ER 457 Deferred Comp	Salaries and Wages	Labor	2,500	2,575	2,652	2,732	2,814	2,898
212	Overtime	Salaries and Wages	Labor	16,504	16,999	17,509	18,034	18,575	19,133
213	Vacation Sell Back	Employee Benefits	Labor	3,219	3,316	3,415	3,517	3,623	3,732
214	Reserve for Salary Adjustment	Salaries and Wages	Labor	9,536	9,822	10,117	10,420	10,733	11,055
215	Social Security Matching	Employee Benefits	Labor	38,898	40,065	41,267	42,505	43,780	45,093
216	Retirement Regular	Employee Benefits	Labor	44,325	45,655	47,024	48,435	49,888	51,385
217	Health Insurance	Employee Benefits	Ins-Health	131,000	137,550	146,147	157,108	168,891	181,558
218	Dental Insurance	Employee Benefits	Ins-Dental	4,900	5,145	5,402	5,672	5,956	6,254
219	Short Term Disability Ins	Employee Benefits	Ins-Disability	1,000	1,050	1,103	1,158	1,216	1,276
220	Long Term Disability Ins	Employee Benefits	Ins-Disability	2,000	2,100	2,205	2,315	2,431	2,553
221	Life Insurance Short and Long Term	Employee Benefits	Constant	1,370	1,370	1,370	1,370	1,370	1,370
222	Workers Compensation Regular	Employee Benefits	WorkComp	1,463	1,536	1,613	1,694	1,778	1,867
223	Total Personnel Services			$ 733,462	$ 758,232	$ 785,605	$ 815,915	$ 847,638	$ 880,854
	Other Operating Expenses								
224	County Employee Physicals	Contractual Services	UtilityEmployees	$ 1,000	$ 1,039	$ 1,114	$ 1,158	$ 1,203	$ 1,249
225	IT Capital Allocation	Contractual Services	Labor	500	515	530	546	563	580
226	Info Technology Automation Allocation	Contractual Services	Labor	28,200	29,046	29,917	30,815	31,739	32,692
227	IT Microsoft Office Allocation	Contractual Services	Labor	1,100	1,133	1,167	1,202	1,238	1,275
228	Other Contractual Services	Contractual Services	Inflation	6,500	6,656	6,829	7,000	7,175	7,347
229	Temporary Labor	Contractual Services	Inflation	33,900	34,714	35,616	36,507	37,419	38,317
230	Out of County Travel Professional Development	Other Operating Expenses	Inflation	1,200	1,229	1,261	1,292	1,325	1,356
231	Motor Pool Capital Recovery Charge	Other Operating Expenses	Inflation	7,600	7,782	7,985	8,184	8,389	8,590
232	Telephone Access Charges	Other Operating Expenses	Inflation	2,600	2,662	2,732	2,800	2,870	2,939
233	Cellular Telephone	Other Operating Expenses	UtilityEmployees	3,000	3,118	3,342	3,474	3,610	3,748
234	Telephone System Support Allocation	Other Operating Expenses	Inflation	800	819	840	862	883	904
235	Postage Freight and UPS	Other Operating Expenses	Inflation	1,000	1,024	1,051	1,077	1,104	1,130
236	Lease Equipment	Other Operating Expenses	Inflation	1,900	1,946	1,996	2,046	2,097	2,148

Table 7

Collier County Water-Sewer District
Bond Feasibility Report - Series 2019 Bonds

Projection of Operating Expenses - Combined Water, Wastewater and IQ Water Systems

Line No.	Description	CAFR Classifications	Escalation Reference [1]	Fiscal Year Ending September 30, 2019	2020	2021	2022	2023	2024
237	Auto Insurance	Insurance	Constant	1,400	1,400	1,400	1,400	1,400	1,400
238	Building R and M ISF Billings	Materials, Supplies, and Maintenance	Repair	500	518	537	558	579	602
239	Fleet Maint ISF Labor and Overhead	Materials, Supplies, and Maintenance	Repair	1,300	1,347	1,397	1,450	1,506	1,566
240	Fleet Maint ISF Parts and Sublet	Materials, Supplies, and Maintenance	Repair	300	311	322	335	348	361
241	Fleet Non Maint ISF Parts and Sublet	Materials, Supplies, and Maintenance	Repair	1,400	1,450	1,504	1,561	1,622	1,687
242	Printing and/or Binding Outside Vendors	Other Operating Expenses	Inflation	200	205	210	215	221	226
243	Office Supplies General	Materials, Supplies, and Maintenance	Inflation	4,000	4,096	4,202	4,308	4,415	4,521
244	Copying Charges	Materials, Supplies, and Maintenance	Inflation	400	410	420	431	442	452
245	Minor Office Equipment	Materials, Supplies, and Maintenance	Inflation	2,000	2,048	2,101	2,154	2,208	2,261
246	Minor Data Processing Equipment	Materials, Supplies, and Maintenance	Inflation	5,000	5,120	5,253	5,384	5,519	5,652
247	Clothing and Uniform Purchases	Materials, Supplies, and Maintenance	UtilityEmployees	4,000	4,158	4,456	4,632	4,814	4,997
248	Uniform Accessories	Materials, Supplies, and Maintenance	UtilityEmployees	500	520	557	579	602	625
249	Personal Safety Equipment	Materials, Supplies, and Maintenance	UtilityEmployees	1,200	1,247	1,337	1,390	1,444	1,499
250	Fuel and Lubricants Outside Vendors	Materials, Supplies, and Maintenance	Fuel	2,000	2,110	2,226	2,348	2,478	2,614
251	Fuel and Lubricants ISF Billings	Materials, Supplies, and Maintenance	Fuel	600	633	668	705	743	784
252	Household and Institutional Supplies	Materials, Supplies, and Maintenance	Inflation	100	102	105	108	110	113
253	Medical Supplies	Materials, Supplies, and Maintenance	Inflation	200	205	210	215	221	226
254	Minor Operating Equipment	Materials, Supplies, and Maintenance	Inflation	8,000	8,192	8,405	8,615	8,830	9,042
255	Computer Software	Other Operating Expenses	Inflation	1,000	1,024	1,051	1,077	1,104	1,130
256	Other Operating Supplies	Materials, Supplies, and Maintenance	Inflation	2,500	2,560	2,627	2,692	2,760	2,826
257	Other Training Educational Expenses	Other Operating Expenses	UtilityEmployees	9,900	10,290	11,029	11,465	11,914	12,369
258	Total Other Operating Expenses			$ 135,800	$ 139,629	$ 144,397	$ 148,584	$ 152,895	$ 157,230
259	Total Public Utilities Inventory Control Expenses			$ 869,262	$ 897,861	$ 930,002	$ 964,499	$ 1,000,533	$ 1,038,084
	Wastewater Operations Administration								
	Personnel Services								
260	Regular Salaries	Salaries and Wages	Labor	$ 282,437	$ 290,910	$ 299,637	$ 308,627	$ 317,885	$ 327,422
261	ER 457 Deferred Comp	Salaries and Wages	Labor	1,500	1,545	1,591	1,639	1,688	1,739
262	Other Salaries and Wages	Salaries and Wages	Labor	-	-	-	-	-	-
263	Overtime	Salaries and Wages	Labor	-	-	-	-	-	-
264	Vacation Sell Back	Employee Benefits	Labor	693	714	735	757	780	803
265	Special Pay Adjustment	Employee Benefits	Labor	-	-	-	-	-	-
266	Termination Pay	Employee Benefits	Labor	-	-	-	-	-	-
267	Reserve for Salary Adjustment	Salaries and Wages	Labor	5,684	5,855	6,030	6,211	6,397	6,589
268	Social Security Matching	Employee Benefits	Labor	22,206	22,872	23,558	24,265	24,993	25,743
269	Retirement Regular	Employee Benefits	Labor	42,717	43,999	45,318	46,678	48,078	49,521
270	Health Insurance	Employee Benefits	Ins-Health	52,400	55,020	58,459	62,843	67,556	72,623
271	Dental Insurance	Employee Benefits	Ins-Dental	1,960	2,058	2,161	2,269	2,382	2,502
272	Short Term Disability Ins	Employee Benefits	Ins-Disability	400	420	441	463	486	511
273	Long Term Disability Ins	Employee Benefits	Ins-Disability	800	840	882	926	972	1,021
274	Life Insurance Short and Long Term	Employee Benefits	Constant	809	809	809	809	809	809
275	Workers Compensation Regular	Employee Benefits	WorkComp	1,354	1,422	1,493	1,567	1,646	1,728
276	Additional Personnel Salary	#N/A	Calculated	-	-	-	-	-	-
277	Additional Personnel Benefits	#N/A	Calculated	-	-	-	-	-	-
278	Total Personnel Services			$ 412,960	$ 426,463	$ 441,115	$ 457,055	$ 473,675	$ 491,010
	Other Operating Expenses								
279	Legal Fees	Contractual Services	Inflation	$ 1,500	$ 1,536	$ 1,576	$ 1,615	$ 1,656	$ 1,695
280	County Employee Physicals	Contractual Services	UtilityEmployees	6,500	6,742	7,181	7,451	7,732	8,049
281	IT Capital Allocation	Contractual Services	Labor	200	206	212	219	225	232
282	Info Technology Automation Allocation	Contractual Services	Labor	23,300	23,999	24,719	25,461	26,224	27,011
283	IT Microsoft Office Allocation	Contractual Services	Labor	400	412	424	437	450	464

Table 7

Collier County Water-Sewer District
Bond Feasibility Report - Series 2019 Bonds

Projection of Operating Expenses - Combined Water, Wastewater and IQ Water Systems

Line No.	Description	CAFR Classifications	Escalation Reference [1]	Fiscal Year Ending September 30, 2019	2020	2021	2022	2023	2024
284	Interdepartmental Payment For Services	Contractual Services	Labor	1,000	1,030	1,061	1,093	1,126	1,159
285	Other Contractual Services	Contractual Services	Inflation	29,000	29,696	30,468	31,230	32,011	32,779
286	Out of County Travel Professional Development	Other Operating Expenses	UtilityEmployees	3,700	3,838	4,088	4,241	4,401	4,582
287	Motor Pool Capital Recovery Charge	Other Operating Expenses	Inflation	15,400	15,770	16,180	16,584	16,999	17,407
288	Telephone Access Charges	Other Operating Expenses	Inflation	1,000	1,024	1,051	1,077	1,104	1,130
289	Cellular Telephone	Other Operating Expenses	UtilityEmployees	6,100	6,327	6,739	6,993	7,256	7,554
290	Telephone System Support Allocation	Other Operating Expenses	Inflation	400	410	420	431	442	452
291	Postage Freight and UPS	Other Operating Expenses	Inflation	100	102	105	108	110	113
292	Insurance General	Insurance	Gen-Ins	131,300	137,865	144,758	151,996	159,596	167,576
293	Property Insurance	Insurance	Gen-Ins	872,400	916,020	961,821	1,009,912	1,060,408	1,113,428
294	Auto Insurance	Insurance	Constant	1,900	1,900	1,900	1,900	1,900	1,900
295	Building R and M ISF Billings	Materials, Supplies, and Maintenance	Repair	500	518	537	558	579	602
296	Fleet Maint ISF Labor and Overhead	Materials, Supplies, and Maintenance	Repair	1,400	1,450	1,504	1,561	1,622	1,687
297	Fleet Maint ISF Parts and Sublet	Materials, Supplies, and Maintenance	Repair	500	518	537	558	579	602
298	Fleet Non Maint ISF Parts and Sublet	Materials, Supplies, and Maintenance	Repair	400	414	430	446	463	482
299	Communication Equipment RM Outside Vendors	Materials, Supplies, and Maintenance	Repair	600	622	645	669	695	723
300	Office Equipment R and M	Materials, Supplies, and Maintenance	Repair	100	104	107	112	116	120
301	Printing and/or Binding Outside Vendors	Other Operating Expenses	Inflation	200	205	210	215	221	226
302	Reimbursement Prior Year Revenues	Other Operating Expenses	Eliminate	70,000	-	-	-	-	-
303	Office Supplies General	Materials, Supplies, and Maintenance	Inflation	2,700	2,765	2,837	2,908	2,980	3,052
304	Minor Office Equipment	Materials, Supplies, and Maintenance	Inflation	400	410	420	431	442	452
305	Minor Office Furniture	Materials, Supplies, and Maintenance	Inflation	200	205	210	215	221	226
306	Minor Data Processing Equipment	Materials, Supplies, and Maintenance	Inflation	300	307	315	323	331	339
307	Clothing and Uniform Purchases	Materials, Supplies, and Maintenance	UtilityEmployees	900	934	994	1,032	1,071	1,115
308	Personal Safety Equipment	Materials, Supplies, and Maintenance	UtilityEmployees	69,100	71,673	76,341	79,212	82,195	85,572
309	Fuel and Lubricants ISF Billings	Materials, Supplies, and Maintenance	Fuel	4,400	4,642	4,897	5,167	5,451	5,751
310	Household and Institutional Supplies	Materials, Supplies, and Maintenance	Inflation	200	205	210	215	221	226
311	Minor Operating Equipment	Materials, Supplies, and Maintenance	Inflation	600	614	630	646	662	678
312	Computer Software	Other Operating Expenses	Inflation	1,200	1,229	1,261	1,292	1,325	1,356
313	Books Publications and Subscriptions	Materials, Supplies, and Maintenance	Inflation	200	205	210	215	221	226
314	Dues and Memberships	Other Operating Expenses	UtilityEmployees	600	622	663	688	714	743
315	Other Training Educational Expenses	Other Operating Expenses	UtilityEmployees	3,800	3,942	4,198	4,356	4,520	4,706
316	Total Other Operating Expenses			$ 1,252,500	$ 1,238,459	$ 1,299,861	$ 1,361,565	$ 1,426,267	$ 1,494,417
317	Total Wastewater Operations Administration Expenses			$ 1,665,460	$ 1,664,922	$ 1,740,977	$ 1,818,620	$ 1,899,942	$ 1,985,427
	Water Operations Administration								
	Personnel Services								
318	Regular Salaries	Salaries and Wages	Labor	$ 286,061	$ 294,643	$ 303,482	$ 312,587	$ 321,964	$ 331,623
319	ER 457 Deferred Comp	Salaries and Wages	Labor	2,000	2,060	2,122	2,185	2,251	2,319
320	Overtime	Salaries and Wages	Labor	1,910	1,967	2,026	2,087	2,150	2,214
321	Vacation Sell Back	Employee Benefits	Labor	1,774	1,827	1,882	1,938	1,997	2,057
322	Reserve for Salary Adjustment	Salaries and Wages	Labor	5,725	5,897	6,074	6,256	6,444	6,637
323	Social Security Matching	Employee Benefits	Labor	22,755	23,438	24,141	24,865	25,611	26,379
324	Retirement Regular	Employee Benefits	Labor	32,391	33,363	34,364	35,395	36,456	37,550
325	Health Insurance	Employee Benefits	Ins-Health	52,400	55,020	58,459	62,843	67,556	72,623
326	Dental Insurance	Employee Benefits	Ins-Dental	1,960	2,058	2,161	2,269	2,382	2,502
327	Short Term Disability Ins	Employee Benefits	Ins-Disability	400	420	441	463	486	511
328	Long Term Disability Ins	Employee Benefits	Ins-Disability	800	840	882	926	972	1,021
329	Life Insurance Short and Long Term	Employee Benefits	Constant	822	822	822	822	822	822
330	Workers Compensation Regular	Employee Benefits	WorkComp	4,823	5,064	5,317	5,583	5,862	6,156
331	Total Personnel Services			$ 413,821	$ 427,419	$ 442,172	$ 458,220	$ 474,954	$ 492,412

Table 7

Collier County Water-Sewer District
Bond Feasibility Report - Series 2019 Bonds

Projection of Operating Expenses - Combined Water, Wastewater and IQ Water Systems

Line No.	Description	CAFR Classifications	Escalation Reference [1]	Fiscal Year Ending September 30, 2019	2020	2021	2022	2023	2024
	Other Operating Expenses								
332	IT Capital Allocation	Contractual Services	Labor	$ 200	$ 206	$ 212	$ 219	$ 225	$ 232
333	Info Technology Automation Allocation	Contractual Services	Labor	14,900	15,347	15,807	16,282	16,770	17,273
334	IT Microsoft Office Allocation	Contractual Services	Labor	400	412	424	437	450	464
335	Interdepartmental Payment For Services	Contractual Services	Labor	500	515	530	546	563	580
336	Other Contractual Services	Contractual Services	Inflation	6,000	6,144	6,304	6,461	6,623	6,782
337	Out of County Travel Professional Development	Other Operating Expenses	UtilityEmployees	4,500	4,678	5,014	5,213	5,419	5,653
338	Motor Pool Capital Recovery Charge	Other Operating Expenses	Inflation	8,300	8,499	8,720	8,938	9,162	9,382
339	Telephone Access Charges	Other Operating Expenses	Inflation	1,400	1,434	1,471	1,508	1,545	1,582
340	Cellular Telephone	Other Operating Expenses	UtilityEmployees	3,000	3,119	3,343	3,475	3,613	3,768
341	Telephone System Support Allocation	Other Operating Expenses	Inflation	300	307	315	323	331	339
342	Postage Freight and UPS	Other Operating Expenses	Inflation	1,500	1,536	1,576	1,615	1,656	1,695
343	Lease Equipment	Other Operating Expenses	Inflation	2,000	2,048	2,101	2,154	2,208	2,261
344	Insurance General	Insurance	Gen-Ins	126,900	133,245	139,907	146,903	154,248	161,960
345	Property Insurance	Insurance	Gen-Ins	488,300	512,715	538,351	565,268	593,532	623,208
346	Fleet Maint ISF Labor and Overhead	Materials, Supplies, and Maintenance	Repair	100	104	107	112	116	120
347	Fleet Non Maint ISF Parts and Sublet	Materials, Supplies, and Maintenance	Repair	100	104	107	112	116	120
348	Communication Equipment RM Outside Vendors	Materials, Supplies, and Maintenance	Repair	700	725	752	781	811	843
349	Office Equipment R and M	Materials, Supplies, and Maintenance	Repair	2,000	2,072	2,149	2,230	2,317	2,410
350	Printing and/or Binding Outside Vendors	Other Operating Expenses	Inflation	2,500	2,560	2,627	2,692	2,760	2,826
351	Other Ads	Other Operating Expenses	Inflation	100	102	105	108	110	113
352	Licenses and Permits	Other Operating Expenses	Inflation	10,600	10,854	11,137	11,415	11,700	11,981
353	Legal Advertising	Other Operating Expenses	Inflation	7,100	7,270	7,459	7,646	7,837	8,025
354	Reimbursement Prior Year Revenues	Other Operating Expenses	Eliminate	60,000	-	-	-	-	-
355	Office Supplies General	Materials, Supplies, and Maintenance	Inflation	5,000	5,120	5,253	5,384	5,519	5,652
356	Minor Office Equipment	Materials, Supplies, and Maintenance	Inflation	500	512	525	538	552	565
357	Clothing and Uniform Purchases	Materials, Supplies, and Maintenance	UtilityEmployees	20,400	21,206	22,731	23,632	24,566	25,625
358	Uniform Accessories	Materials, Supplies, and Maintenance	UtilityEmployees	48,300	50,209	53,818	55,952	58,163	60,671
359	Personal Safety Equipment	Materials, Supplies, and Maintenance	UtilityEmployees	83,800	87,113	93,374	97,077	100,911	105,264
360	Fuel and Lubricants ISF Billings	Materials, Supplies, and Maintenance	Fuel	2,300	2,427	2,560	2,701	2,849	3,006
361	Minor Operating Equipment	Materials, Supplies, and Maintenance	Inflation	2,000	2,048	2,101	2,154	2,208	2,261
362	Other Operating Supplies	Materials, Supplies, and Maintenance	Inflation	2,500	2,560	2,627	2,692	2,760	2,826
363	Books Publications and Subscriptions	Materials, Supplies, and Maintenance	Inflation	3,200	3,277	3,362	3,446	3,532	3,617
364	Dues and Memberships	Other Operating Expenses	UtilityEmployees	11,800	12,266	13,148	13,669	14,209	14,822
365	Other Training Educational Expenses	Other Operating Expenses	UtilityEmployees	7,300	7,589	8,134	8,457	8,791	9,170
366	Bulk Water	Utilities	MarcoIsland	452,000	465,560	479,527	493,913	508,730	523,992
367	Total Other Operating Expenses			$ 1,380,500	$ 1,373,883	$ 1,435,679	$ 1,494,052	$ 1,554,900	$ 1,619,089
368	Total Water Operations Administration Expenses			$ 1,794,321	$ 1,801,301	$ 1,877,851	$ 1,952,272	$ 2,029,854	$ 2,111,502
	Public Utility stake and Locates								
	Personnel Services								
369	Regular Salaries	Salaries and Wages	Labor	$ 592,245	$ 610,012	$ 628,313	$ 647,162	$ 666,577	$ 686,574
370	ER 457 Deferred Comp	Salaries and Wages	Labor	1,000	1,030	1,061	1,093	1,126	1,159
371	Overtime	Salaries and Wages	Labor	14,028	14,449	14,882	15,329	15,789	16,262
372	Vacation Sell Back	Employee Benefits	Labor	2,213	2,279	2,348	2,418	2,491	2,565
373	Special Pay Adjustment	Employee Benefits	Labor	1,635	1,684	1,735	1,787	1,840	1,895
374	Reserve for Salary Adjustment	Salaries and Wages	Labor	11,844	12,199	12,565	12,942	13,331	13,730
375	Social Security Matching	Employee Benefits	Labor	47,657	49,087	50,559	52,076	53,638	55,248
376	Retirement Regular	Employee Benefits	Labor	54,483	56,117	57,801	59,535	61,321	63,161
377	Health Insurance	Employee Benefits	Ins-Health	183,400	192,570	204,606	219,951	236,447	254,181
378	Dental Insurance	Employee Benefits	Ins-Dental	6,860	7,203	7,563	7,941	8,338	8,755
379	Short Term Disability Ins	Employee Benefits	Ins-Disability	1,400	1,470	1,544	1,621	1,702	1,787
380	Long Term Disability Ins	Employee Benefits	Ins-Disability	2,800	2,940	3,087	3,241	3,403	3,574

Table 7

Collier County Water-Sewer District
Bond Feasibility Report - Series 2019 Bonds

Projection of Operating Expenses - Combined Water, Wastewater and IQ Water Systems

Line No.	Description	CAFR Classifications	Escalation Reference [1]	Fiscal Year Ending September 30, 2019	2020	2021	2022	2023	2024
381	Life Insurance Short and Long Term	Employee Benefits	Constant	1,697	1,697	1,697	1,697	1,697	1,697
382	Workers Compensation Regular	Employee Benefits	WorkComp	12,571	13,200	13,860	14,553	15,280	16,044
383	Total Personnel Services			$ 933,833	$ 965,938	$ 1,001,620	$ 1,041,346	$ 1,082,980	$ 1,126,633
	Other Operating Expenses								
384	County Employee Physicals	Contractual Services	UtilityEmployees	$ 700	$ 727	$ 778	$ 808	$ 839	$ 874
385	IT Capital Allocation	Contractual Services	Labor	800	824	849	874	900	927
386	Info Technology Automation Allocation	Contractual Services	Labor	47,300	48,719	50,181	51,686	53,237	54,834
387	IT Billing Hours Allocation	Contractual Services	Labor	100	103	106	109	113	116
388	IT Microsoft Office Allocation	Contractual Services	Labor	1,500	1,545	1,591	1,639	1,688	1,739
389	Interdepartmental Payment For Services	Contractual Services	Labor	500	515	530	546	563	580
390	Locate Supplies	Materials, Supplies, and Maintenance	Inflation	34,400	35,226	36,141	37,045	37,971	38,882
391	Other Contractual Services	Contractual Services	Inflation	46,500	47,616	48,854	50,075	51,327	52,559
392	Out of County Travel Professional Development	Other Operating Expenses	UtilityEmployees	3,600	3,739	3,999	4,154	4,315	4,492
393	Motor Pool Capital Recovery Charge	Other Operating Expenses	Inflation	75,000	76,800	78,797	80,767	82,786	84,773
394	Telephone Access Charges	Other Operating Expenses	Inflation	800	819	840	862	883	904
395	Cellular Telephone	Other Operating Expenses	UtilityEmployees	16,000	16,619	17,772	18,463	19,179	19,967
396	Telephone System Support Allocation	Other Operating Expenses	Inflation	200	205	210	215	221	226
397	Postage Freight and UPS	Other Operating Expenses	Inflation	3,000	3,072	3,152	3,231	3,311	3,391
398	Lease Equipment	Other Operating Expenses	Inflation	1,500	1,536	1,576	1,615	1,656	1,695
399	Auto Insurance	Insurance	Constant	13,000	13,000	13,000	13,000	13,000	13,000
400	Fleet Maint ISF Labor and Overhead	Materials, Supplies, and Maintenance	Repair	6,300	6,527	6,768	7,025	7,299	7,591
401	Fleet Maint ISF Parts and Sublet	Materials, Supplies, and Maintenance	Repair	5,100	5,284	5,479	5,687	5,909	6,145
402	Fleet Non Maint ISF Parts and Sublet	Materials, Supplies, and Maintenance	Repair	4,700	4,869	5,049	5,241	5,446	5,663
403	Communication Equipment RM Outside Vendors	Materials, Supplies, and Maintenance	Repair	2,000	2,072	2,149	2,230	2,317	2,410
404	Other Equip Repairs and Maintenance	Materials, Supplies, and Maintenance	Repair	1,500	1,554	1,611	1,673	1,738	1,807
405	Printing and/or Binding Outside Vendors	Other Operating Expenses	Inflation	1,500	1,536	1,576	1,615	1,656	1,695
406	Other Ads	Other Operating Expenses	Inflation	8,000	8,192	8,405	8,615	8,830	9,042
407	Marketing and Promotional	Other Operating Expenses	Inflation	10,000	10,240	10,506	10,769	11,038	11,303
408	Sales Tax Expense	Other Operating Expenses	Inflation	100	102	105	108	110	113
409	Office Supplies General	Materials, Supplies, and Maintenance	Inflation	7,000	7,168	7,354	7,538	7,727	7,912
410	Copying Charges	Materials, Supplies, and Maintenance	Inflation	500	512	525	538	552	565
411	Minor Data Processing Equipment	Materials, Supplies, and Maintenance	Inflation	4,100	4,198	4,308	4,415	4,526	4,634
412	Clothing and Uniform Purchases	Materials, Supplies, and Maintenance	UtilityEmployees	7,000	7,271	7,775	8,078	8,391	8,735
413	Personal Safety Equipment	Materials, Supplies, and Maintenance	UtilityEmployees	8,400	8,725	9,330	9,693	10,069	10,482
414	Fuel and Lubricants ISF Billings	Materials, Supplies, and Maintenance	Fuel	33,900	35,765	37,732	39,807	41,996	44,306
415	Medical Supplies	Materials, Supplies, and Maintenance	Inflation	400	410	420	431	442	452
416	Minor Operating Equipment	Materials, Supplies, and Maintenance	Inflation	20,000	20,480	21,012	21,538	22,076	22,606
417	Computer Software	Other Operating Expenses	Inflation	1,000	1,024	1,051	1,077	1,104	1,130
418	Other Operating Supplies	Materials, Supplies, and Maintenance	Inflation	12,500	12,800	13,133	13,461	13,798	14,129
419	Books Publications and Subscriptions	Materials, Supplies, and Maintenance	Inflation	300	307	315	323	331	339
420	Dues and Memberships	Other Operating Expenses	UtilityEmployees	600	623	666	692	719	749
421	Tuition	Employee Benefits	UtilityEmployees	4,000	4,155	4,443	4,616	4,795	4,992
422	Other Training Educational Expenses	Other Operating Expenses	UtilityEmployees	21,000	21,812	23,326	24,233	25,172	26,206
423	Total Other Operating Expenses			$ 404,800	$ 416,690	$ 431,417	$ 444,495	$ 458,030	$ 471,969
424	Total Public Utility Stake and Locates Expenses			$ 1,338,633	$ 1,382,627	$ 1,433,036	$ 1,485,840	$ 1,541,010	$ 1,598,602
	Public Utilities Department Technology								
	Personnel Services								
425	Regular Salaries	Salaries and Wages	Labor	$ 710,485	$ 731,800	$ 753,754	$ 776,366	$ 799,657	$ 823,647
426	ER 457 Deferred Comp	Salaries and Wages	Labor	1,000	1,030	1,061	1,093	1,126	1,159
427	Other Salaries and Wages	Salaries and Wages	Labor	34,408	35,440	36,503	37,599	38,727	39,888

Table 7

Collier County Water-Sewer District
Bond Feasibility Report - Series 2019 Bonds

Projection of Operating Expenses - Combined Water, Wastewater and IQ Water Systems

Line No.	Description	CAFR Classifications	Escalation Reference [1]	Fiscal Year Ending September 30, 2019	2020	2021	2022	2023	2024
428	Overtime	Salaries and Wages	Labor	14,551	14,988	15,437	15,900	16,377	16,869
429	Vacation Sell Back	Employee Benefits	Labor	3,100	3,193	3,289	3,387	3,489	3,594
430	Reserve for Salary Adjustment	Salaries and Wages	Labor	14,209	14,635	15,074	15,527	15,992	16,472
431	Social Security Matching	Employee Benefits	Labor	59,499	61,284	63,122	65,016	66,967	68,976
432	Retirement Regular	Employee Benefits	Labor	68,044	70,085	72,188	74,354	76,584	78,882
433	Health Insurance - Job Bankers / PT	Employee Benefits	Ins-Health	13,100	13,755	14,615	15,711	16,889	18,156
434	Health Insurance	Employee Benefits	Ins-Health	157,200	165,060	175,376	188,529	202,669	217,869
435	Dental Insurance	Employee Benefits	Ins-Dental	5,880	6,174	6,483	6,807	7,147	7,505
436	Short Term Disability Ins	Employee Benefits	Ins-Disability	1,200	1,260	1,323	1,389	1,459	1,532
437	Long Term Disability Ins	Employee Benefits	Ins-Disability	2,400	2,520	2,646	2,778	2,917	3,063
438	Life Insurance Short and Long Term	Employee Benefits	Constant	2,038	2,038	2,038	2,038	2,038	2,038
439	Workers Compensation Regular	Employee Benefits	WorkComp	1,550	1,628	1,709	1,794	1,884	1,978
440	Total Personnel Services			$ 1,088,664	$ 1,124,889	$ 1,164,618	$ 1,208,288	$ 1,253,922	$ 1,301,627
	Other Operating Expenses								
441	County Employee Physicals	Contractual Services	UtilityEmployees	$ 600	$ 623	$ 667	$ 692	$ 719	$ 749
442	IT Capital Allocation	Contractual Services	Labor	1,200	1,236	1,273	1,311	1,351	1,391
443	Info Technology Automation Allocation	Contractual Services	Labor	65,200	67,156	69,171	71,246	73,383	75,585
444	IT Billing Hours Allocation	Contractual Services	Labor	260,400	268,212	276,258	284,546	293,082	301,875
445	IT Microsoft Office Allocation	Contractual Services	Labor	1,400	1,442	1,485	1,530	1,576	1,623
446	Interdepartmental Payment For Services	Contractual Services	Labor	1,000	1,030	1,061	1,093	1,126	1,159
447	Other Contractual Services	Contractual Services	Inflation	160,000	163,840	168,100	172,302	176,610	180,849
448	Out of County Travel Professional Development	Other Operating Expenses	UtilityEmployees	14,900	15,477	16,552	17,196	17,863	18,595
449	Motor Pool Capital Recovery Charge	Other Operating Expenses	Inflation	10,700	10,957	11,242	11,523	11,811	12,094
450	Telephone Access Charges	Other Operating Expenses	Inflation	2,600	2,662	2,732	2,800	2,870	2,939
451	Cellular Telephone	Other Operating Expenses	UtilityEmployees	8,400	8,725	9,331	9,695	10,071	10,483
452	Telephone System Support Allocation	Other Operating Expenses	Inflation	1,100	1,126	1,156	1,185	1,214	1,243
453	Postage Freight and UPS	Other Operating Expenses	Inflation	200	205	210	215	221	226
454	Freight	Other Operating Expenses	Inflation	500	512	525	538	552	565
455	Lease Equipment	Other Operating Expenses	Inflation	3,600	3,686	3,782	3,877	3,974	4,069
456	Auto Insurance	Insurance	Constant	1,400	1,400	1,400	1,400	1,400	1,400
457	Fleet Maint ISF Labor and Overhead	Materials, Supplies, and Maintenance	Repair	900	932	967	1,004	1,043	1,084
458	Fleet Maint ISF Parts and Sublet	Materials, Supplies, and Maintenance	Repair	600	622	645	669	695	723
459	Fleet Non Maint ISF Parts and Sublet	Materials, Supplies, and Maintenance	Repair	400	414	430	446	463	482
460	Communication Equipment RM Outside Vendors	Materials, Supplies, and Maintenance	Repair	1,000	1,036	1,074	1,115	1,159	1,205
461	Printing and/or Binding Outside Vendors	Other Operating Expenses	Inflation	900	922	946	969	993	1,017
462	Sales Tax Expense	Other Operating Expenses	Inflation	100	102	105	108	110	113
463	Office Supplies General	Materials, Supplies, and Maintenance	Inflation	4,700	4,813	4,938	5,061	5,188	5,312
464	Minor Data Processing Equipment	Materials, Supplies, and Maintenance	Inflation	6,700	6,861	7,039	7,215	7,396	7,573
465	Clothing and Uniform Purchases	Materials, Supplies, and Maintenance	UtilityEmployees	1,800	1,870	2,000	2,077	2,158	2,246
466	Personal Safety Equipment	Materials, Supplies, and Maintenance	UtilityEmployees	2,800	2,908	3,110	3,232	3,357	3,494
467	Fuel and Lubricants ISF Billings	Materials, Supplies, and Maintenance	Fuel	1,400	1,477	1,558	1,644	1,734	1,830
468	Medical Supplies	Materials, Supplies, and Maintenance	Inflation	100	102	105	108	110	113
469	Minor Operating Equipment	Materials, Supplies, and Maintenance	Inflation	1,500	1,536	1,576	1,615	1,656	1,695
470	Computer Software	Other Operating Expenses	Inflation	241,500	247,296	253,726	260,069	266,571	272,968
471	Other Operating Supplies	Materials, Supplies, and Maintenance	Inflation	10,000	10,240	10,506	10,769	11,038	11,303
472	Books Publications and Subscriptions	Materials, Supplies, and Maintenance	Inflation	1,800	1,843	1,891	1,938	1,987	2,035
473	Dues and Memberships	Other Operating Expenses	UtilityEmployees	2,200	2,285	2,444	2,539	2,638	2,746
474	Tuition	Employee Benefits	UtilityEmployees	8,700	9,037	9,665	10,041	10,430	10,857
475	Other Training Educational Expenses	Other Operating Expenses	UtilityEmployees	40,700	42,275	45,213	46,973	48,794	50,792
476	Total Other Operating Expenses			$ 861,000	$ 884,861	$ 912,882	$ 938,741	$ 965,342	$ 992,434
477	**Total Public Utilities Department Tech Expenses**			$ 1,949,664	$ 2,009,751	$ 2,077,500	$ 2,147,029	$ 2,219,264	$ 2,294,061

Table 7

Collier County Water-Sewer District
Bond Feasibility Report - Series 2019 Bonds

Projection of Operating Expenses - Combined Water, Wastewater and IQ Water Systems

Line No.	Description	CAFR Classifications	Escalation Reference [1]	Fiscal Year Ending September 30, 2019	2020	2021	2022	2023	2024
	Collier County Water-Sewer District Client Billing								
	Personnel Services								
478	Regular Salaries	Salaries and Wages	Labor	$ 367,670	$ 378,700	$ 390,061	$ 401,763	$ 413,816	$ 426,230
479	ER 457 Deferred Comp	Salaries and Wages	Labor	500	515	530	546	563	580
480	Other Salaries and Wages	Salaries and Wages	Labor	34,408	35,440	36,503	37,599	38,727	39,888
481	Overtime	Salaries and Wages	Labor	10,014	10,314	10,624	10,943	11,271	11,609
482	Vacation Sell Back	Employee Benefits	Labor	1,560	1,607	1,655	1,705	1,756	1,808
483	Reserve for Salary Adjustment	Salaries and Wages	Labor	7,353	7,574	7,801	8,035	8,276	8,524
484	Social Security Matching	Employee Benefits	Labor	32,245	33,212	34,209	35,235	36,292	37,381
485	Retirement Regular	Employee Benefits	Labor	36,879	37,985	39,125	40,299	41,508	42,753
486	Health Insurance - Job Bankers / PT	Employee Benefits	Ins-Health	13,100	13,755	14,615	15,711	16,889	18,156
487	Health Insurance	Employee Benefits	Ins-Health	104,800	110,040	116,918	125,686	135,113	145,246
488	Dental Insurance	Employee Benefits	Ins-Dental	3,920	4,116	4,322	4,538	4,765	5,003
489	Short Term Disability Ins	Employee Benefits	Ins-Disability	800	840	882	926	972	1,021
490	Long Term Disability Ins	Employee Benefits	Ins-Disability	1,600	1,680	1,764	1,852	1,945	2,042
491	Life Insurance Short and Long Term	Employee Benefits	Constant	1,054	1,054	1,054	1,054	1,054	1,054
492	Workers Compensation Regular	Employee Benefits	WorkComp	1,262	1,325	1,391	1,461	1,534	1,611
493	Additional Personnel Salary	Salaries and Wages	Calculated	-	-	43,527	44,832	46,177	47,563
494	Additional Personnel Benefits	Employee Benefits	Calculated	-	-	21,883	22,539	23,216	23,912
495	Total Personnel Services			$ 617,165	$ 638,158	$ 726,863	$ 754,724	$ 783,872	$ 814,381
	Other Operating Expenses								
496	Collection Fees	Contractual Services	Inflation	$ 100	$ 102	$ 105	$ 108	$ 110	$ 113
497	IT Capital Allocation	Contractual Services	Labor	3,900	4,017	4,138	4,262	4,389	4,521
498	Info Technology Automation Allocation	Contractual Services	Labor	33,300	34,299	35,328	36,388	37,479	38,604
499	IT Billing Hours Allocation	Contractual Services	Labor	166,800	171,804	176,958	182,267	187,735	193,367
500	IT Microsoft Office Allocation	Contractual Services	Labor	1,000	1,030	1,061	1,093	1,126	1,159
501	Other Contractual Services	Contractual Services	Inflation	247,000	252,928	259,504	265,992	272,642	279,185
502	Telephone Access Charges	Other Operating Expenses	Inflation	3,800	3,891	3,992	4,092	4,194	4,295
503	Telephone System Support Allocation	Other Operating Expenses	Inflation	4,500	4,608	4,728	4,846	4,967	5,086
504	Postage Freight and UPS	Other Operating Expenses	UtilityCustomers	445,700	466,641	488,939	511,483	534,639	557,763
505	Lease Equipment	Other Operating Expenses	Inflation	3,700	3,789	3,887	3,984	4,084	4,182
506	Data Processing Equipment R and M	Materials, Supplies, and Maintenance	Repair	500	518	537	558	579	602
507	Printing and/or Binding Outside Vendors	Other Operating Expenses	Inflation	6,500	6,656	6,829	7,000	7,175	7,347
508	Office Supplies General	Materials, Supplies, and Maintenance	Inflation	5,000	5,120	5,253	5,384	5,519	5,652
509	Copying Charges	Materials, Supplies, and Maintenance	Inflation	500	512	525	538	552	565
510	Minor Office Equipment	Materials, Supplies, and Maintenance	Inflation	1,600	1,638	1,681	1,723	1,766	1,808
511	Minor Data Processing Equipment	Materials, Supplies, and Maintenance	Inflation	600	614	630	646	662	678
512	Minor Operating Equipment	Materials, Supplies, and Maintenance	Inflation	900	922	946	969	993	1,017
513	Computer Software	Other Operating Expenses	Inflation	10,000	10,240	10,506	10,769	11,038	11,303
514	Other Operating Supplies	Materials, Supplies, and Maintenance	Inflation	1,000	1,024	1,051	1,077	1,104	1,130
515	Total Other Operating Expenses			$ 936,400	$ 970,354	$ 1,006,599	$ 1,043,179	$ 1,080,755	$ 1,118,379
516	Total Collier County Water-Sewer District Client Billing Expenses			$ 1,553,565	$ 1,608,512	$ 1,733,462	$ 1,797,902	$ 1,864,627	$ 1,932,760
	Accounting/Assessments/Estoppel Program								
	Personnel Services								
517	Regular Salaries	Salaries and Wages	Labor	$ 614,162	$ 632,587	$ 651,564	$ 671,111	$ 691,245	$ 711,982
518	ER 457 Deferred Comp	Salaries and Wages	Labor	1,500	1,545	1,591	1,639	1,688	1,739
519	Other Salaries and Wages	Salaries and Wages	Labor	34,408	35,440	36,503	37,599	38,727	39,888
520	Overtime	Salaries and Wages	Labor	5,118	5,272	5,430	5,593	5,760	5,933
521	Vacation Sell Back	Employee Benefits	Labor	2,151	2,216	2,282	2,350	2,421	2,494

Table 7

Collier County Water-Sewer District
Bond Feasibility Report - Series 2019 Bonds

Projection of Operating Expenses - Combined Water, Wastewater and IQ Water Systems

Line No.	Description	CAFR Classifications	Escalation Reference [1]	Fiscal Year Ending September 30, 2019	2020	2021	2022	2023	2024
522	Reserve for Salary Adjustment	Salaries and Wages	Labor	12,297	12,666	13,046	13,437	13,840	14,256
523	Social Security Matching	Employee Benefits	Labor	51,225	52,762	54,345	55,975	57,654	59,384
524	Retirement Regular	Employee Benefits	Labor	58,525	60,281	62,089	63,952	65,870	67,847
525	Health Insurance - Job Bankers / PT	Employee Benefits	Ins-Health	13,100	13,755	14,615	15,711	16,889	18,156
526	Health Insurance	Employee Benefits	Ins-Health	183,400	192,570	204,606	219,951	236,447	254,181
527	Dental Insurance	Employee Benefits	Ins-Dental	6,860	7,203	7,563	7,941	8,338	8,755
528	Short Term Disability Ins	Employee Benefits	Ins-Disability	1,400	1,470	1,544	1,621	1,702	1,787
529	Long Term Disability Ins	Employee Benefits	Ins-Disability	2,800	2,940	3,087	3,241	3,403	3,574
530	Life Insurance Short and Long Term	Employee Benefits	Constant	1,758	1,758	1,758	1,758	1,758	1,758
531	Workers Compensation Regular	Employee Benefits	WorkComp	919	965	1,013	1,064	1,117	1,173
532	Additional Personnel Salary	Salaries and Wages	Calculated	-	-	-	-	46,177	47,563
533	Additional Personnel Benefits	Employee Benefits	Calculated	-	-	-	-	23,216	23,912
534	Total Personnel Services			$ 989,623	$ 1,023,429	$ 1,061,036	$ 1,102,943	$ 1,216,254	$ 1,264,380
	Other Operating Expenses								
535	Collection Fees	Contractual Services	Inflation	$ 300	$ 307	$ 315	$ 323	$ 331	$ 339
536	IT Capital Allocation	Contractual Services	Labor	600	618	637	656	675	696
537	Info Technology Automation Allocation	Contractual Services	Labor	39,500	40,685	41,906	43,163	44,458	45,791
538	IT Billing Hours Allocation	Contractual Services	Labor	36,600	37,698	38,829	39,994	41,194	42,429
539	IT Microsoft Office Allocation	Contractual Services	Labor	1,700	1,751	1,804	1,858	1,913	1,971
540	Other Contractual Services	Contractual Services	Inflation	223,600	228,966	234,920	240,793	246,812	252,736
541	Telephone Access Charges	Other Operating Expenses	Inflation	5,400	5,530	5,673	5,815	5,961	6,104
542	Cellular Telephone	Other Operating Expenses	UtilityEmployees	500	519	556	578	600	624
543	Telephone System Support Allocation	Other Operating Expenses	Inflation	4,200	4,301	4,413	4,523	4,636	4,747
544	Postage Freight and UPS	Other Operating Expenses	UtilityCustomers	2,000	2,093	2,192	2,292	2,394	2,497
545	Bank Fees	Other Operating Expenses	Water Rev	1,143,100	1,187,542	1,234,451	1,282,701	1,332,051	1,381,243
546	Communication Equipment RM Outside Vendors	Materials, Supplies, and Maintenance	Repair	200	207	215	223	232	241
547	Office Equipment R and M	Materials, Supplies, and Maintenance	Repair	500	518	537	558	579	602
548	Data Processing Equipment R and M	Materials, Supplies, and Maintenance	Repair	600	622	645	669	695	723
549	Clerks Recording Fees Etc	Other Operating Expenses	Inflation	200	205	210	215	221	226
550	Office Supplies General	Materials, Supplies, and Maintenance	Inflation	5,000	5,120	5,253	5,384	5,519	5,652
551	Minor Office Equipment	Materials, Supplies, and Maintenance	Inflation	1,500	1,536	1,576	1,615	1,656	1,695
552	Minor Data Processing Equipment	Materials, Supplies, and Maintenance	Inflation	3,000	3,072	3,152	3,231	3,311	3,391
553	Minor Operating Equipment	Materials, Supplies, and Maintenance	Inflation	900	922	946	969	993	1,017
554	Computer Software	Other Operating Expenses	Inflation	6,000	6,144	6,304	6,461	6,623	6,782
555	Other Operating Supplies	Materials, Supplies, and Maintenance	Inflation	1,000	1,024	1,051	1,077	1,104	1,130
556	Total Other Operating Expenses			$ 1,476,400	$ 1,529,380	$ 1,585,581	$ 1,643,096	$ 1,701,959	$ 1,760,637
557	Total Accounting/Assessments/Estoppel Program Expenses			$ 2,466,023	$ 2,552,808	$ 2,646,617	$ 2,746,039	$ 2,918,213	$ 3,025,017
	Public Utilities Division Customer Service								
	Personnel Services								
558	Regular Salaries	Salaries and Wages	Labor	$ 542,199	$ 558,465	$ 575,219	$ 592,475	$ 610,250	$ 628,557
559	Other Salaries and Wages	Salaries and Wages	Labor	68,816	70,880	73,007	75,197	77,453	79,777
560	Overtime	Salaries and Wages	Labor	8,956	9,225	9,501	9,786	10,080	10,382
561	Vacation Sell Back	Employee Benefits	Labor	1,679	1,729	1,781	1,835	1,890	1,946
562	Reserve for Salary Adjustment	Salaries and Wages	Labor	10,843	11,168	11,503	11,848	12,204	12,570
563	Social Security Matching	Employee Benefits	Labor	48,383	49,834	51,330	52,869	54,455	56,089
564	Retirement Regular	Employee Benefits	Labor	55,405	57,067	58,779	60,543	62,359	64,230
565	Health Insurance - Job Bankers / PT	Employee Benefits	Ins-Health	26,200	27,510	29,229	31,422	33,778	36,312
566	Health Insurance	Employee Benefits	Ins-Health	183,400	192,570	204,606	219,951	236,447	254,181
567	Dental Insurance	Employee Benefits	Ins-Dental	6,860	7,203	7,563	7,941	8,338	8,755
568	Short Term Disability Ins	Employee Benefits	Ins-Disability	1,400	1,470	1,544	1,621	1,702	1,787

Table 7

Collier County Water-Sewer District
Bond Feasibility Report - Series 2019 Bonds

Projection of Operating Expenses - Combined Water, Wastewater and IQ Water Systems

Line No.	Description	CAFR Classifications	Escalation Reference [1]	Fiscal Year Ending September 30, 2019	2020	2021	2022	2023	2024
569	Long Term Disability Ins	Employee Benefits	Ins-Disability	2,800	2,940	3,087	3,241	3,403	3,574
570	Life Insurance Short and Long Term	Employee Benefits	Constant	1,551	1,551	1,551	1,551	1,551	1,551
571	Workers Compensation Regular	Employee Benefits	WorkComp	1,220	1,281	1,345	1,412	1,483	1,557
572	Additional Personnel Salary	Salaries and Wages	Calculated	-	-	43,527	44,832	46,177	47,563
573	Additional Personnel Benefits	Employee Benefits	Calculated	-	-	21,883	22,539	23,216	23,912
574	Total Personnel Services			$ 959,712	$ 992,894	$ 1,095,455	$ 1,139,065	$ 1,184,787	$ 1,232,742
	Other Operating Expenses								
575	IT Capital Allocation	Contractual Services	Labor	$ 1,200	$ 1,236	$ 1,273	$ 1,311	$ 1,351	$ 1,391
576	Info Technology Automation Allocation	Contractual Services	Labor	80,600	83,018	85,509	88,074	90,716	93,437
577	IT Billing Hours Allocation	Contractual Services	Labor	30,900	31,827	32,782	33,765	34,778	35,822
578	IT Microsoft Office Allocation	Contractual Services	Labor	1,800	1,854	1,910	1,967	2,026	2,087
579	Other Contractual Services	Contractual Services	Inflation	27,000	27,648	28,367	29,076	29,803	30,518
580	Telephone Access Charges	Other Operating Expenses	Inflation	32,000	32,768	33,620	34,460	35,322	36,170
581	Cellular Telephone	Other Operating Expenses	UtilityEmployees	500	520	557	579	601	625
582	Telephone System Support Allocation	Other Operating Expenses	Inflation	500	512	525	538	552	565
583	Postage Freight and UPS	Other Operating Expenses	Inflation	3,000	3,072	3,152	3,231	3,311	3,391
584	Communication Equipment RM Outside Vendors	Materials, Supplies, and Maintenance	Repair	1,700	1,761	1,826	1,896	1,970	2,048
585	Data Processing Equipment R and M	Materials, Supplies, and Maintenance	Repair	1,400	1,450	1,504	1,561	1,622	1,687
586	Office Supplies General	Materials, Supplies, and Maintenance	Inflation	7,000	7,168	7,354	7,538	7,727	7,912
587	Minor Office Equipment	Materials, Supplies, and Maintenance	Inflation	900	922	946	969	993	1,017
588	Minor Data Processing Equipment	Materials, Supplies, and Maintenance	Inflation	1,600	1,638	1,681	1,723	1,766	1,808
589	Minor Operating Equipment	Materials, Supplies, and Maintenance	Inflation	1,000	1,024	1,051	1,077	1,104	1,130
590	Computer Software	Other Operating Expenses	Inflation	500	512	525	538	552	565
591	Other Operating Supplies	Materials, Supplies, and Maintenance	Inflation	500	512	525	538	552	565
592	Total Other Operating Expenses			$ 192,100	$ 197,442	$ 203,106	$ 208,843	$ 214,746	$ 220,739
593	Total Public Utilities Division Customer Service Expenses			$ 1,151,812	$ 1,190,337	$ 1,298,561	$ 1,347,908	$ 1,399,533	$ 1,453,482
	Public Utilities Planning and Project Management								
	Personnel Services								
594	Regular Salaries	Salaries and Wages	Labor	$ 2,257,092	$ 2,324,805	$ 2,394,549	$ 2,466,385	$ 2,540,377	$ 2,616,588
595	ER 457 Deferred Comp	Salaries and Wages	Labor	6,000	6,180	6,365	6,556	6,753	6,956
596	Other Salaries and Wages	Salaries and Wages	Labor	49,692	51,183	52,718	54,300	55,929	57,607
597	Overtime	Salaries and Wages	Labor	15,430	15,893	16,370	16,861	17,367	17,888
598	Vacation Sell Back	Employee Benefits	Labor	9,614	9,902	10,199	10,505	10,821	11,145
599	Reserve for Salary Adjustment	Salaries and Wages	Labor	45,277	46,635	48,034	49,475	50,960	52,488
600	Social Security Matching	Employee Benefits	Labor	182,291	187,760	193,393	199,194	205,170	211,325
601	Retirement Regular	Employee Benefits	Labor	228,289	235,138	242,192	249,458	256,941	264,650
602	Health Insurance - Job Bankers / PT	Employee Benefits	Ins-Health	26,200	27,510	29,229	31,422	33,778	36,312
603	Health Insurance	Employee Benefits	Ins-Health	379,900	398,895	423,826	455,613	489,784	526,518
604	Dental Insurance	Employee Benefits	Ins-Dental	14,210	14,921	15,667	16,450	17,272	18,136
605	Short Term Disability Ins	Employee Benefits	Ins-Disability	2,900	3,045	3,197	3,357	3,525	3,701
606	Long Term Disability Ins	Employee Benefits	Ins-Disability	5,800	6,090	6,395	6,714	7,050	7,402
607	Life Insurance Short and Long Term	Employee Benefits	Constant	6,473	6,473	6,473	6,473	6,473	6,473
608	Workers Compensation Regular	Employee Benefits	WorkComp	12,432	13,054	13,706	14,392	15,111	15,867
609	Total Personnel Services			$ 3,241,600	$ 3,347,483	$ 3,462,313	$ 3,587,155	$ 3,717,311	$ 3,853,055
	Other Operating Expenses								
610	IT Capital Allocation	Contractual Services	Labor	$ 1,400	$ 1,442	$ 1,485	$ 1,530	$ 1,576	$ 1,623
611	Info Technology Automation Allocation	Contractual Services	Labor	87,300	89,919	92,617	95,395	98,257	101,205
612	IT Billing Hours Allocation	Contractual Services	Labor	21,000	21,630	22,279	22,947	23,636	24,345

Table 7

Collier County Water-Sewer District
Bond Feasibility Report - Series 2019 Bonds

Projection of Operating Expenses - Combined Water, Wastewater and IQ Water Systems

Line No.	Description	CAFR Classifications	Escalation Reference [1]	Fiscal Year Ending September 30, 2019	2020	2021	2022	2023	2024
613	IT Microsoft Office Allocation	Contractual Services	Labor	3,300	3,399	3,501	3,606	3,714	3,826
614	Other Contractual Services	Contractual Services	Inflation	2,500	2,560	2,627	2,692	2,760	2,826
615	Storage Contractor	Contractual Services	Inflation	2,000	2,048	2,101	2,154	2,208	2,261
616	Temporary Labor	Contractual Services	Inflation	112,400	115,098	118,090	121,042	124,068	127,046
617	Out of County Travel Professional Development	Other Operating Expenses	UtilityEmployees	4,800	4,985	5,329	5,535	5,749	5,979
618	Interview Expense	Other Operating Expenses	Inflation	1,000	1,024	1,051	1,077	1,104	1,130
619	Motor Pool Rental Charge	Other Operating Expenses	Inflation	500	512	525	538	552	565
620	Motor Pool Capital Recovery Charge	Other Operating Expenses	Inflation	75,200	77,005	79,007	80,982	83,007	84,999
621	Telephone Access Charges	Other Operating Expenses	Inflation	6,600	6,758	6,934	7,107	7,285	7,460
622	Cellular Telephone	Other Operating Expenses	UtilityEmployees	12,000	12,462	13,322	13,838	14,372	14,947
623	Telephone System Support Allocation	Other Operating Expenses	Inflation	1,500	1,536	1,576	1,615	1,656	1,695
624	Postage Freight and UPS	Other Operating Expenses	Inflation	1,000	1,024	1,051	1,077	1,104	1,130
625	Electricity	Utilities	Electric	8,000	8,306	8,618	8,938	9,268	9,606
626	Water and Sewer	Utilities	Inflation	3,000	3,072	3,152	3,231	3,311	3,391
627	Insurance General	Insurance	Gen-Ins	15,400	16,170	16,979	17,827	18,719	19,655
628	Property Insurance	Insurance	Gen-Ins	5,400	5,670	5,954	6,251	6,564	6,892
629	Auto Insurance	Insurance	Constant	10,200	10,200	10,200	10,200	10,200	10,200
630	Building R and M ISF Billings	Materials, Supplies, and Maintenance	Repair	1,000	1,036	1,074	1,115	1,159	1,205
631	Fleet Maint ISF Labor and Overhead	Materials, Supplies, and Maintenance	Repair	7,400	7,666	7,950	8,252	8,574	8,917
632	Fleet Maint ISF Parts and Sublet	Materials, Supplies, and Maintenance	Repair	4,700	4,869	5,049	5,241	5,446	5,663
633	Fleet Non Maint ISF Parts and Sublet	Materials, Supplies, and Maintenance	Repair	2,600	2,694	2,793	2,899	3,012	3,133
634	Communication Equipment RM Outside Vendors	Materials, Supplies, and Maintenance	Repair	1,000	1,036	1,074	1,115	1,159	1,205
635	Data Processing Equipment R and M	Materials, Supplies, and Maintenance	Repair	9,000	9,324	9,669	10,036	10,428	10,845
636	Other Equip Repairs and Maintenance	Materials, Supplies, and Maintenance	Repair	1,000	1,036	1,074	1,115	1,159	1,205
637	Printing and/or Binding Outside Vendors	Other Operating Expenses	Inflation	10,000	10,240	10,506	10,769	11,038	11,303
638	Other Ads	Other Operating Expenses	Inflation	1,000	1,024	1,051	1,077	1,104	1,130
639	Licenses and Permits	Other Operating Expenses	Inflation	2,000	2,048	2,101	2,154	2,208	2,261
640	Office Supplies General	Materials, Supplies, and Maintenance	Inflation	10,000	10,240	10,506	10,769	11,038	11,303
641	Copying Charges	Materials, Supplies, and Maintenance	Inflation	4,000	4,096	4,202	4,308	4,415	4,521
642	Minor Office Equipment	Materials, Supplies, and Maintenance	Inflation	3,000	3,072	3,152	3,231	3,311	3,391
643	Minor Office Furniture	Materials, Supplies, and Maintenance	Inflation	1,500	1,536	1,576	1,615	1,656	1,695
644	Minor Data Processing Equipment	Materials, Supplies, and Maintenance	Inflation	8,000	8,192	8,405	8,615	8,830	9,042
645	Clothing and Uniform Purchases	Materials, Supplies, and Maintenance	UtilityEmployees	3,000	3,116	3,330	3,459	3,593	3,737
646	Personal Safety Equipment	Materials, Supplies, and Maintenance	UtilityEmployees	5,000	5,193	5,551	5,766	5,988	6,228
647	Fuel and Lubricants ISF Billings	Materials, Supplies, and Maintenance	Fuel	19,100	20,151	21,259	22,428	23,662	24,963
648	Minor Operating Equipment	Materials, Supplies, and Maintenance	Inflation	1,000	1,024	1,051	1,077	1,104	1,130
649	Computer Software	Other Operating Expenses	Inflation	20,000	20,480	21,012	21,538	22,076	22,606
650	Other Operating Supplies	Materials, Supplies, and Maintenance	Inflation	500	512	525	538	552	565
651	Books Publications and Subscriptions	Materials, Supplies, and Maintenance	Inflation	500	512	525	538	552	565
652	Dues and Memberships	Other Operating Expenses	UtilityEmployees	2,000	2,077	2,220	2,306	2,395	2,491
653	Other Training Educational Expenses	Other Operating Expenses	UtilityEmployees	11,200	11,631	12,433	12,915	13,414	13,951
654	Total Other Operating Expenses			$ 503,000	$ 517,624	$ 534,487	$ 550,462	$ 566,980	$ 583,837
655	Total Public Utilities Planning and Project Management Expenses			$ 3,744,600	$ 3,865,106	$ 3,996,800	$ 4,137,617	$ 4,284,290	$ 4,436,892
	North County Water Reclamation Facility								
	Personnel Services								
656	Regular Salaries	Salaries and Wages	Labor	$ 1,164,776	$ 1,199,719	$ 1,235,711	$ 1,272,782	$ 1,310,966	$ 1,350,295
657	ER 457 Deferred Comp	Salaries and Wages	Labor	3,500	3,605	3,713	3,825	3,939	4,057
658	Other Salaries and Wages	Salaries and Wages	Labor	156,045	160,726	165,548	170,515	175,630	180,899
659	Overtime	Salaries and Wages	Labor	113,161	116,556	120,053	123,654	127,364	131,185
660	Vacation Sell Back	Employee Benefits	Labor	6,390	6,582	6,779	6,983	7,192	7,408
661	Special Pay Adjustment	Employee Benefits	Labor	30,499	31,414	32,356	33,327	34,327	35,357
662	Reserve for Salary Adjustment	Salaries and Wages	Labor	23,396	24,098	24,821	25,565	26,332	27,122

Table 7

Collier County Water-Sewer District
Bond Feasibility Report - Series 2019 Bonds

Projection of Operating Expenses - Combined Water, Wastewater and IQ Water Systems

Line No.	Description	CAFR Classifications	Escalation Reference [1]	Fiscal Year Ending September 30, 2019	2020	2021	2022	2023	2024
663	Social Security Matching	Employee Benefits	Labor	114,566	118,003	121,543	125,189	128,945	132,813
664	Retirement Regular	Employee Benefits	Labor	130,886	134,813	138,857	143,023	147,313	151,733
665	Health Insurance - Job Bankers / PT	Employee Benefits	Ins-Health	65,500	68,775	73,073	78,554	84,445	90,779
666	Health Insurance	Employee Benefits	Ins-Health	340,600	357,630	379,982	408,481	439,117	472,050
667	Dental Insurance	Employee Benefits	Ins-Dental	12,740	13,377	14,046	14,748	15,486	16,260
668	Short Term Disability Ins	Employee Benefits	Ins-Disability	2,600	2,730	2,867	3,010	3,160	3,318
669	Long Term Disability Ins	Employee Benefits	Ins-Disability	5,200	5,460	5,733	6,020	6,321	6,637
670	Life Insurance Short and Long Term	Employee Benefits	Constant	3,342	3,342	3,342	3,342	3,342	3,342
671	Workers Compensation Regular	Employee Benefits	WorkComp	27,359	28,727	30,163	31,671	33,255	34,918
672	Total Personnel Services			$ 2,200,560	$ 2,275,557	$ 2,358,587	$ 2,450,688	$ 2,547,134	$ 2,648,172
	Other Operating Expenses								
673	Engineering Fees	Contractual Services	Labor	$ 75,000	$ 77,250	$ 79,568	$ 81,955	$ 84,413	$ 86,946
674	Fire Inspection Services	Other Operating Expenses	Inflation	100	102	105	108	110	113
675	Hazardous Waste Management Fee	Other Operating Expenses	Inflation	1,200	1,229	1,261	1,292	1,325	1,356
676	IT Capital Allocation	Contractual Services	Labor	700	721	743	765	788	811
677	Info Technology Automation Allocation	Contractual Services	Labor	49,200	50,676	52,196	53,762	55,375	57,036
678	IT Microsoft Office Allocation	Contractual Services	Labor	3,400	3,502	3,607	3,715	3,827	3,942
679	Emergency Maintenance and Repair	Materials, Supplies, and Maintenance	Repair	100,000	103,600	107,433	111,516	115,865	120,499
680	Interdepartmental Payment For Services	Contractual Services	Labor	6,000	6,180	6,365	6,556	6,753	6,956
681	Landscape Incidentals	Contractual Services	Inflation	6,500	6,656	6,829	7,000	7,175	7,347
682	Other Contractual Services	Contractual Services	Inflation	1,695,000	1,735,680	1,780,808	1,825,328	1,870,961	1,915,864
683	Roofing Contractors	Contractual Services	Inflation	43,000	44,032	45,177	46,306	47,464	48,603
684	Motor Pool Capital Recovery Charge	Other Operating Expenses	Inflation	54,400	55,706	57,154	58,583	60,047	61,489
685	Telephone Base Cost	Other Operating Expenses	Inflation	3,400	3,482	3,572	3,661	3,753	3,843
686	Telephone Access Charges	Other Operating Expenses	Inflation	2,800	2,867	2,942	3,015	3,091	3,165
687	Cellular Telephone	Other Operating Expenses	SEmployees	3,100	3,218	3,438	3,570	3,706	3,844
688	Telephone System Support Allocation	Other Operating Expenses	Inflation	200	205	210	215	221	226
689	Postage Freight and UPS	Other Operating Expenses	Inflation	8,000	8,192	8,405	8,615	8,830	9,042
690	Electricity	Utilities	SElectric	1,005,000	1,050,409	1,096,606	1,144,088	1,192,954	1,243,067
691	Trash and Garbage Disposal	Utilities	Inflation	62,000	63,488	65,139	66,767	68,436	70,079
692	Rent Equipment	Other Operating Expenses	Inflation	4,000	4,096	4,202	4,308	4,415	4,521
693	Auto Insurance	Insurance	Constant	3,200	3,200	3,200	3,200	3,200	3,200
694	Building R and M ISF Billings	Materials, Supplies, and Maintenance	Repair	2,700	2,797	2,901	3,011	3,128	3,253
695	Elevator Maintenance	Materials, Supplies, and Maintenance	Repair	200	207	215	223	232	241
696	Sprinkler System Maintenance	Materials, Supplies, and Maintenance	Repair	16,900	17,508	18,156	18,846	19,581	20,364
697	Maintenance Landscaping	Materials, Supplies, and Maintenance	Inflation	223,500	228,864	234,814	240,685	246,702	252,623
698	R and M Electrical	Contractual Services	Repair	105,000	108,780	112,805	117,091	121,658	126,524
699	Fleet Maint ISF Labor and Overhead	Materials, Supplies, and Maintenance	Repair	18,800	19,477	20,197	20,965	21,783	22,654
700	Fleet Maint ISF Parts and Sublet	Materials, Supplies, and Maintenance	Repair	11,100	11,500	11,925	12,378	12,861	13,375
701	Fleet Non Maint ISF Parts and Sublet	Materials, Supplies, and Maintenance	Repair	3,700	3,833	3,975	4,126	4,287	4,458
702	Office Equipment R and M	Materials, Supplies, and Maintenance	Repair	1,000	1,036	1,074	1,115	1,159	1,205
703	Other Equip Repairs and Maintenance	Materials, Supplies, and Maintenance	Repair	11,200	11,603	12,033	12,490	12,977	13,496
704	Licenses and Permits	Other Operating Expenses	Inflation	2,000	2,048	2,101	2,154	2,208	2,261
705	Office Supplies General	Materials, Supplies, and Maintenance	Inflation	4,900	5,018	5,148	5,277	5,409	5,538
706	Minor Office Equipment	Materials, Supplies, and Maintenance	Inflation	4,300	4,403	4,518	4,631	4,746	4,860
707	Minor Data Processing Equipment	Materials, Supplies, and Maintenance	Inflation	700	717	735	754	773	791
708	Clothing and Uniform Purchases	Materials, Supplies, and Maintenance	SEmployees	1,800	1,869	1,996	2,073	2,152	2,232
709	Clothing and Uniform Rental	Other Operating Expenses	SEmployees	12,200	12,666	13,528	14,049	14,586	15,127
710	Fertilizer Herbicides and Chemicals	Fertilizer, Herbicides, and Chemicals	SChemical	809,000	856,340	905,406	956,660	1,010,245	1,066,112
711	Fuel and Lubricants Outside Vendors	Materials, Supplies, and Maintenance	Fuel	3,000	3,165	3,339	3,523	3,716	3,921
712	Fuel and Lubricants ISF Billings	Materials, Supplies, and Maintenance	Fuel	71,900	75,855	80,026	84,428	89,071	93,970
713	Household and Institutional Supplies	Materials, Supplies, and Maintenance	Inflation	5,800	5,939	6,094	6,246	6,402	6,556
714	Medical Supplies	Materials, Supplies, and Maintenance	Inflation	1,500	1,536	1,576	1,615	1,656	1,695

Table 7

Collier County Water-Sewer District
Bond Feasibility Report - Series 2019 Bonds

Projection of Operating Expenses - Combined Water, Wastewater and IQ Water Systems

Line No.	Description	CAFR Classifications	Escalation Reference [1]	Fiscal Year Ending September 30, 2019	2020	2021	2022	2023	2024
715	Computer Software	Other Operating Expenses	Inflation	400	410	420	431	442	452
716	Other Operating Supplies	Materials, Supplies, and Maintenance	Sewer Flow	121,000	126,110	131,541	136,983	142,569	148,139
717	Electrical Supplier	Materials, Supplies, and Maintenance	Repair	98,000	101,528	105,285	109,285	113,547	118,089
718	Electrical Co	Contractual Services	Repair	38,500	39,886	41,362	42,934	44,608	46,392
719	Painting Supplies	Materials, Supplies, and Maintenance	Inflation	7,900	8,090	8,300	8,507	8,720	8,929
720	Dues and Memberships	Other Operating Expenses	SEmployees	200	208	222	230	239	248
721	Other Training Educational Expenses	Other Operating Expenses	SEmployees	9,100	9,447	10,091	10,479	10,879	11,283
722	Utilities Parts Etc	Materials, Supplies, and Maintenance	Repair	360,600	373,582	387,404	402,125	417,808	434,521
723	Utilities Repair Etc	Materials, Supplies, and Maintenance	Repair	223,100	231,132	239,683	248,791	258,494	268,834
724	Total Other Operating Expenses			$ 5,296,200	$ 5,490,043	$ 5,695,830	$ 5,906,429	$ 6,125,347	$ 6,350,094
725	Total NCWRF Expenses			$ 7,496,760	$ 7,765,599	$ 8,054,417	$ 8,357,117	$ 8,672,481	$ 8,998,266
	IQ Maintenance								
	Personnel Services								
726	Regular Salaries	Salaries and Wages	Labor	$ 302,398	$ 311,470	$ 320,814	$ 330,438	$ 340,352	$ 350,562
727	ER 457 Deferred Comp	Salaries and Wages	Labor	1,500	1,545	1,591	1,639	1,688	1,739
728	Other Salaries and Wages	Salaries and Wages	Labor	68,816	70,880	73,007	75,197	77,453	79,777
729	Overtime	Salaries and Wages	Labor	54,580	56,217	57,904	59,641	61,430	63,273
730	Vacation Sell Back	Employee Benefits	Labor	2,180	2,245	2,313	2,382	2,454	2,527
731	Special Pay Adjustment	Employee Benefits	Labor	21,659	22,309	22,978	23,667	24,377	25,109
732	Reserve for Salary Adjustment	Salaries and Wages	Labor	6,048	6,229	6,416	6,609	6,807	7,011
733	Social Security Matching	Employee Benefits	Labor	34,972	36,021	37,102	38,215	39,361	40,542
734	Retirement Regular	Employee Benefits	Labor	39,917	41,115	42,348	43,618	44,927	46,275
735	Health Insurance - Job Bankers / PT	Employee Benefits	Labor	26,200	27,510	29,229	31,422	33,778	36,312
736	Health Insurance	Employee Benefits	Ins-Health	78,600	82,530	87,688	94,265	101,335	108,935
737	Dental Insurance	Employee Benefits	Ins-Dental	2,940	3,087	3,241	3,403	3,574	3,752
738	Short Term Disability Ins	Employee Benefits	Ins-Disability	600	630	662	695	729	766
739	Long Term Disability Ins	Employee Benefits	Ins-Disability	1,200	1,260	1,323	1,389	1,459	1,532
740	Life Insurance Short and Long Term	Employee Benefits	Constant	870	870	870	870	870	870
741	Workers Compensation Regular	Employee Benefits	WorkComp	6,587	6,916	7,262	7,625	8,007	8,407
742	Additional Personnel Salary	Salaries and Wages	Calculated	-	-	-	-	-	47,563
743	Additional Personnel Benefits	Employee Benefits	Calculated	-	-	-	-	-	23,912
744	Total Personnel Services			$ 649,067	$ 670,835	$ 694,749	$ 721,076	$ 748,600	$ 848,862
	Other Operating Expenses								
745	Engineering Fees	Contractual Services	Labor	$ 40,000	$ 41,200	$ 42,436	$ 43,709	$ 45,020	$ 46,371
746	Abstract Fees	Contractual Services	Inflation	200	205	210	215	221	226
747	IT Capital Allocation	Contractual Services	Labor	17,600	18,128	18,672	19,232	19,809	20,403
748	Info Technology Automation Allocation	Contractual Services	Labor	20,100	20,703	21,324	21,964	22,623	23,301
749	IT Microsoft Office Allocation	Contractual Services	Labor	900	927	955	983	1,013	1,043
750	Emergency Maintenance and Repair	Materials, Supplies, and Maintenance	Repair	157,000	162,652	168,670	175,080	181,908	189,184
751	Interdepartmental Payment For Services	Contractual Services	Labor	3,200	3,296	3,395	3,497	3,602	3,710
752	Other Contractual Services	Contractual Services	Inflation	132,000	135,168	138,682	142,149	145,703	149,200
753	Temporary Labor	Contractual Services	Inflation	42,500	43,520	44,652	45,768	46,912	48,038
754	Out of County Travel Professional Development	Other Operating Expenses	IQEmployees	6,500	6,666	6,851	7,033	7,245	7,928
755	Motor Pool Capital Recovery Charge	Other Operating Expenses	Inflation	63,200	64,717	66,399	68,059	69,761	71,435
756	Telephone Access Charges	Other Operating Expenses	Inflation	800	819	840	862	883	904
757	Cellular Telephone	Other Operating Expenses	IQEmployees	6,900	7,077	7,272	7,466	7,691	8,416
758	Telephone System Support Allocation	Other Operating Expenses	Inflation	200	205	210	215	221	226
759	Postage Freight and UPS	Other Operating Expenses	Inflation	1,400	1,434	1,471	1,508	1,545	1,582
760	Electricity	Utilities	IQElectric	250,000	256,902	263,960	271,247	278,700	286,393
761	Rent Equipment	Other Operating Expenses	Inflation	3,500	3,584	3,677	3,769	3,863	3,956

Table 7

Collier County Water-Sewer District
Bond Feasibility Report - Series 2019 Bonds

Projection of Operating Expenses - Combined Water, Wastewater and IQ Water Systems

Line No.	Description	CAFR Classifications	Escalation Reference [1]	Fiscal Year Ending September 30, 2019	2020	2021	2022	2023	2024
762	Auto Insurance	Insurance	Constant	4,700	4,700	4,700	4,700	4,700	4,700
763	Building R and M ISF Billings	Materials, Supplies, and Maintenance	Repair	400	414	430	446	463	482
764	Maintenance Landscaping	Materials, Supplies, and Maintenance	Inflation	60,000	61,440	63,037	64,613	66,229	67,818
765	Tree Trimming	Materials, Supplies, and Maintenance	Inflation	1,500	1,536	1,576	1,615	1,656	1,695
766	Landscape Materials	Materials, Supplies, and Maintenance	Inflation	10,000	10,240	10,506	10,769	11,038	11,303
767	R and M Electrical	Contractual Services	Repair	92,000	95,312	98,839	102,594	106,596	110,859
768	Fleet Maint ISF Labor and Overhead	Materials, Supplies, and Maintenance	Repair	22,600	23,414	24,280	25,203	26,185	27,233
769	Fleet Maint ISF Parts and Sublet	Materials, Supplies, and Maintenance	Repair	6,900	7,148	7,413	7,695	7,995	8,314
770	Fleet Non Maint ISF Parts and Sublet	Materials, Supplies, and Maintenance	Repair	1,600	1,658	1,719	1,784	1,854	1,928
771	Communication Equipment RM Outside Vendors	Materials, Supplies, and Maintenance	Repair	400	414	430	446	463	482
772	Data Processing Equipment R and M	Materials, Supplies, and Maintenance	Repair	400	414	430	446	463	482
773	Printing and/or Binding Outside Vendors	Other Operating Expenses	Inflation	2,000	2,048	2,101	2,154	2,208	2,261
774	Licenses and Permits	Other Operating Expenses	Inflation	100	102	105	108	110	113
775	Clerks Recording Fees Etc	Other Operating Expenses	Inflation	500	512	525	538	552	565
776	Property Assessment Tax	Other Operating Expenses	Inflation	7,500	7,680	7,880	8,077	8,279	8,477
777	Reimbursement Prior Year Revenues	Other Operating Expenses	Eliminate	8,000	-	-	-	-	-
778	Office Supplies General	Materials, Supplies, and Maintenance	Inflation	3,000	3,072	3,152	3,231	3,311	3,391
779	Minor Office Equipment	Materials, Supplies, and Maintenance	Inflation	3,000	3,072	3,152	3,231	3,311	3,391
780	Minor Office Furniture	Materials, Supplies, and Maintenance	Inflation	20,000	20,480	21,012	21,538	22,076	22,606
781	Minor Data Processing Equipment	Materials, Supplies, and Maintenance	Inflation	1,500	1,536	1,576	1,615	1,656	1,695
782	Clothing and Uniform Purchases	Materials, Supplies, and Maintenance	IQEmployees	6,000	6,154	6,324	6,492	6,688	7,318
783	Uniform Accessories	Materials, Supplies, and Maintenance	IQEmployees	1,500	1,538	1,581	1,623	1,672	1,830
784	Fertilizer Herbicides and Chemicals	Fertilizer, Herbicides, and Chemicals	IQChemical	1,500	1,561	1,624	1,691	1,759	1,831
785	Fuel and Lubricants ISF Billings	Materials, Supplies, and Maintenance	Fuel	26,300	27,747	29,273	30,883	32,581	34,373
786	Household and Institutional Supplies	Materials, Supplies, and Maintenance	Inflation	500	512	525	538	552	565
787	Medical Supplies	Materials, Supplies, and Maintenance	Inflation	500	512	525	538	552	565
788	Minor Operating Equipment	Materials, Supplies, and Maintenance	Inflation	10,000	10,240	10,506	10,769	11,038	11,303
789	Computer Software	Other Operating Expenses	Inflation	1,200	1,229	1,261	1,292	1,325	1,356
790	Other Operating Supplies	Materials, Supplies, and Maintenance	Inflation	21,600	22,134	22,722	23,306	23,902	24,492
791	Electrical Supplier	Materials, Supplies, and Maintenance	Repair	80,000	82,880	85,947	89,213	92,692	96,399
792	Electrical Co	Contractual Services	Repair	15,000	15,540	16,115	16,727	17,380	18,075
793	Painting Supplies	Materials, Supplies, and Maintenance	Inflation	3,000	3,072	3,152	3,231	3,311	3,391
794	Books Publications and Subscriptions	Materials, Supplies, and Maintenance	Inflation	400	410	420	431	442	452
795	Dues and Memberships	Other Operating Expenses	IQEmployees	500	513	527	541	557	610
796	Other Training Educational Expenses	Other Operating Expenses	IQEmployees	7,500	7,692	7,905	8,115	8,360	9,148
797	Utilities Parts Etc	Materials, Supplies, and Maintenance	Repair	150,000	155,400	161,150	167,273	173,797	180,749
798	Utilities Repair Etc	Materials, Supplies, and Maintenance	Repair	10,000	10,360	10,743	11,152	11,586	12,050
799	Total Other Operating Expenses			$ 1,327,600	$ 1,359,888	$ 1,402,839	$ 1,447,373	$ 1,494,061	$ 1,544,623
800	Total IQ Maintenance Expenses			$ 1,976,667	$ 2,030,723	$ 2,097,587	$ 2,168,449	$ 2,242,661	$ 2,393,485
	Wastewater Power System and Instrumentation								
	Personnel Services								
801	Regular Salaries	Salaries and Wages	Labor	$ 824,847	$ 849,592	$ 875,080	$ 901,333	$ 928,373	$ 956,224
802	ER 457 Deferred Comp	Salaries and Wages	Labor	2,000	2,060	2,122	2,185	2,251	2,319
803	Other Salaries and Wages	Salaries and Wages	Labor	87,633	90,262	92,970	95,759	98,632	101,591
804	Overtime	Salaries and Wages	Labor	89,577	92,264	95,032	97,883	100,820	103,844
805	Vacation Sell Back	Employee Benefits	Labor	5,015	5,165	5,320	5,480	5,644	5,814
806	Special Pay Adjustment	Employee Benefits	Labor	54,899	56,546	58,242	59,990	61,789	63,643
807	Reserve for Salary Adjustment	Salaries and Wages	Labor	16,496	16,991	17,501	18,026	18,566	19,123
808	Social Security Matching	Employee Benefits	Labor	82,661	85,141	87,695	90,326	93,036	95,827
809	Retirement Regular	Employee Benefits	Labor	97,892	100,829	103,854	106,969	110,178	113,484
810	Health Insurance - Job Bankers / PT	Employee Benefits	Labor	26,200	27,510	29,229	31,422	33,778	36,312
811	Health Insurance	Employee Benefits	Ins-Health	209,600	220,080	233,835	251,373	270,226	290,492

Table 7

Collier County Water-Sewer District
Bond Feasibility Report - Series 2019 Bonds

Projection of Operating Expenses - Combined Water, Wastewater and IQ Water Systems

Line No.	Description	CAFR Classifications	Escalation Reference [1]	Fiscal Year Ending September 30, 2019	2020	2021	2022	2023	2024
812	Dental Insurance	Employee Benefits	Ins-Dental	7,840	8,232	8,644	9,076	9,530	10,006
813	Short Term Disability Ins	Employee Benefits	Ins-Disability	1,600	1,680	1,764	1,852	1,945	2,042
814	Long Term Disability Ins	Employee Benefits	Ins-Disability	3,200	3,360	3,528	3,704	3,890	4,084
815	Life Insurance Short and Long Term	Employee Benefits	Constant	2,367	2,367	2,367	2,367	2,367	2,367
816	Workers Compensation Regular	Employee Benefits	WorkComp	18,399	19,319	20,285	21,299	22,364	23,482
817	Total Personnel Services			$ 1,530,226	$ 1,581,399	$ 1,637,468	$ 1,699,043	$ 1,763,388	$ 1,830,653
	Other Operating Expenses								
818	IT Capital Allocation	Contractual Services	Labor	$ 1,000	$ 1,030	$ 1,061	$ 1,093	$ 1,126	$ 1,159
819	Info Technology Automation Allocation	Contractual Services	Labor	56,400	58,092	59,835	61,630	63,479	65,383
820	IT Microsoft Office Allocation	Contractual Services	Labor	2,000	2,060	2,122	2,185	2,251	2,319
821	Emergency Maintenance and Repair	Materials, Supplies, and Maintenance	Repair	60,000	62,160	64,460	66,909	69,519	72,300
822	Interdepartmental Payment For Services	Contractual Services	Labor	200	206	212	219	225	232
823	Other Contractual Services	Contractual Services	Inflation	136,000	139,264	142,885	146,457	150,118	153,721
824	Out of County Travel Professional Development	Other Operating Expenses	UtilityEmployees	2,400	2,486	2,635	2,730	2,830	2,966
825	Motor Pool Rental Charge	Other Operating Expenses	Inflation	2,500	2,560	2,627	2,692	2,760	2,826
826	Motor Pool Capital Recovery Charge	Other Operating Expenses	Inflation	84,600	86,630	88,883	91,105	93,382	95,624
827	Telephone Access Charges	Other Operating Expenses	Inflation	800	819	840	862	883	904
828	Cellular Telephone	Other Operating Expenses	UtilityEmployees	16,200	16,778	17,786	18,429	19,106	20,021
829	Telephone System Support Allocation	Other Operating Expenses	Inflation	400	410	420	431	442	452
830	Postage Freight and UPS	Other Operating Expenses	Inflation	11,000	11,264	11,557	11,846	12,142	12,433
831	Freight	Other Operating Expenses	Inflation	4,500	4,608	4,728	4,846	4,967	5,086
832	Auto Insurance	Insurance	Constant	11,400	11,400	11,400	11,400	11,400	11,400
833	Fleet Maint ISF Labor and Overhead	Materials, Supplies, and Maintenance	Repair	8,400	8,702	9,024	9,367	9,733	10,122
834	Fleet Maint ISF Parts and Sublet	Materials, Supplies, and Maintenance	Repair	6,100	6,320	6,553	6,802	7,068	7,350
835	Fleet Non Maint ISF Parts and Sublet	Materials, Supplies, and Maintenance	Repair	3,100	3,212	3,330	3,457	3,592	3,735
836	Machine Tools R and M Outside Vendors	Materials, Supplies, and Maintenance	Repair	6,000	6,216	6,446	6,691	6,952	7,230
837	Communication Equipment RM Outside Vendors	Materials, Supplies, and Maintenance	Repair	4,000	4,144	4,297	4,461	4,635	4,820
838	Office Equipment R and M	Materials, Supplies, and Maintenance	Repair	800	829	859	892	927	964
839	Printing and/or Binding Outside Vendors	Other Operating Expenses	Inflation	2,500	2,560	2,627	2,692	2,760	2,826
840	Office Supplies General	Materials, Supplies, and Maintenance	Inflation	5,500	5,632	5,778	5,923	6,071	6,217
841	Minor Office Equipment	Materials, Supplies, and Maintenance	Inflation	5,000	5,120	5,253	5,384	5,519	5,652
842	Minor Office Furniture	Materials, Supplies, and Maintenance	Inflation	1,000	1,024	1,051	1,077	1,104	1,130
843	Clothing and Uniform Purchases	Materials, Supplies, and Maintenance	UtilityEmployees	2,500	2,589	2,745	2,844	2,948	3,090
844	Clothing and Uniform Rental	Other Operating Expenses	UtilityEmployees	9,300	9,632	10,210	10,580	10,968	11,493
845	Fuel and Lubricants ISF Billings	Materials, Supplies, and Maintenance	Fuel	33,500	35,343	37,286	39,337	41,501	43,783
846	Medical Supplies	Materials, Supplies, and Maintenance	Inflation	400	410	420	431	442	452
847	Minor Operating Equipment	Materials, Supplies, and Maintenance	Inflation	11,000	11,264	11,557	11,846	12,142	12,433
848	Computer Software	Other Operating Expenses	Inflation	3,000	3,072	3,152	3,231	3,311	3,391
849	Other Operating Supplies	Materials, Supplies, and Maintenance	Inflation	42,800	43,827	44,967	46,091	47,243	48,377
850	Electrical Supplier	Materials, Supplies, and Maintenance	Repair	65,000	67,340	69,832	72,485	75,312	78,325
851	Books Publications and Subscriptions	Materials, Supplies, and Maintenance	Inflation	400	410	420	431	442	452
852	Other Training Educational Expenses	Other Operating Expenses	UtilityEmployees	32,900	34,073	36,121	37,427	38,801	40,659
853	Utilities Parts Etc	Materials, Supplies, and Maintenance	Repair	7,000	7,252	7,520	7,806	8,111	8,435
854	Total Other Operating Expenses			$ 639,600	$ 658,736	$ 680,900	$ 702,089	$ 724,209	$ 747,762
855	Total Wastewater Power System and Instrumentation Expenses			$ 2,169,826	$ 2,240,134	$ 2,318,368	$ 2,401,132	$ 2,487,597	$ 2,578,416
	Wastewater Compliance and Lab Services								
	Personnel Services								
856	Regular Salaries	Salaries and Wages	Labor	$ 690,924	$ 711,652	$ 733,001	$ 754,991	$ 777,641	$ 800,970
857	ER 457 Deferred Comp	Salaries and Wages	Labor	3,500	3,605	3,713	3,825	3,939	4,057
858	Overtime	Salaries and Wages	Labor	12,469	12,843	13,228	13,625	14,034	14,455

Table 7

Collier County Water-Sewer District
Bond Feasibility Report - Series 2019 Bonds

Projection of Operating Expenses - Combined Water, Wastewater and IQ Water Systems

Line No.	Description	CAFR Classifications	Escalation Reference [1]	Fiscal Year Ending September 30, 2019	2020	2021	2022	2023	2024
859	Vacation Sell Back	Employee Benefits	Labor	2,248	2,315	2,385	2,456	2,530	2,606
860	Special Pay Adjustment	Employee Benefits	Labor	12,577	12,954	13,343	13,743	14,156	14,580
861	Reserve for Salary Adjustment	Salaries and Wages	Labor	13,819	14,234	14,661	15,100	15,553	16,020
862	Social Security Matching	Employee Benefits	Labor	56,268	57,956	59,695	61,486	63,330	65,230
863	Retirement Regular	Employee Benefits	Labor	64,127	66,051	68,032	70,073	72,176	74,341
864	Health Insurance	Employee Benefits	Ins-Health	157,200	165,060	175,376	188,529	202,669	217,869
865	Dental Insurance	Employee Benefits	Ins-Dental	5,880	6,174	6,483	6,807	7,147	7,505
866	Short Term Disability Ins	Employee Benefits	Ins-Disability	1,200	1,260	1,323	1,389	1,459	1,532
867	Long Term Disability Ins	Employee Benefits	Ins-Disability	2,400	2,520	2,646	2,778	2,917	3,063
868	Life Insurance Short and Long Term	Employee Benefits	Constant	1,981	1,981	1,981	1,981	1,981	1,981
869	Workers Compensation Regular	Employee Benefits	WorkComp	8,618	9,049	9,501	9,976	10,475	10,999
870	Total Personnel Services			$ 1,033,211	$ 1,067,654	$ 1,105,369	$ 1,146,761	$ 1,190,007	$ 1,235,208
	Other Operating Expenses								
871	Data Processing Services	Contractual Services	Inflation	$ 44,000	$ 45,056	$ 46,227	$ 47,383	$ 48,568	$ 49,733
872	Collection Fees	Contractual Services	Inflation	1,000	1,024	1,051	1,077	1,104	1,130
873	IT Capital Allocation	Contractual Services	Labor	600	618	637	656	675	696
874	Info Technology Automation Allocation	Contractual Services	Labor	36,700	37,801	38,935	40,103	41,306	42,545
875	IT Microsoft Office Allocation	Contractual Services	Labor	1,300	1,339	1,379	1,421	1,463	1,507
876	Interdepartmental Payment For Services	Contractual Services	Labor	2,000	2,060	2,122	2,185	2,251	2,319
877	Other Contractual Services	Contractual Services	Labor	28,000	28,840	29,705	30,596	31,514	32,460
878	Out of County Travel Professional Development	Other Operating Expenses	UtilityEmployees	1,900	1,971	2,099	2,178	2,260	2,353
879	Motor Pool Capital Recovery Charge	Other Operating Expenses	Inflation	18,500	18,944	19,437	19,922	20,421	20,911
880	Telephone Access Charges	Other Operating Expenses	Inflation	2,400	2,458	2,521	2,585	2,649	2,713
881	Cellular Telephone	Other Operating Expenses	UtilityEmployees	3,600	3,734	3,977	4,127	4,282	4,458
882	Telephone System Support Allocation	Other Operating Expenses	Inflation	100	102	105	108	110	113
883	Postage Freight and UPS	Other Operating Expenses	Inflation	2,500	2,560	2,627	2,692	2,760	2,826
884	Auto Insurance	Insurance	Constant	3,200	3,200	3,200	3,200	3,200	3,200
885	Fleet Maint ISF Labor and Overhead	Materials, Supplies, and Maintenance	Repair	2,000	2,072	2,149	2,230	2,317	2,410
886	Fleet Maint ISF Parts and Sublet	Materials, Supplies, and Maintenance	Repair	1,000	1,036	1,074	1,115	1,159	1,205
887	Fleet Non Maint ISF Parts and Sublet	Materials, Supplies, and Maintenance	Repair	400	414	430	446	463	482
888	Other Equip Repairs and Maintenance	Materials, Supplies, and Maintenance	Repair	2,500	2,590	2,686	2,788	2,897	3,012
889	Printing and/or Binding Outside Vendors	Other Operating Expenses	Inflation	1,800	1,843	1,891	1,938	1,987	2,035
890	Marketing and Promotional	Other Operating Expenses	Inflation	1,200	1,229	1,261	1,292	1,325	1,356
891	Licenses and Permits	Other Operating Expenses	Inflation	1,300	1,331	1,366	1,400	1,435	1,469
892	Office Supplies General	Materials, Supplies, and Maintenance	Inflation	4,700	4,813	4,938	5,061	5,188	5,312
893	Minor Office Furniture	Materials, Supplies, and Maintenance	Inflation	3,000	3,072	3,152	3,231	3,311	3,391
894	Clothing and Uniform Purchases	Materials, Supplies, and Maintenance	UtilityEmployees	800	830	884	917	952	991
895	Clothing and Uniform Rental	Other Operating Expenses	UtilityEmployees	2,700	2,801	2,983	3,095	3,212	3,344
896	Fertilizer Herbicides and Chemicals	Fertilizer, Herbicides, and Chemicals	SChemical	25,300	26,747	28,247	29,813	31,450	33,157
897	Fuel and Lubricants ISF Billings	Materials, Supplies, and Maintenance	Fuel	3,700	3,904	4,118	4,345	4,584	4,836
898	Medical Supplies	Materials, Supplies, and Maintenance	Inflation	200	205	210	215	221	226
899	Minor Operating Equipment	Materials, Supplies, and Maintenance	Inflation	2,500	2,560	2,627	2,692	2,760	2,826
900	Other Operating Supplies	Materials, Supplies, and Maintenance	Inflation	38,300	39,219	40,239	41,245	42,276	43,291
901	Books Publications and Subscriptions	Materials, Supplies, and Maintenance	Inflation	500	512	525	538	552	565
902	Dues and Memberships	Other Operating Expenses	UtilityEmployees	600	622	663	688	714	743
903	Other Training Educational Expenses	Other Operating Expenses	UtilityEmployees	3,700	3,838	4,088	4,241	4,401	4,582
904	Total Other Operating Expenses			$ 242,000	$ 249,344	$ 257,551	$ 265,525	$ 273,765	$ 282,196
905	Total Wastewater Compliance and Lab Services Expenses			$ 1,275,211	$ 1,316,998	$ 1,362,920	$ 1,412,286	$ 1,463,773	$ 1,517,404
	Wastewater Field Operations								
	Personnel Services								
906	Regular Salaries	Salaries and Wages	Labor	$ 2,820,910	$ 2,905,537	$ 2,992,703	$ 3,082,485	$ 3,174,959	$ 3,270,208

Table 7

Collier County Water-Sewer District
Bond Feasibility Report - Series 2019 Bonds

Projection of Operating Expenses - Combined Water, Wastewater and IQ Water Systems

Line No.	Description	CAFR Classifications	Escalation Reference [1]	Fiscal Year Ending September 30, 2019	2020	2021	2022	2023	2024
907	ER 457 Deferred Comp	Salaries and Wages	Labor	16,000	16,480	16,974	17,484	18,008	18,548
908	Other Salaries and Wages	Salaries and Wages	Labor	66,608	68,606	70,664	72,784	74,968	77,217
909	Overtime	Salaries and Wages	Labor	255,184	262,840	270,725	278,846	287,212	295,828
910	Vacation Sell Back	Employee Benefits	Labor	11,090	11,423	11,765	12,118	12,482	12,856
911	Special Pay Adjustment	Employee Benefits	Labor	93,678	96,488	99,383	102,364	105,435	108,598
912	Termination Pay	Employee Benefits	Labor	-	-	-	-	-	-
913	Reserve for Salary Adjustment	Salaries and Wages	Labor	56,417	58,110	59,853	61,648	63,498	65,403
914	Social Security Matching	Employee Benefits	Labor	253,976	261,595	269,443	277,526	285,852	294,428
915	Retirement Regular	Salaries and Wages	Labor	292,426	301,199	310,235	319,542	329,128	339,002
916	Health Insurance - Job Bankers / PT	Employee Benefits	Ins-Health	26,200	27,510	29,229	31,422	33,778	36,312
917	Health Insurance	Employee Benefits	Ins-Health	825,300	866,565	920,725	989,780	1,064,013	1,143,814
918	Dental Insurance	Employee Benefits	Ins-Dental	30,870	32,414	34,034	35,736	37,523	39,399
919	Short Term Disability Ins	Employee Benefits	Ins-Disability	6,300	6,615	6,946	7,293	7,658	8,041
920	Long Term Disability Ins	Employee Benefits	Ins-Disability	12,600	13,230	13,892	14,586	15,315	16,081
921	Life Insurance Short and Long Term	Employee Benefits	Constant	8,086	8,086	8,086	8,086	8,086	8,086
922	Workers Compensation Regular	Employee Benefits	WorkComp	55,754	58,542	61,469	64,542	67,769	71,158
923	Additional Personnel Salary	Salaries and Wages	Calculated	-	95,846	197,443	305,049	418,934	539,377
924	Additional Personnel Benefits	Employee Benefits	Calculated	-	44,357	91,375	141,174	193,879	249,619
925	Total Personnel Services			$ 4,831,399	$ 5,135,441	$ 5,464,944	$ 5,822,465	$ 6,198,497	$ 6,593,974
	Other Operating Expenses								
926	Hazardous Waste Management Fee	Other Operating Expenses	Inflation	$ 1,500	$ 1,536	$ 1,576	$ 1,615	$ 1,656	$ 1,695
927	IT Capital Allocation	Contractual Services	Labor	48,800	50,264	51,772	53,325	54,925	56,573
928	Info Technology Automation Allocation	Contractual Services	Labor	126,200	129,986	133,886	137,902	142,039	146,300
929	IT Microsoft Office Allocation	Contractual Services	Labor	7,200	7,416	7,638	7,868	8,104	8,347
930	Emergency Maintenance and Repair	Materials, Supplies, and Maintenance	Repair	342,100	354,416	367,529	381,495	396,373	412,228
931	Interdepartmental Payment For Services	Contractual Services	Labor	26,000	26,780	27,583	28,411	29,263	30,141
932	Other Contractual Services	Contractual Services	Inflation	500,000	512,000	525,312	538,445	551,906	565,152
933	Pest Control	Contractual Services	Inflation	3,000	3,072	3,152	3,231	3,311	3,391
934	Out of County Travel Professional Development	Other Operating Expenses	SEmployees	8,800	9,136	9,758	10,133	10,521	10,911
935	Out of County Travel Regular Business	Other Operating Expenses	SEmployees	100	104	111	115	120	124
936	Motor Pool Capital Recovery Charge	Other Operating Expenses	Inflation	697,000	713,728	732,285	750,592	769,357	787,821
937	Telephone Base Cost	Other Operating Expenses	Inflation	6,000	6,144	6,304	6,461	6,623	6,782
938	Telephone Access Charges	Other Operating Expenses	Inflation	3,400	3,482	3,572	3,661	3,753	3,843
939	Cellular Telephone	Other Operating Expenses	SEmployees	33,000	34,260	36,593	38,000	39,453	40,916
940	Telephone System Support Allocation	Other Operating Expenses	Inflation	100	102	105	108	110	113
941	Postage Freight and UPS	Other Operating Expenses	Inflation	6,000	6,144	6,304	6,461	6,623	6,782
942	Electricity	Utilities	SElectric	930,600	972,648	1,015,424	1,059,391	1,104,639	1,151,043
943	Trash and Garbage Disposal	Utilities	Inflation	7,500	7,680	7,880	8,077	8,279	8,477
944	Water and Sewer	Utilities	Inflation	4,000	4,096	4,202	4,308	4,415	4,521
945	Rent Equipment	Other Operating Expenses	Inflation	5,000	5,120	5,253	5,384	5,519	5,652
946	Auto Insurance	Insurance	Constant	45,300	45,300	45,300	45,300	45,300	45,300
947	Building R and M ISF Billings	Materials, Supplies, and Maintenance	Repair	1,500	1,554	1,611	1,673	1,738	1,807
948	Maintenance Landscaping	Materials, Supplies, and Maintenance	Inflation	248,200	254,157	260,765	267,284	273,966	280,541
949	Landscape Materials	Materials, Supplies, and Maintenance	Inflation	5,000	5,120	5,253	5,384	5,519	5,652
950	R and M Electrical	Contractual Services	Repair	115,000	119,140	123,548	128,243	133,244	138,574
951	Fleet Maint ISF Labor and Overhead	Materials, Supplies, and Maintenance	Repair	104,900	108,676	112,697	116,980	121,542	126,404
952	Fleet Maint ISF Parts and Sublet	Materials, Supplies, and Maintenance	Repair	75,900	78,632	81,542	84,640	87,941	91,459
953	Fleet Non Maint ISF Parts and Sublet	Materials, Supplies, and Maintenance	Repair	10,600	10,982	11,388	11,821	12,282	12,773
954	Machine Tools R and M Outside Vendors	Materials, Supplies, and Maintenance	Repair	55,000	56,980	59,088	61,334	63,726	66,275
955	Communication Equipment RM Outside Vendors	Materials, Supplies, and Maintenance	Repair	6,000	6,216	6,446	6,691	6,952	7,230
956	Office Equipment R and M	Materials, Supplies, and Maintenance	Repair	1,000	1,036	1,074	1,115	1,159	1,205
957	Other Equip Repairs and Maintenance	Materials, Supplies, and Maintenance	Repair	3,300	3,419	3,545	3,680	3,824	3,976
958	Printing and/or Binding Outside Vendors	Other Operating Expenses	Inflation	2,000	2,048	2,101	2,154	2,208	2,261

Table 7

Collier County Water-Sewer District
Bond Feasibility Report - Series 2019 Bonds

Projection of Operating Expenses - Combined Water, Wastewater and IQ Water Systems

Line No.	Description	CAFR Classifications	Escalation Reference [1]	Fiscal Year Ending September 30, 2019	2020	2021	2022	2023	2024
959	Licenses and Permits	Other Operating Expenses	Inflation	1,000	1,024	1,051	1,077	1,104	1,130
960	Property Assessment Tax	Other Operating Expenses	Inflation	700	717	735	754	773	791
961	Office Supplies General	Materials, Supplies, and Maintenance	Inflation	7,500	7,680	7,880	8,077	8,279	8,477
962	Minor Office Equipment	Materials, Supplies, and Maintenance	Inflation	2,000	2,048	2,101	2,154	2,208	2,261
963	Minor Office Furniture	Materials, Supplies, and Maintenance	Inflation	1,000	1,024	1,051	1,077	1,104	1,130
964	Clothing and Uniform Purchases	Materials, Supplies, and Maintenance	SEmployees	3,000	3,115	3,327	3,455	3,587	3,720
965	Uniform Accessories	Materials, Supplies, and Maintenance	SEmployees	1,700	1,765	1,885	1,958	2,032	2,108
966	Clothing and Uniform Rental	Other Operating Expenses	SEmployees	30,000	31,145	33,267	34,546	35,866	37,196
967	Fertilizer Herbicides and Chemicals	Fertilizer, Herbicides, and Chemicals	SChemical	878,900	930,330	983,636	1,039,318	1,097,533	1,158,227
968	Fuel and Lubricants Outside Vendors	Materials, Supplies, and Maintenance	Fuel	1,000	1,055	1,113	1,174	1,239	1,307
969	Fuel and Lubricants ISF Billings	Materials, Supplies, and Maintenance	Fuel	235,400	248,347	262,006	276,416	291,619	307,658
970	Household and Institutional Supplies	Materials, Supplies, and Maintenance	Inflation	2,000	2,048	2,101	2,154	2,208	2,261
971	Medical Supplies	Materials, Supplies, and Maintenance	Inflation	2,000	2,048	2,101	2,154	2,208	2,261
972	Minor Operating Equipment	Materials, Supplies, and Maintenance	Inflation	5,500	5,632	5,778	5,923	6,071	6,217
973	Computer Software	Other Operating Expenses	Inflation	80,200	82,125	84,260	86,367	88,526	90,650
974	Other Operating Supplies	Materials, Supplies, and Maintenance	Inflation	103,400	105,882	108,635	111,350	114,134	116,873
975	Electrical Supplier	Materials, Supplies, and Maintenance	Repair	203,300	210,619	218,412	226,711	235,553	244,975
976	Painting Supplies	Materials, Supplies, and Maintenance	Inflation	4,000	4,096	4,202	4,308	4,415	4,521
977	Limerock Clay and Rip Rap	Materials, Supplies, and Maintenance	Inflation	5,000	5,120	5,253	5,384	5,519	5,652
978	Asphalt and Cold Mix	Materials, Supplies, and Maintenance	Inflation	1,000	1,024	1,051	1,077	1,104	1,130
979	Cement and Redi Mix	Materials, Supplies, and Maintenance	Inflation	1,000	1,024	1,051	1,077	1,104	1,130
980	Books Publications and Subscriptions	Materials, Supplies, and Maintenance	Inflation	1,000	1,024	1,051	1,077	1,104	1,130
981	Dues and Memberships	Other Operating Expenses	SEmployees	300	311	333	345	359	372
982	Other Training Educational Expenses	Other Operating Expenses	SEmployees	19,600	20,348	21,734	22,570	23,433	24,302
983	Utilities Parts Etc	Materials, Supplies, and Maintenance	Repair	568,700	589,173	610,973	634,190	658,923	685,280
984	Utilities Repair Etc	Materials, Supplies, and Maintenance	Repair	500,000	518,000	537,166	557,578	579,324	602,497
985	Total Other Operating Expenses			$ 6,089,200	$ 6,318,096	$ 6,562,751	$ 6,813,552	$ 7,075,715	$ 7,347,526
986	Total Wastewater Field Operations Expenses			$ 10,920,599	$ 11,453,538	$ 12,027,695	$ 12,636,017	$ 13,274,212	$ 13,941,500
	South County Water Reclamation Facility								
	Personnel Services								
987	Regular Salaries	Salaries and Wages	Labor	$ 1,193,603	$ 1,229,411	$ 1,266,293	$ 1,304,282	$ 1,343,411	$ 1,383,713
988	ER 457 Deferred Comp	Salaries and Wages	Labor	6,000	6,180	6,365	6,556	6,753	6,956
989	Overtime	Salaries and Wages	Labor	99,882	102,878	105,965	109,144	112,418	115,791
990	Vacation Sell Back	Employee Benefits	Labor	8,196	8,442	8,695	8,956	9,225	9,501
991	Special Pay Adjustment	Employee Benefits	Labor	21,821	22,476	23,150	23,844	24,560	25,297
992	Reserve for Salary Adjustment	Salaries and Wages	Labor	23,873	24,589	25,327	26,087	26,869	27,675
993	Social Security Matching	Employee Benefits	Labor	103,532	106,638	109,837	113,132	116,526	120,022
994	Retirement Regular	Employee Benefits	Labor	128,542	132,398	136,370	140,461	144,675	149,015
995	Health Insurance	Employee Benefits	Ins-Health	301,300	316,365	336,138	361,348	388,449	417,583
996	Dental Insurance	Employee Benefits	Ins-Dental	11,270	11,834	12,425	13,046	13,699	14,384
997	Short Term Disability Ins	Employee Benefits	Ins-Disability	2,300	2,415	2,536	2,663	2,796	2,935
998	Long Term Disability Ins	Employee Benefits	Ins-Disability	4,600	4,830	5,072	5,325	5,591	5,871
999	Life Insurance Short and Long Term	Employee Benefits	Constant	3,429	3,429	3,429	3,429	3,429	3,429
1000	Workers Compensation Regular	Employee Benefits	WorkComp	24,106	25,311	26,577	27,906	29,301	30,766
1001	Total Personnel Services			$ 1,932,454	$ 1,997,196	$ 2,068,179	$ 2,146,180	$ 2,227,702	$ 2,312,938
	Other Operating Expenses								
1002	County Employee Physicals	Contractual Services	SEmployees	$ 300	$ 311	$ 333	$ 345	$ 359	$ 372
1003	Engineering Fees	Contractual Services	Labor	70,000	72,100	74,263	76,491	78,786	81,149
1004	Environmental Consultant Fees	Contractual Services	Inflation	5,000	5,120	5,253	5,384	5,519	5,652
1005	IT Capital Allocation	Contractual Services	Labor	500	515	530	546	563	580

Table 7

Collier County Water-Sewer District
Bond Feasibility Report - Series 2019 Bonds

Projection of Operating Expenses - Combined Water, Wastewater and IQ Water Systems

Line No.	Description	CAFR Classifications	Escalation Reference [1]	Fiscal Year Ending September 30, 2019	2020	2021	2022	2023	2024
1006	Info Technology Automation Allocation	Contractual Services	Labor	36,800	37,904	39,041	40,212	41,419	42,661
1007	IT Microsoft Office Allocation	Contractual Services	Labor	2,500	2,575	2,652	2,732	2,814	2,898
1008	Emergency Maintenance and Repair	Materials, Supplies, and Maintenance	Repair	38,000	39,368	40,825	42,376	44,029	45,790
1009	Interdepartmental Payment For Services	Contractual Services	Labor	1,400	1,442	1,485	1,530	1,576	1,623
1010	Landscape Incidentals	Contractual Services	Inflation	3,000	3,072	3,152	3,231	3,311	3,391
1011	Other Contractual Services	Contractual Services	Inflation	1,299,300	1,330,483	1,365,076	1,399,203	1,434,183	1,468,603
1012	Out of County Travel Professional Development	Other Operating Expenses	SEmployees	1,800	1,869	1,996	2,073	2,152	2,232
1013	Motor Pool Capital Recovery Charge	Other Operating Expenses	Inflation	10,500	10,752	11,032	11,307	11,590	11,868
1014	Telephone Base Cost	Other Operating Expenses	Inflation	6,900	7,066	7,249	7,431	7,616	7,799
1015	Telephone Access Charges	Other Operating Expenses	Inflation	2,400	2,458	2,521	2,585	2,649	2,713
1016	Cellular Telephone	Other Operating Expenses	SEmployees	2,300	2,388	2,550	2,648	2,750	2,852
1017	Telephone System Support Allocation	Other Operating Expenses	Inflation	100	102	105	108	110	113
1018	Postage Freight and UPS	Other Operating Expenses	Inflation	5,700	5,837	5,989	6,138	6,292	6,443
1019	Postage	Other Operating Expenses	Inflation	100	102	105	108	110	113
1020	Freight	Other Operating Expenses	Inflation	400	410	420	431	442	452
1021	Electricity	Utilities	SElectric	770,000	804,791	840,185	876,565	914,004	952,399
1022	Trash and Garbage Disposal	Utilities	Inflation	48,000	49,152	50,430	51,691	52,983	54,255
1023	Rent Equipment	Other Operating Expenses	Inflation	3,800	3,891	3,992	4,092	4,194	4,295
1024	Auto Insurance	Insurance	Constant	1,800	1,800	1,800	1,800	1,800	1,800
1025	Building R and M ISF Billings	Materials, Supplies, and Maintenance	Repair	400	414	430	446	463	482
1026	Sprinkler System Maintenance	Materials, Supplies, and Maintenance	Repair	2,000	2,072	2,149	2,230	2,317	2,410
1027	Maintenance Landscaping	Materials, Supplies, and Maintenance	Inflation	215,600	220,774	226,515	232,177	237,982	243,693
1028	R and M Electrical	Contractual Services	Repair	95,000	98,420	102,062	105,940	110,072	114,474
1029	Fleet Maint ISF Labor and Overhead	Materials, Supplies, and Maintenance	Repair	6,800	7,045	7,305	7,583	7,879	8,194
1030	Fleet Maint ISF Parts and Sublet	Materials, Supplies, and Maintenance	Repair	4,700	4,869	5,049	5,241	5,446	5,663
1031	Fleet Non Maint ISF Parts and Sublet	Materials, Supplies, and Maintenance	Repair	2,700	2,797	2,901	3,011	3,128	3,253
1032	Communication Equipment RM Outside Vendors	Materials, Supplies, and Maintenance	Repair	1,500	1,554	1,611	1,673	1,738	1,807
1033	Office Equipment R and M	Materials, Supplies, and Maintenance	Repair	1,000	1,036	1,074	1,115	1,159	1,205
1034	Data Processing Equipment R and M	Materials, Supplies, and Maintenance	Repair	1,200	1,243	1,289	1,338	1,390	1,446
1035	Printing and/or Binding Outside Vendors	Other Operating Expenses	Inflation	200	205	210	215	221	226
1036	Licenses and Permits	Other Operating Expenses	Inflation	10,500	10,752	11,032	11,307	11,590	11,868
1037	Office Supplies General	Materials, Supplies, and Maintenance	Inflation	1,700	1,741	1,786	1,831	1,876	1,922
1038	Clothing and Uniform Purchases	Materials, Supplies, and Maintenance	SEmployees	1,100	1,142	1,220	1,267	1,315	1,364
1039	Clothing and Uniform Rental	Other Operating Expenses	SEmployees	8,000	8,305	8,871	9,212	9,564	9,919
1040	Fertilizer Herbicides and Chemicals	Fertilizer, Herbicides, and Chemicals	SChemical	462,000	489,035	517,055	546,325	576,926	608,830
1041	Fuel and Lubricants Outside Vendors	Materials, Supplies, and Maintenance	Fuel	200	211	223	235	248	261
1042	Fuel and Lubricants ISF Billings	Materials, Supplies, and Maintenance	Fuel	27,400	28,907	30,497	32,174	33,944	35,811
1043	Household and Institutional Supplies	Materials, Supplies, and Maintenance	Inflation	1,900	1,946	1,996	2,046	2,097	2,148
1044	Medical Supplies	Materials, Supplies, and Maintenance	Inflation	500	512	525	538	552	565
1045	Minor Operating Equipment	Materials, Supplies, and Maintenance	Inflation	2,000	2,048	2,101	2,154	2,208	2,261
1046	Other Operating Supplies	Materials, Supplies, and Maintenance	Sewer Flow	25,000	26,056	27,178	28,302	29,456	30,607
1047	Electrical Supplier	Materials, Supplies, and Maintenance	Repair	96,000	99,456	103,136	107,055	111,230	115,679
1048	Painting Supplies	Materials, Supplies, and Maintenance	Inflation	2,000	2,048	2,101	2,154	2,208	2,261
1049	Limerock Clay and Rip Rap	Materials, Supplies, and Maintenance	Inflation	2,500	2,560	2,627	2,692	2,760	2,826
1050	Dues and Memberships	Other Operating Expenses	SEmployees	400	415	444	461	478	496
1051	Other Training Educational Expenses	Other Operating Expenses	SEmployees	12,800	13,289	14,194	14,739	15,303	15,870
1052	Utilities Parts Etc	Materials, Supplies, and Maintenance	Repair	230,500	238,798	247,634	257,044	267,068	277,751
1053	Utilities Repair Etc	Materials, Supplies, and Maintenance	Repair	314,300	325,615	337,663	350,494	364,163	378,729
1054	Total Other Operating Expenses			$ 3,840,500	$ 3,976,773	$ 4,121,861	$ 4,270,026	$ 4,424,031	$ 4,582,075
1055	Total SCWRF Expenses			$ 5,772,954	$ 5,973,969	$ 6,190,040	$ 6,416,206	$ 6,651,733	$ 6,895,013

Table 7

Collier County Water-Sewer District
Bond Feasibility Report - Series 2019 Bonds

Projection of Operating Expenses - Combined Water, Wastewater and IQ Water Systems

Line No.	Description	CAFR Classifications	Escalation Reference [1]	Fiscal Year Ending September 30, 2019	2020	2021	2022	2023	2024
	Northeast Water Reclamation Facility								
	Personnel Services								
1056	Regular Salaries	Salaries and Wages	Labor	$ 96,211	$ 99,097	$ 102,070	$ 105,132	$ 108,286	$ 111,535
1057	ER 457 Deferred Comp	Salaries and Wages	Labor	500	515	530	546	563	580
1058	Overtime	Salaries and Wages	Labor	8,594	8,852	9,117	9,391	9,673	9,963
1059	Vacation Sell Back	Employee Benefits	Labor	645	664	684	705	726	748
1060	Special Pay Adjustment	Employee Benefits	Labor	2,127	2,191	2,257	2,324	2,394	2,466
1061	Reserve for Salary Adjustment	Salaries and Wages	Labor	1,924	1,982	2,041	2,102	2,165	2,230
1062	Social Security Matching	Employee Benefits	Labor	8,414	8,666	8,926	9,194	9,470	9,754
1063	Retirement Regular	Employee Benefits	Labor	9,592	9,880	10,176	10,481	10,796	11,120
1064	Health Insurance	Employee Benefits	Ins-Health	26,200	27,510	29,229	31,422	33,778	36,312
1065	Dental Insurance	Employee Benefits	Ins-Dental	980	1,029	1,080	1,134	1,191	1,251
1066	Short Term Disability Ins	Employee Benefits	Ins-Disability	200	210	221	232	243	255
1067	Long Term Disability Ins	Employee Benefits	Ins-Disability	400	420	441	463	486	511
1068	Life Insurance Short and Long Term	Employee Benefits	Constant	277	277	277	277	277	277
1069	Workers Compensation Regular	Employee Benefits	WorkComp	774	813	853	896	941	988
1070	Additional Personnel Salary	Salaries and Wages	Calculated	-	-	310,975	320,305	329,914	339,811
1071	Additional Personnel Benefits	Employee Benefits	Calculated	-	-	139,501	143,686	147,997	152,437
1072	Total Personnel Services			$ 156,838	$ 162,106	$ 618,381	$ 638,291	$ 658,900	$ 680,236
	Other Operating Expenses								
1073	Info Technology Automation Allocation	Contractual Services	Labor	$ 1,400	$ 1,442	$ 1,485	$ 1,530	$ 1,576	$ 1,623
1074	IT Microsoft Office Allocation	Contractual Services	Labor	200	206	212	219	225	232
1075	Emergency Maintenance and Repair	Materials, Supplies, and Maintenance	Repair	50,000	51,800	53,717	55,758	57,932	60,250
1076	Interdepartmental Payment For Services	Contractual Services	Labor	500	515	530	546	563	580
1077	Other Contractual Services	Contractual Services	Inflation	203,700	208,589	214,012	219,362	224,846	230,243
1078	Out of County Travel Professional Development	Other Operating Expenses	SEmployees	1,300	1,350	1,442	1,497	1,554	1,612
1079	Motor Pool Capital Recovery Charge	Other Operating Expenses	Inflation	6,900	7,066	7,249	7,431	7,616	7,799
1080	Cellular Telephone	Other Operating Expenses	SEmployees	2,500	2,595	2,772	2,879	2,989	3,100
1081	Postage Freight and UPS	Other Operating Expenses	Inflation	1,200	1,229	1,261	1,292	1,325	1,356
1082	Electricity	Utilities	SElectric	30,000	31,356	32,734	34,152	35,611	37,106
1083	Trash and Garbage Disposal	Utilities	Inflation	3,300	3,379	3,467	3,554	3,643	3,730
1084	Rent - Building	Other Operating Expenses	Inflation	3,900	3,994	4,097	4,200	4,305	4,408
1085	Rent Equipment	Other Operating Expenses	Inflation	3,900	3,994	4,097	4,200	4,305	4,408
1086	Auto Insurance	Insurance	Constant	900	900	900	900	900	900
1087	Maintenance Landscaping	Materials, Supplies, and Maintenance	Inflation	8,600	8,806	9,035	9,261	9,493	9,721
1088	Fleet Maint ISF Labor and Overhead	Materials, Supplies, and Maintenance	Repair	100	104	107	112	116	120
1089	Fleet Maint ISF Parts and Sublet	Materials, Supplies, and Maintenance	Repair	100	104	107	112	116	120
1090	Fleet Non Maint ISF Parts and Sublet	Materials, Supplies, and Maintenance	Repair	200	207	215	223	232	241
1091	Printing and/or Binding Outside Vendors	Other Operating Expenses	Inflation	100	102	105	108	110	113
1092	Office Supplies General	Materials, Supplies, and Maintenance	Inflation	2,000	2,048	2,101	2,154	2,208	2,261
1093	Minor Office Equipment	Materials, Supplies, and Maintenance	Inflation	1,000	1,024	1,051	1,077	1,104	1,130
1094	Minor Office Furniture	Materials, Supplies, and Maintenance	Inflation	3,000	3,072	3,152	3,231	3,311	3,391
1095	Minor Data Processing Equipment	Materials, Supplies, and Maintenance	Inflation	1,600	1,638	1,681	1,723	1,766	1,808
1096	Clothing and Uniform Purchases	Materials, Supplies, and Maintenance	SEmployees	1,000	1,038	1,109	1,152	1,196	1,240
1097	Personal Safety Equipment	Materials, Supplies, and Maintenance	SEmployees	1,700	1,765	1,885	1,958	2,032	2,108
1098	Fertilizer Herbicides and Chemicals	Fertilizer, Herbicides, and Chemicals	SChemical	22,500	23,817	25,181	26,607	28,097	29,651
1099	Fuel and Lubricants ISF Billings	Materials, Supplies, and Maintenance	Fuel	1,500	1,583	1,670	1,761	1,858	1,960
1100	Medical Supplies	Materials, Supplies, and Maintenance	Inflation	400	410	420	431	442	452
1101	Minor Operating Equipment	Materials, Supplies, and Maintenance	Inflation	6,000	6,144	6,304	6,461	6,623	6,782
1102	Other Operating Supplies	Materials, Supplies, and Maintenance	Inflation	8,000	8,192	8,405	8,615	8,830	9,042

Table 7

Collier County Water-Sewer District
Bond Feasibility Report - Series 2019 Bonds

Projection of Operating Expenses - Combined Water, Wastewater and IQ Water Systems

Line No.	Description	CAFR Classifications	Escalation Reference [1]	Fiscal Year Ending September 30, 2019	2020	2021	2022	2023	2024
1103	Books Publications and Subscriptions	Materials, Supplies, and Maintenance	SEmployees	1,000	1,038	1,109	1,152	1,196	1,240
1104	Dues and Memberships	Other Operating Expenses	SEmployees	100	104	111	115	120	124
1105	Utilities Parts Etc	Materials, Supplies, and Maintenance	Repair	25,000	25,900	26,858	27,879	28,966	30,125
1106	Utilities Repair Etc	Materials, Supplies, and Maintenance	Repair	8,000	8,288	8,595	8,921	9,269	9,640
1107	Total Other Operating Expenses			$ 401,600	$ 413,797	$ 427,178	$ 440,570	$ 454,473	$ 468,617
1108	Total Northeast WRF Expenses			$ 558,438	$ 575,902	$ 1,045,559	$ 1,078,860	$ 1,113,373	$ 1,148,852
	South County Regional Water Treatment Plant								
	Personnel Services								
1109	Regular Salaries	Salaries and Wages	Labor	$ 1,115,773	$ 1,149,246	$ 1,183,724	$ 1,219,235	$ 1,255,812	$ 1,293,487
1110	ER 457 Deferred Comp	Salaries and Wages	Labor	4,000	4,120	4,244	4,371	4,502	4,637
1111	Other Salaries and Wages	Salaries and Wages	Labor	31,209	32,145	33,110	34,103	35,126	36,180
1112	Overtime	Salaries and Wages	Labor	79,500	81,885	84,342	86,872	89,478	92,162
1113	Vacation Sell Back	Employee Benefits	Labor	3,693	3,804	3,918	4,035	4,157	4,281
1114	Special Pay Adjustment	Employee Benefits	Labor	45,969	47,348	48,769	50,232	51,739	53,291
1115	Reserve for Salary Adjustment	Salaries and Wages	Labor	22,414	23,086	23,779	24,492	25,227	25,984
1116	Social Security Matching	Employee Benefits	Labor	99,637	102,626	105,705	108,876	112,142	115,507
1117	Retirement Regular	Employee Benefits	Labor	121,160	124,795	128,539	132,395	136,367	140,458
1118	Health Insurance - Job Bankers / PT	Employee Benefits	Labor	13,100	13,493	13,898	14,315	14,744	15,186
1119	Health Insurance	Employee Benefits	Ins-Health	301,300	316,365	336,138	361,348	388,449	417,583
1120	Dental Insurance	Employee Benefits	Ins-Dental	11,270	11,834	12,425	13,046	13,699	14,384
1121	Short Term Disability Ins	Employee Benefits	Ins-Disability	2,300	2,415	2,536	2,663	2,796	2,935
1122	Long Term Disability Ins	Employee Benefits	Ins-Disability	4,600	4,830	5,072	5,325	5,591	5,871
1123	Life Insurance Short and Long Term	Employee Benefits	Constant	3,196	3,196	3,196	3,196	3,196	3,196
1124	Workers Compensation Regular	Employee Benefits	WorkComp	24,359	25,577	26,856	28,199	29,609	31,089
1125	Total Personnel Services			$ 1,883,480	$ 1,946,765	$ 2,016,247	$ 2,092,703	$ 2,172,633	$ 2,256,230
	Other Operating Expenses								
1126	IT Capital Allocation	Contractual Services	Labor	$ 500	$ 515	$ 530	$ 546	$ 563	$ 580
1127	Info Technology Automation Allocation	Contractual Services	Labor	37,700	38,831	39,996	41,196	42,432	43,705
1128	IT Microsoft Office Allocation	Contractual Services	Labor	2,600	2,678	2,758	2,841	2,926	3,014
1129	Emergency Maintenance and Repair	Materials, Supplies, and Maintenance	Repair	50,000	51,800	53,717	55,758	57,932	60,250
1130	Interdepartmental Payment For Services	Contractual Services	Labor	2,500	2,575	2,652	2,732	2,814	2,898
1131	Other Contractual Services	Contractual Services	Inflation	1,079,800	1,105,715	1,134,464	1,162,825	1,191,896	1,220,502
1132	Out of County Travel Professional Development	Other Operating Expenses	WEmployees	1,000	1,041	1,119	1,165	1,212	1,259
1133	Motor Pool Capital Recovery Charge	Other Operating Expenses	Inflation	19,000	19,456	19,962	20,461	20,972	21,476
1134	Telephone Base Cost	Other Operating Expenses	Inflation	6,000	6,144	6,304	6,461	6,623	6,782
1135	Telephone Access Charges	Other Operating Expenses	Inflation	2,400	2,458	2,521	2,585	2,649	2,713
1136	Cellular Telephone	Other Operating Expenses	WEmployees	1,000	1,041	1,119	1,165	1,212	1,259
1137	Telephone System Support Allocation	Other Operating Expenses	Inflation	300	307	315	323	331	339
1138	Postage Freight and UPS	Other Operating Expenses	Inflation	10,000	10,240	10,506	10,769	11,038	11,303
1139	Electricity	Utilities	WElectric	1,046,000	1,081,182	1,125,769	1,171,639	1,218,696	1,266,957
1140	Trash and Garbage Disposal	Utilities	Inflation	6,200	6,349	6,514	6,677	6,844	7,008
1141	Rent Equipment	Other Operating Expenses	Inflation	5,000	5,120	5,253	5,384	5,519	5,652
1142	Lease Equipment	Other Operating Expenses	Inflation	6,700	6,861	7,039	7,215	7,396	7,573
1143	Auto Insurance	Insurance	Constant	1,800	1,800	1,800	1,800	1,800	1,800
1144	Landscape Materials	Materials, Supplies, and Maintenance	Inflation	1,000	1,024	1,051	1,077	1,104	1,130
1145	Fleet Maint ISF Labor and Overhead	Materials, Supplies, and Maintenance	Repair	8,400	8,702	9,024	9,367	9,733	10,122
1146	Fleet Maint ISF Parts and Sublet	Materials, Supplies, and Maintenance	Repair	6,600	6,838	7,091	7,360	7,647	7,953

Table 7

Collier County Water-Sewer District
Bond Feasibility Report - Series 2019 Bonds

Projection of Operating Expenses - Combined Water, Wastewater and IQ Water Systems

Line No.	Description	CAFR Classifications	Escalation Reference [1]	Fiscal Year Ending September 30, 2019	2020	2021	2022	2023	2024
1147	Fleet Non Maint ISF Parts and Sublet	Materials, Supplies, and Maintenance	Repair	2,100	2,176	2,256	2,342	2,433	2,530
1148	Communication Equipment RM Outside Vendors	Materials, Supplies, and Maintenance	Repair	2,800	2,901	3,008	3,122	3,244	3,374
1149	Office Equipment R and M	Materials, Supplies, and Maintenance	Repair	500	518	537	558	579	602
1150	Licenses and Permits	Other Operating Expenses	Inflation	5,000	5,120	5,253	5,384	5,519	5,652
1151	Office Supplies General	Materials, Supplies, and Maintenance	Inflation	2,000	2,048	2,101	2,154	2,208	2,261
1152	Minor Office Furniture	Materials, Supplies, and Maintenance	Inflation	3,000	3,072	3,152	3,231	3,311	3,391
1153	Clothing and Uniform Purchases	Materials, Supplies, and Maintenance	WEmployees	500	520	560	582	606	630
1154	Uniform Accessories	Materials, Supplies, and Maintenance	WEmployees	1,000	1,041	1,119	1,165	1,212	1,259
1155	Clothing and Uniform Rental	Other Operating Expenses	WEmployees	10,100	10,511	11,305	11,765	12,238	12,718
1156	Fertilizer Herbicides and Chemicals	Fertilizer, Herbicides, and Chemicals	WChemical	1,760,000	1,842,405	1,942,857	2,047,813	2,157,233	2,271,270
1157	Fuel and Lubricants Outside Vendors	Materials, Supplies, and Maintenance	Fuel	3,000	3,165	3,339	3,523	3,716	3,921
1158	Fuel and Lubricants ISF Billings	Materials, Supplies, and Maintenance	Fuel	56,000	59,080	62,329	65,758	69,374	73,190
1159	Household and Institutional Supplies	Materials, Supplies, and Maintenance	Inflation	3,000	3,072	3,152	3,231	3,311	3,391
1160	Medical Supplies	Materials, Supplies, and Maintenance	Inflation	1,500	1,536	1,576	1,615	1,656	1,695
1161	Minor Operating Equipment	Materials, Supplies, and Maintenance	Inflation	40,000	40,960	42,025	43,076	44,152	45,212
1162	Electrical Supplier	Materials, Supplies, and Maintenance	Repair	75,000	77,700	80,575	83,637	86,899	90,375
1163	Painting Supplies	Materials, Supplies, and Maintenance	Inflation	6,000	6,144	6,304	6,461	6,623	6,782
1164	Limerock Clay and Rip Rap	Materials, Supplies, and Maintenance	Inflation	1,000	1,024	1,051	1,077	1,104	1,130
1165	Dues and Memberships	Other Operating Expenses	WEmployees	300	312	336	349	364	378
1166	Other Training Educational Expenses	Other Operating Expenses	WEmployees	8,400	8,742	9,402	9,784	10,178	10,577
1167	Utilities Parts Etc	Materials, Supplies, and Maintenance	Repair	450,000	466,200	483,449	501,820	521,391	542,247
1168	Total Other Operating Expenses			$ 4,725,700	$ 4,898,922	$ 5,105,192	$ 5,317,794	$ 5,538,689	$ 5,766,858
1169	Total SCRWTP Expenses			$ 6,609,180	$ 6,845,687	$ 7,121,439	$ 7,410,496	$ 7,711,323	$ 8,023,088
	Distribution								
	Personnel Services								
1170	Regular Salaries	Salaries and Wages	Labor	$ 1,863,360	$ 1,919,261	$ 1,976,839	$ 2,036,144	$ 2,097,228	$ 2,160,145
1171	ER 457 Deferred Comp	Salaries and Wages	Labor	7,000	7,210	7,426	7,649	7,879	8,115
1172	Other Salaries and Wages	Salaries and Wages	Labor	134,430	138,463	142,617	146,895	151,302	155,841
1173	Overtime	Salaries and Wages	Labor	128,793	132,657	136,636	140,736	144,958	149,306
1174	Vacation Sell Back	Employee Benefits	Labor	7,322	7,542	7,768	8,001	8,241	8,488
1175	Special Pay Adjustment	Employee Benefits	Labor	113,980	117,399	120,921	124,549	128,285	132,134
1176	Reserve for Salary Adjustment	Salaries and Wages	Labor	37,266	38,384	39,535	40,722	41,943	43,202
1177	Social Security Matching	Employee Benefits	Labor	175,350	180,611	186,029	191,610	197,358	203,279
1178	Retirement Regular	Employee Benefits	Labor	200,177	206,182	212,368	218,739	225,301	232,060
1179	Health Insurance - Job Bankers / PT	Employee Benefits	Ins-Health	52,400	55,020	58,459	62,843	67,556	72,623
1180	Health Insurance	Employee Benefits	Ins-Health	563,300	591,465	628,432	675,564	726,231	780,699
1181	Dental Insurance	Employee Benefits	Ins-Dental	21,070	22,124	23,230	24,391	25,611	26,891
1182	Short Term Disability Ins	Employee Benefits	Ins-Disability	4,300	4,515	4,741	4,978	5,227	5,488
1183	Long Term Disability Ins	Employee Benefits	Ins-Disability	8,600	9,030	9,482	9,956	10,453	10,976
1184	Life Insurance Short and Long Term	Employee Benefits	Constant	5,342	5,342	5,342	5,342	5,342	5,342
1185	Workers Compensation Regular	Employee Benefits	WorkComp	41,045	43,097	45,252	47,515	49,890	52,385
1186	Additional Personnel Salary	Salaries and Wages	Calculated	-	95,846	197,443	305,049	418,934	539,377
1187	Additional Personnel Benefits	Employee Benefits	Calculated	-	44,357	91,375	141,174	193,879	249,619
1188	Total Personnel Services			$ 3,363,735	$ 3,618,504	$ 3,893,893	$ 4,191,855	$ 4,505,618	$ 4,835,970
	Other Operating Expenses								
1189	Abstract Fees	Contractual Services	Inflation	$ 1,000	$ 1,024	$ 1,051	$ 1,077	$ 1,104	$ 1,130
1190	IT Capital Allocation	Contractual Services	Labor	12,200	12,566	12,943	13,331	13,731	14,143

Table 7

Collier County Water-Sewer District
Bond Feasibility Report - Series 2019 Bonds

Projection of Operating Expenses - Combined Water, Wastewater and IQ Water Systems

Line No.	Description	CAFR Classifications	Escalation Reference [1]	Fiscal Year Ending September 30, 2019	2020	2021	2022	2023	2024
1191	Info Technology Automation Allocation	Contractual Services	Labor	149,400	153,882	158,498	163,253	168,151	173,196
1192	IT Microsoft Office Allocation	Contractual Services	Labor	5,200	5,356	5,517	5,682	5,853	6,028
1193	Emergency Maintenance and Repair	Materials, Supplies, and Maintenance	Repair	550,000	569,800	590,883	613,336	637,256	662,746
1194	Interdepartmental Payment For Services	Contractual Services	Labor	55,000	56,650	58,350	60,100	61,903	63,760
1195	Other Contractual Services	Contractual Services	Inflation	125,000	128,000	131,328	134,611	137,976	141,288
1196	Temporary Labor	Contractual Services	Inflation	556,500	569,856	584,672	599,289	614,271	629,014
1197	Out of County Travel Professional Development	Other Operating Expenses	WEmployees	7,500	7,805	8,395	8,736	9,088	9,444
1198	Motor Pool Rental Charge	Other Operating Expenses	Inflation	1,200	1,229	1,261	1,292	1,325	1,356
1199	Motor Pool Capital Recovery Charge	Other Operating Expenses	Inflation	244,700	250,573	257,088	263,515	270,103	276,585
1200	Telephone Beepers Base Cost	Other Operating Expenses	Inflation	12,000	12,288	12,607	12,923	13,246	13,564
1201	Telephone Access Charges	Other Operating Expenses	Inflation	3,600	3,686	3,782	3,877	3,974	4,069
1202	Cellular Telephone	Other Operating Expenses	WEmployees	35,900	37,361	40,182	41,817	43,499	45,205
1203	Telephone System Support Allocation	Other Operating Expenses	Inflation	100	102	105	108	110	113
1204	Postage Freight and UPS	Other Operating Expenses	Inflation	5,000	5,120	5,253	5,384	5,519	5,652
1205	Freight	Other Operating Expenses	Inflation	500	512	525	538	552	565
1206	Rent Equipment	Other Operating Expenses	Inflation	85,000	87,040	89,303	91,536	93,824	96,076
1207	Lease Equipment	Other Operating Expenses	Inflation	5,000	5,120	5,253	5,384	5,519	5,652
1208	Auto Insurance	Insurance	Constant	28,600	28,600	28,600	28,600	28,600	28,600
1209	Insurance Claims	Insurance	Gen-Ins	5,000	5,250	5,513	5,788	6,078	6,381
1210	Building R and M ISF Billings	Materials, Supplies, and Maintenance	Repair	5,000	5,180	5,372	5,576	5,793	6,025
1211	Landscape Materials	Materials, Supplies, and Maintenance	Inflation	60,000	61,440	63,037	64,613	66,229	67,818
1212	Fleet Maint ISF Labor and Overhead	Materials, Supplies, and Maintenance	Repair	107,000	110,852	114,954	119,322	123,975	128,934
1213	Fleet Maint ISF Parts and Sublet	Materials, Supplies, and Maintenance	Repair	58,600	60,710	62,956	65,348	67,897	70,613
1214	Fleet Non Maint ISF Parts and Sublet	Materials, Supplies, and Maintenance	Repair	5,900	6,112	6,339	6,579	6,836	7,109
1215	Communication Equipment RM Outside Vendors	Materials, Supplies, and Maintenance	Repair	8,000	8,288	8,595	8,921	9,269	9,640
1216	Office Equipment R and M	Materials, Supplies, and Maintenance	Repair	5,000	5,180	5,372	5,576	5,793	6,025
1217	Printing and/or Binding Outside Vendors	Other Operating Expenses	Inflation	2,000	2,048	2,101	2,154	2,208	2,261
1218	Licenses and Permits	Other Operating Expenses	Inflation	10,000	10,240	10,506	10,769	11,038	11,303
1219	Clerks Recording Fees Etc	Other Operating Expenses	Inflation	100	102	105	108	110	113
1220	Property Owner Reimbursements	Other Operating Expenses	Inflation	8,500	8,704	8,930	9,154	9,382	9,608
1221	Office Supplies General	Materials, Supplies, and Maintenance	Inflation	5,000	5,120	5,253	5,384	5,519	5,652
1222	Minor Office Equipment	Materials, Supplies, and Maintenance	Inflation	5,000	5,120	5,253	5,384	5,519	5,652
1223	Minor Office Furniture	Materials, Supplies, and Maintenance	Inflation	5,000	5,120	5,253	5,384	5,519	5,652
1224	Clothing and Uniform Purchases	Materials, Supplies, and Maintenance	WEmployees	10,000	10,407	11,193	11,648	12,117	12,592
1225	Uniform Accessories	Materials, Supplies, and Maintenance	WEmployees	1,000	1,041	1,119	1,165	1,212	1,259
1226	Fuel and Lubricants Outside Vendors	Materials, Supplies, and Maintenance	Fuel	200	211	223	235	248	261
1227	Fuel and Lubricants ISF Billings	Materials, Supplies, and Maintenance	Fuel	183,200	193,276	203,906	215,121	226,953	239,435
1228	Minor Operating Equipment	Materials, Supplies, and Maintenance	Inflation	35,000	35,840	36,772	37,691	38,633	39,561
1229	Computer Software	Other Operating Expenses	Inflation	10,000	10,240	10,506	10,769	11,038	11,303
1230	Other Operating Supplies	Materials, Supplies, and Maintenance	Inflation	65,000	66,560	68,291	69,998	71,748	73,470
1231	Painting Supplies	Materials, Supplies, and Maintenance	Inflation	25,000	25,600	26,266	26,922	27,595	28,258
1232	Limerock Clay and Rip Rap	Materials, Supplies, and Maintenance	Inflation	12,000	12,288	12,607	12,923	13,246	13,564
1233	Asphalt and Cold Mix	Materials, Supplies, and Maintenance	Inflation	6,000	6,144	6,304	6,461	6,623	6,782
1234	Cement and Redi Mix	Materials, Supplies, and Maintenance	Inflation	2,000	2,048	2,101	2,154	2,208	2,261
1235	Books Publications and Subscriptions	Materials, Supplies, and Maintenance	Inflation	500	512	525	538	552	565
1236	Other Training Educational Expenses	Other Operating Expenses	WEmployees	32,000	33,302	35,817	37,274	38,774	40,294
1237	Utilities Parts Etc	Materials, Supplies, and Maintenance	Repair	1,600,000	1,657,600	1,718,931	1,784,251	1,853,836	1,927,990
1238	Bulk Water	Utilities	MarcoIsland	1,000	1,030	1,061	1,093	1,126	1,159
1239	Total Other Operating Expenses			$ 4,156,400	$ 4,292,136	$ 4,440,756	$ 4,592,694	$ 4,752,676	$ 4,919,722
1240	Total Distribution Expenses			$ 7,520,135	$ 7,910,639	$ 8,334,649	$ 8,784,549	$ 9,258,294	$ 9,755,692

Table 7

Collier County Water-Sewer District
Bond Feasibility Report - Series 2019 Bonds

Projection of Operating Expenses - Combined Water, Wastewater and IQ Water Systems

Line No.	Description	CAFR Classifications	Escalation Reference [1]	Fiscal Year Ending September 30, 2019	2020	2021	2022	2023	2024
	Wellfield / Outlying Stations Maintenance								
	Personnel Services								
1241	Regular Salaries	Salaries and Wages	Labor	$ 462,050	$ 475,912	$ 490,189	$ 504,895	$ 520,041	$ 535,643
1242	ER 457 Deferred Comp	Salaries and Wages	Labor	3,000	3,090	3,183	3,278	3,377	3,478
1243	Overtime	Salaries and Wages	Labor	42,437	43,710	45,021	46,372	47,763	49,196
1244	Vacation Sell Back	Employee Benefits	Labor	2,606	2,684	2,765	2,848	2,933	3,021
1245	Special Pay Adjustment	Employee Benefits	Labor	60,011	61,811	63,666	65,576	67,543	69,569
1246	Reserve for Salary Adjustment	Salaries and Wages	Labor	9,241	9,518	9,804	10,098	10,401	10,713
1247	Social Security Matching	Employee Benefits	Labor	44,319	45,649	47,018	48,429	49,881	51,378
1248	Retirement Regular	Employee Benefits	Labor	50,487	52,002	53,562	55,169	56,824	58,528
1249	Health Insurance	Employee Benefits	Ins-Health	144,100	151,305	160,762	172,819	185,780	199,714
1250	Dental Insurance	Employee Benefits	Ins-Dental	5,390	5,660	5,942	6,240	6,552	6,879
1251	Short Term Disability Ins	Employee Benefits	Ins-Disability	1,100	1,155	1,213	1,273	1,337	1,404
1252	Long Term Disability Ins	Employee Benefits	Ins-Disability	2,200	2,310	2,426	2,547	2,674	2,808
1253	Life Insurance Short and Long Term	Employee Benefits	Constant	1,326	1,326	1,326	1,326	1,326	1,326
1254	Workers Compensation Regular	Employee Benefits	WorkComp	14,144	14,851	15,594	16,373	17,192	18,052
1255	Total Personnel Services			$ 842,411	$ 870,982	$ 902,469	$ 937,241	$ 973,624	$ 1,011,708
	Other Operating Expenses								
1256	IT Capital Allocation	Contractual Services	Labor	$ 7,200	$ 7,416	$ 7,638	$ 7,868	$ 8,104	$ 8,347
1257	Info Technology Automation Allocation	Contractual Services	Labor	30,500	31,415	32,357	33,328	34,328	35,358
1258	IT Microsoft Office Allocation	Contractual Services	Labor	1,200	1,236	1,273	1,311	1,351	1,391
1259	Emergency Maintenance and Repair	Materials, Supplies, and Maintenance	Repair	300,000	310,800	322,300	334,547	347,594	361,498
1260	Interdepartmental Payment For Services	Contractual Services	Labor	8,000	8,240	8,487	8,742	9,004	9,274
1261	Other Contractual Services	Contractual Services	Inflation	800,000	819,200	840,499	861,512	883,049	904,243
1262	Temporary Labor	Contractual Services	Inflation	49,000	50,176	51,481	52,768	54,087	55,385
1263	Out of County Travel Professional Development	Other Operating Expenses	WEmployees	2,500	2,602	2,798	2,912	3,029	3,148
1264	Motor Pool Capital Recovery Charge	Other Operating Expenses	Inflation	104,500	107,008	109,790	112,535	115,348	118,117
1265	Telephone Base Cost	Other Operating Expenses	Inflation	19,200	19,661	20,172	20,676	21,193	21,702
1266	Telephone Access Charges	Other Operating Expenses	Inflation	600	614	630	646	662	678
1267	Cellular Telephone	Other Operating Expenses	WEmployees	6,400	6,660	7,163	7,455	7,755	8,059
1268	Telephone System Support Allocation	Other Operating Expenses	Inflation	300	307	315	323	331	339
1269	Postage Freight and UPS	Other Operating Expenses	Inflation	3,000	3,072	3,152	3,231	3,311	3,391
1270	Freight	Other Operating Expenses	Inflation	100	102	105	108	110	113
1271	Electricity	Utilities	WElectric	1,840,700	1,902,612	1,981,074	2,061,793	2,144,602	2,229,529
1272	Rent Equipment	Other Operating Expenses	Inflation	50,000	51,200	52,531	53,844	55,191	56,515
1273	Auto Insurance	Insurance	Constant	11,400	11,400	11,400	11,400	11,400	11,400
1274	Building R and M ISF Billings	Materials, Supplies, and Maintenance	Repair	25,000	25,900	26,858	27,879	28,966	30,125
1275	Maintenance Landscaping	Materials, Supplies, and Maintenance	Inflation	130,000	133,120	136,581	139,996	143,496	146,939
1276	Fleet Maint ISF Labor and Overhead	Materials, Supplies, and Maintenance	Repair	36,100	37,400	38,783	40,257	41,827	43,500
1277	Fleet Maint ISF Parts and Sublet	Materials, Supplies, and Maintenance	Repair	29,600	30,666	31,800	33,009	34,296	35,668
1278	Fleet Non Maint ISF Parts and Sublet	Materials, Supplies, and Maintenance	Repair	2,400	2,486	2,578	2,676	2,781	2,892
1279	Communication Equipment RM Outside Vendors	Materials, Supplies, and Maintenance	Repair	1,000	1,036	1,074	1,115	1,159	1,205
1280	Licenses and Permits	Other Operating Expenses	Inflation	2,500	2,560	2,627	2,692	2,760	2,826
1281	Office Supplies General	Materials, Supplies, and Maintenance	Inflation	1,000	1,024	1,051	1,077	1,104	1,130
1282	Clothing and Uniform Purchases	Materials, Supplies, and Maintenance	WEmployees	2,000	2,081	2,239	2,330	2,423	2,518
1283	Fuel and Lubricants Outside Vendors	Materials, Supplies, and Maintenance	Fuel	400	422	445	470	496	523
1284	Fuel and Lubricants ISF Billings	Materials, Supplies, and Maintenance	Fuel	78,700	83,029	87,595	92,413	97,496	102,858
1285	Minor Operating Equipment	Materials, Supplies, and Maintenance	Inflation	14,000	14,336	14,709	15,076	15,453	15,824
1286	Other Operating Supplies	Materials, Supplies, and Maintenance	Inflation	44,000	45,056	46,227	47,383	48,568	49,733

Table 7

Collier County Water-Sewer District
Bond Feasibility Report - Series 2019 Bonds

Projection of Operating Expenses - Combined Water, Wastewater and IQ Water Systems

Line No.	Description	CAFR Classifications	Escalation Reference [1]	Fiscal Year Ending September 30, 2019	2020	2021	2022	2023	2024
1287	Electrical Supplier	Materials, Supplies, and Maintenance	Repair	25,000	25,900	26,858	27,879	28,966	30,125
1288	Painting Supplies	Materials, Supplies, and Maintenance	Inflation	18,000	18,432	18,911	19,384	19,869	20,345
1289	Limerock Clay and Rip Rap	Materials, Supplies, and Maintenance	Inflation	15,000	15,360	15,759	16,153	16,557	16,955
1290	Cement and Redi Mix	Materials, Supplies, and Maintenance	Inflation	15,000	15,360	15,759	16,153	16,557	16,955
1291	Other Training Educational Expenses	Other Operating Expenses	WEmployees	18,000	18,732	20,147	20,967	21,810	22,665
1292	Utilities Parts Etc	Materials, Supplies, and Maintenance	Repair	325,000	336,700	349,158	362,426	376,561	391,623
1293	Total Other Operating Expenses			$ 4,017,300	$ 4,143,322	$ 4,292,329	$ 4,444,334	$ 4,601,593	$ 4,762,896
1294	Total Wellfield / Outlying Stations Maintenance Expenses			$ 4,859,711	$ 5,014,304	$ 5,194,798	$ 5,381,575	$ 5,575,217	$ 5,774,604
	Meter Operations								
	Personnel Services								
1295	Regular Salaries	Salaries and Wages	Labor	$ 1,184,604	$ 1,220,142	$ 1,256,746	$ 1,294,449	$ 1,333,282	$ 1,373,281
1296	ER 457 Deferred Comp	Salaries and Wages	Labor	3,500	3,605	3,713	3,825	3,939	4,057
1297	Overtime	Salaries and Wages	Labor	81,693	84,144	86,668	89,268	91,946	94,705
1298	Vacation Sell Back	Employee Benefits	Labor	6,325	6,515	6,710	6,911	7,119	7,332
1299	Special Pay Adjustment	Employee Benefits	Labor	56,227	57,914	59,651	61,441	63,284	65,183
1300	Reserve for Salary Adjustment	Salaries and Wages	Labor	23,690	24,401	25,133	25,887	26,663	27,463
1301	Social Security Matching	Employee Benefits	Labor	103,741	106,853	110,059	113,361	116,761	120,264
1302	Retirement Regular	Employee Benefits	Labor	125,015	128,765	132,628	136,607	140,705	144,927
1303	Health Insurance	Employee Benefits	Ins-Health	379,900	398,895	423,826	455,613	489,784	526,518
1304	Dental Insurance	Employee Benefits	Ins-Dental	14,210	14,921	15,667	16,450	17,272	18,136
1305	Short Term Disability Ins	Employee Benefits	Ins-Disability	2,900	3,045	3,197	3,357	3,525	3,701
1306	Long Term Disability Ins	Employee Benefits	Ins-Disability	5,800	6,090	6,395	6,714	7,050	7,402
1307	Life Insurance Short and Long Term	Employee Benefits	Constant	3,400	3,400	3,400	3,400	3,400	3,400
1308	Workers Compensation Regular	Employee Benefits	WorkComp	26,883	28,227	29,639	31,120	32,676	34,310
1309	Additional Personnel Salary	Salaries and Wages	Calculated	-	95,846	98,721	203,366	209,467	323,626
1310	Additional Personnel Benefits	Employee Benefits	Calculated	-	44,357	45,687	94,116	96,939	149,771
1311	Total Personnel Services			$ 2,017,888	$ 2,227,119	$ 2,307,840	$ 2,545,884	$ 2,643,814	$ 2,904,077
	Other Operating Expenses								
1312	IT Capital Allocation	Contractual Services	Labor	$ 1,200	$ 1,236	$ 1,273	$ 1,311	$ 1,351	$ 1,391
1313	Info Technology Automation Allocation	Contractual Services	Labor	64,300	66,229	68,216	70,262	72,370	74,541
1314	IT Microsoft Office Allocation	Contractual Services	Labor	3,200	3,296	3,395	3,497	3,602	3,710
1315	Emergency Maintenance and Repair	Materials, Supplies, and Maintenance	Repair	15,100	15,644	16,222	16,839	17,496	18,195
1316	Interdepartmental Payment For Services	Contractual Services	Labor	1,000	1,030	1,061	1,093	1,126	1,159
1317	Other Contractual Services	Contractual Services	Inflation	80,000	81,920	84,050	86,151	88,305	90,424
1318	Out of County Travel Professional Development	Other Operating Expenses	UtilityEmployees	6,900	7,171	7,682	7,985	8,298	8,619
1319	Motor Pool Rental Charge	Other Operating Expenses	UtilityEmployees	2,900	3,014	3,229	3,356	3,487	3,623
1320	Motor Pool Capital Recovery Charge	Other Operating Expenses	Inflation	133,800	137,011	140,573	144,088	147,690	151,235
1321	Telephone Access Charges	Other Operating Expenses	Inflation	400	410	420	431	442	452
1322	Cellular Telephone	Other Operating Expenses	UtilityEmployees	12,500	12,991	13,917	14,466	15,032	15,615
1323	Telephone System Support Allocation	Other Operating Expenses	Inflation	100	102	105	108	110	113
1324	Postage Freight and UPS	Other Operating Expenses	Inflation	1,100	1,126	1,156	1,185	1,214	1,243
1325	Freight	Other Operating Expenses	Inflation	500	512	525	538	552	565
1326	Auto Insurance	Insurance	Constant	21,100	21,100	21,100	21,100	21,100	21,100
1327	Landscape Materials	Materials, Supplies, and Maintenance	Inflation	1,000	1,024	1,051	1,077	1,104	1,130
1328	Fleet Maint ISF Labor and Overhead	Materials, Supplies, and Maintenance	Repair	27,300	28,283	29,329	30,444	31,631	32,896
1329	Fleet Maint ISF Parts and Sublet	Materials, Supplies, and Maintenance	Repair	20,100	20,824	21,594	22,415	23,289	24,220
1330	Fleet Non Maint ISF Parts and Sublet	Materials, Supplies, and Maintenance	Repair	6,600	6,838	7,091	7,360	7,647	7,953

Table 7

Collier County Water-Sewer District
Bond Feasibility Report - Series 2019 Bonds

Projection of Operating Expenses - Combined Water, Wastewater and IQ Water Systems

Line No.	Description	CAFR Classifications	Escalation Reference [1]	Fiscal Year Ending September 30, 2019	2020	2021	2022	2023	2024
1331	Communication Equipment RM Outside Vendors	Materials, Supplies, and Maintenance	Repair	4,000	4,144	4,297	4,461	4,635	4,820
1332	Printing and/or Binding Outside Vendors	Other Operating Expenses	Inflation	2,000	2,048	2,101	2,154	2,208	2,261
1333	Licenses and Permits	Other Operating Expenses	Inflation	1,500	1,536	1,576	1,615	1,656	1,695
1334	Property Owner Reimbursements	Other Operating Expenses	Inflation	1,000	1,024	1,051	1,077	1,104	1,130
1335	Office Supplies General	Materials, Supplies, and Maintenance	Inflation	2,000	2,048	2,101	2,154	2,208	2,261
1336	Clothing and Uniform Purchases	Materials, Supplies, and Maintenance	UtilityEmployees	21,500	22,344	23,938	24,881	25,855	26,857
1337	Uniform Accessories	Materials, Supplies, and Maintenance	UtilityEmployees	1,500	1,559	1,670	1,736	1,804	1,874
1338	Fuel and Lubricants ISF Billings	Materials, Supplies, and Maintenance	Fuel	72,400	76,382	80,583	85,015	89,691	94,624
1339	Minor Operating Equipment	Materials, Supplies, and Maintenance	Inflation	25,000	25,600	26,266	26,922	27,595	28,258
1340	Computer Software	Other Operating Expenses	Inflation	10,000	10,240	10,506	10,769	11,038	11,303
1341	Painting Supplies	Materials, Supplies, and Maintenance	Inflation	5,000	5,120	5,253	5,384	5,519	5,652
1342	Books Publications and Subscriptions	Materials, Supplies, and Maintenance	Inflation	500	512	525	538	552	565
1343	Other Training Educational Expenses	Other Operating Expenses	UtilityEmployees	10,900	11,328	12,136	12,614	13,108	13,616
1344	Utilities Parts Etc	Materials, Supplies, and Maintenance	Repair	1,645,000	1,704,220	1,767,276	1,834,433	1,905,976	1,982,215
1345	Incremental Operating Expense - Placeholder	Other Operating Expenses	Eliminate	-	-	-	-	-	-
1346	Total Other Operating Expenses			$ 2,201,400	$ 2,277,865	$ 2,361,269	$ 2,447,459	$ 2,538,791	$ 2,635,315
1347	Total Meter Operations Expenses			$ 4,219,288	$ 4,504,984	$ 4,669,110	$ 4,993,343	$ 5,182,606	$ 5,539,392
	Water Power System and Instrumentation								
	Personnel Services								
1348	Regular Salaries	Salaries and Wages	Labor	$ 551,547	$ 568,093	$ 585,136	$ 602,690	$ 620,771	$ 639,394
1349	ER 457 Deferred Comp	Salaries and Wages	Labor	2,500	2,575	2,652	2,732	2,814	2,898
1350	Overtime	Salaries and Wages	Labor	45,958	47,337	48,757	50,220	51,726	53,278
1351	Vacation Sell Back	Employee Benefits	Labor	1,252	1,290	1,328	1,368	1,409	1,451
1352	Special Pay Adjustment	Employee Benefits	Labor	37,052	38,164	39,308	40,488	41,702	42,953
1353	Reserve for Salary Adjustment	Salaries and Wages	Labor	11,131	11,465	11,809	12,163	12,528	12,904
1354	Social Security Matching	Employee Benefits	Labor	49,675	51,165	52,700	54,281	55,910	57,587
1355	Retirement Regular	Employee Benefits	Labor	64,188	66,114	68,097	70,140	72,244	74,411
1356	Health Insurance	Employee Benefits	Ins-Health	131,000	137,550	146,147	157,108	168,891	181,558
1357	Dental Insurance	Employee Benefits	Ins-Dental	4,900	5,145	5,402	5,672	5,956	6,254
1358	Short Term Disability Ins	Employee Benefits	Ins-Disability	1,000	1,050	1,103	1,158	1,216	1,276
1359	Long Term Disability Ins	Employee Benefits	Ins-Disability	2,000	2,100	2,205	2,315	2,431	2,553
1360	Life Insurance Short and Long Term	Employee Benefits	Constant	1,579	1,579	1,579	1,579	1,579	1,579
1361	Workers Compensation Regular	Employee Benefits	WorkComp	11,521	12,097	12,702	13,337	14,004	14,704
1362	Total Personnel Services			$ 915,303	$ 945,723	$ 978,926	$ 1,015,251	$ 1,053,181	$ 1,092,801
	Other Operating Expenses								
1363	IT Capital Allocation	Contractual Services	Labor	$ 300	$ 309	$ 318	$ 328	$ 338	$ 348
1364	Info Technology Automation Allocation	Contractual Services	Labor	19,800	20,394	21,006	21,636	22,285	22,954
1365	IT Microsoft Office Allocation	Contractual Services	Labor	1,100	1,133	1,167	1,202	1,238	1,275
1366	Emergency Maintenance and Repair	Materials, Supplies, and Maintenance	Repair	35,000	36,260	37,602	39,030	40,553	42,175
1367	Interdepartmental Payment For Services	Contractual Services	Labor	2,500	2,575	2,652	2,732	2,814	2,898
1368	Other Contractual Services	Contractual Services	Inflation	185,000	189,440	194,365	199,225	204,205	209,106
1369	Out of County Travel Professional Development	Other Operating Expenses	WEmployees	1,800	1,873	2,015	2,097	2,181	2,267
1370	Motor Pool Rental Charge	Other Operating Expenses	Inflation	-	-	-	-	-	-
1371	Motor Pool Capital Recovery Charge	Other Operating Expenses	Inflation	22,500	23,040	23,639	24,230	24,836	25,432
1372	Telephone Base Cost	Other Operating Expenses	Inflation	5,000	5,120	5,253	5,384	5,519	5,652
1373	Cellular Telephone	Other Operating Expenses	WEmployees	2,800	2,914	3,134	3,261	3,393	3,526
1374	Telephone System Support Allocation	Other Operating Expenses	Inflation	600	614	630	646	662	678

Table 7

Collier County Water-Sewer District
Bond Feasibility Report - Series 2019 Bonds

Projection of Operating Expenses - Combined Water, Wastewater and IQ Water Systems

Line No.	Description	CAFR Classifications	Escalation Reference [1]	Fiscal Year Ending September 30, 2019	2020	2021	2022	2023	2024
1375	Postage Freight and UPS	Other Operating Expenses	Inflation	10,000	10,240	10,506	10,769	11,038	11,303
1376	Auto Insurance	Insurance	Constant	3,600	3,600	3,600	3,600	3,600	3,600
1377	Fleet Maint ISF Labor and Overhead	Materials, Supplies, and Maintenance	Repair	3,200	3,315	3,438	3,569	3,708	3,856
1378	Fleet Maint ISF Parts and Sublet	Materials, Supplies, and Maintenance	Repair	3,200	3,315	3,438	3,569	3,708	3,856
1379	Fleet Non Maint ISF Parts and Sublet	Materials, Supplies, and Maintenance	Repair	1,300	1,347	1,397	1,450	1,506	1,566
1380	Communication Equipment RM Outside Vendors	Materials, Supplies, and Maintenance	Repair	7,500	7,770	8,057	8,364	8,690	9,037
1381	Office Equipment R and M	Materials, Supplies, and Maintenance	Repair	2,000	2,072	2,149	2,230	2,317	2,410
1382	Printing and/or Binding Outside Vendors	Other Operating Expenses	Inflation	300	307	315	323	331	339
1383	Licenses and Permits	Other Operating Expenses	Inflation	1,500	1,536	1,576	1,615	1,656	1,695
1384	Office Supplies General	Materials, Supplies, and Maintenance	Inflation	2,500	2,560	2,627	2,692	2,760	2,826
1385	Minor Office Equipment	Materials, Supplies, and Maintenance	Inflation	1,500	1,536	1,576	1,615	1,656	1,695
1386	Minor Office Furniture	Materials, Supplies, and Maintenance	Inflation	5,000	5,120	5,253	5,384	5,519	5,652
1387	Clothing and Uniform Purchases	Materials, Supplies, and Maintenance	WEmployees	6,000	6,244	6,716	6,989	7,270	7,555
1388	Fuel and Lubricants ISF Billings	Materials, Supplies, and Maintenance	Fuel	9,300	9,812	10,351	10,920	11,521	12,155
1389	Minor Operating Equipment	Materials, Supplies, and Maintenance	Inflation	5,600	5,734	5,883	6,031	6,181	6,330
1390	Computer Software	Other Operating Expenses	Inflation	9,000	9,216	9,456	9,692	9,934	10,173
1391	Electrical Supplier	Materials, Supplies, and Maintenance	Repair	225,000	233,100	241,725	250,910	260,696	271,124
1392	Painting Supplies	Materials, Supplies, and Maintenance	Inflation	15,000	15,360	15,759	16,153	16,557	16,955
1393	Other Training Educational Expenses	Other Operating Expenses	WEmployees	28,000	29,139	31,340	32,615	33,927	35,257
1394	Utilities Parts Etc	Materials, Supplies, and Maintenance	Repair	30,000	31,080	32,230	33,455	34,759	36,150
1395	Total Other Operating Expenses			$ 645,900	$ 666,076	$ 689,173	$ 711,717	$ 735,357	$ 759,843
1396	Total Water Power System and Instrumentation Expenses			$ 1,561,203	$ 1,611,800	$ 1,668,099	$ 1,726,968	$ 1,788,538	$ 1,852,644
	North County Regional Water Treatment Plant								
	Personnel Services								
1397	Regular Salaries	Salaries and Wages	Labor	$ 881,503	$ 907,948	$ 935,187	$ 963,242	$ 992,139	$ 1,021,904
1398	ER 457 Deferred Comp	Salaries and Wages	Labor	5,500	5,665	5,835	6,010	6,190	6,376
1399	Other Salaries and Wages	Salaries and Wages	Labor	62,418	64,291	66,219	68,206	70,252	72,360
1400	Overtime	Salaries and Wages	Labor	97,225	100,142	103,146	106,240	109,428	112,710
1401	Vacation Sell Back	Employee Benefits	Labor	5,320	5,480	5,644	5,813	5,988	6,167
1402	Special Pay Adjustment	Employee Benefits	Labor	38,041	39,182	40,358	41,568	42,815	44,100
1403	Reserve for Salary Adjustment	Salaries and Wages	Labor	17,630	18,159	18,704	19,265	19,843	20,438
1404	Social Security Matching	Employee Benefits	Labor	84,735	87,277	89,895	92,592	95,370	98,231
1405	Retirement Regular	Employee Benefits	Labor	109,663	112,953	116,341	119,832	123,427	127,129
1406	Health Insurance - Job Bankers / PT	Employee Benefits	Ins-Health	26,200	27,510	29,229	31,422	33,778	36,312
1407	Health Insurance	Employee Benefits	Ins-Health	222,700	233,835	248,450	267,083	287,115	308,648
1408	Dental Insurance	Employee Benefits	Ins-Dental	8,330	8,747	9,184	9,643	10,125	10,631
1409	Short Term Disability Ins	Employee Benefits	Ins-Disability	1,700	1,785	1,874	1,968	2,066	2,170
1410	Long Term Disability Ins	Employee Benefits	Ins-Disability	3,400	3,570	3,749	3,936	4,133	4,339
1411	Life Insurance Short and Long Term	Employee Benefits	Constant	2,531	2,531	2,531	2,531	2,531	2,531
1412	Workers Compensation Regular	Employee Benefits	WorkComp	22,299	23,414	24,585	25,814	27,105	28,460
1413	Total Personnel Services			$ 1,589,195	$ 1,642,488	$ 1,700,930	$ 1,765,166	$ 1,832,305	$ 1,902,507
	Other Operating Expenses								
1414	Engineering Fees	Contractual Services	Labor	$ 20,000	$ 20,600	$ 21,218	$ 21,855	$ 22,510	$ 23,185
1415	IT Capital Allocation	Contractual Services	Labor	500	515	530	546	563	580
1416	Info Technology Automation Allocation	Contractual Services	Labor	33,500	34,505	35,540	36,606	37,705	38,836
1417	IT Microsoft Office Allocation	Contractual Services	Labor	2,100	2,163	2,228	2,295	2,364	2,434
1418	Emergency Maintenance and Repair	Materials, Supplies, and Maintenance	Repair	80,000	82,880	85,947	89,213	92,692	96,399

Table 7

Collier County Water-Sewer District
Bond Feasibility Report - Series 2019 Bonds

Projection of Operating Expenses - Combined Water, Wastewater and IQ Water Systems

Line No.	Description	CAFR Classifications	Escalation Reference [1]	Fiscal Year Ending September 30, 2019	2020	2021	2022	2023	2024
1419	Other Contractual Services	Contractual Services	Inflation	525,000	537,600	551,578	565,367	579,501	593,409
1420	Out of County Travel Professional Development	Other Operating Expenses	WEmployees	3,200	3,330	3,582	3,727	3,877	4,029
1421	Motor Pool Capital Recovery Charge	Other Operating Expenses	Inflation	11,600	11,878	12,187	12,492	12,804	13,112
1422	Telephone Base Cost	Other Operating Expenses	Inflation	3,200	3,277	3,362	3,446	3,532	3,617
1423	Telephone Beepers Base Cost	Other Operating Expenses	Inflation	100	102	105	108	110	113
1424	Telephone Access Charges	Other Operating Expenses	Inflation	2,800	2,867	2,942	3,015	3,091	3,165
1425	Cellular Telephone	Other Operating Expenses	WEmployees	800	833	895	932	969	1,007
1426	Telephone System Support Allocation	Other Operating Expenses	Inflation	300	307	315	323	331	339
1427	Postage Freight and UPS	Other Operating Expenses	Inflation	5,000	5,120	5,253	5,384	5,519	5,652
1428	Electricity	Utilities	WElectric	864,000	893,061	929,890	967,778	1,006,647	1,046,511
1429	Trash and Garbage Disposal	Utilities	Inflation	30,000	30,720	31,519	32,307	33,114	33,909
1430	Rent Equipment	Other Operating Expenses	Inflation	8,000	8,192	8,405	8,615	8,830	9,042
1431	Lease Equipment	Other Operating Expenses	Inflation	1,800	1,843	1,891	1,938	1,987	2,035
1432	Auto Insurance	Insurance	Constant	1,400	1,400	1,400	1,400	1,400	1,400
1433	Building R and M Outside Vendors	Contractual Services	Repair	200	207	215	223	232	241
1434	Fleet Maint ISF Labor and Overhead	Materials, Supplies, and Maintenance	Repair	3,800	3,937	4,082	4,238	4,403	4,579
1435	Fleet Maint ISF Parts and Sublet	Materials, Supplies, and Maintenance	Repair	2,600	2,694	2,793	2,899	3,012	3,133
1436	Fleet Non Maint ISF Parts and Sublet	Materials, Supplies, and Maintenance	Repair	400	414	430	446	463	482
1437	Communication Equipment RM Outside Vendors	Materials, Supplies, and Maintenance	Repair	3,500	3,626	3,760	3,903	4,055	4,217
1438	Office Equipment R and M	Materials, Supplies, and Maintenance	Repair	2,000	2,072	2,149	2,230	2,317	2,410
1439	Printing and/or Binding Outside Vendors	Other Operating Expenses	Repair	500	518	537	558	579	602
1440	Licenses and Permits	Other Operating Expenses	Inflation	10,000	10,240	10,506	10,769	11,038	11,303
1441	Office Supplies General	Materials, Supplies, and Maintenance	Inflation	5,000	5,120	5,253	5,384	5,519	5,652
1442	Minor Office Equipment	Materials, Supplies, and Maintenance	Inflation	2,000	2,048	2,101	2,154	2,208	2,261
1443	Clothing and Uniform Purchases	Materials, Supplies, and Maintenance	WEmployees	4,000	4,163	4,477	4,659	4,847	5,037
1444	Clothing and Uniform Rental	Other Operating Expenses	WEmployees	10,400	10,823	11,641	12,114	12,601	13,095
1445	Fertilizer Herbicides and Chemicals	Fertilizer, Herbicides, and Chemicals	WChemical	1,492,000	1,561,857	1,647,013	1,735,987	1,828,745	1,925,418
1446	Fuel and Lubricants Outside Vendors	Materials, Supplies, and Maintenance	Fuel	1,000	1,055	1,113	1,174	1,239	1,307
1447	Fuel and Lubricants ISF Billings	Materials, Supplies, and Maintenance	Fuel	38,200	40,301	42,518	44,856	47,323	49,926
1448	Household and Institutional Supplies	Materials, Supplies, and Maintenance	Inflation	1,000	1,024	1,051	1,077	1,104	1,130
1449	Medical Supplies	Materials, Supplies, and Maintenance	Inflation	300	307	315	323	331	339
1450	Minor Operating Equipment	Materials, Supplies, and Maintenance	Inflation	20,000	20,480	21,012	21,538	22,076	22,606
1451	Other Operating Supplies	Materials, Supplies, and Maintenance	Water Flow	19,000	19,584	20,373	21,164	21,974	22,779
1452	Electrical Supplier	Materials, Supplies, and Maintenance	Repair	75,000	77,700	80,575	83,637	86,899	90,375
1453	Electrical Co	Contractual Services	Repair	3,000	3,108	3,223	3,345	3,476	3,615
1454	Painting Supplies	Materials, Supplies, and Maintenance	Inflation	1,500	1,536	1,576	1,615	1,656	1,695
1455	Limerock Clay and Rip Rap	Materials, Supplies, and Maintenance	Inflation	2,000	2,048	2,101	2,154	2,208	2,261
1456	Dues and Memberships	Other Operating Expenses	WEmployees	100	104	112	116	121	126
1457	Other Training Educational Expenses	Other Operating Expenses	WEmployees	8,100	8,430	9,066	9,435	9,815	10,199
1458	Utilities Parts Etc	Materials, Supplies, and Maintenance	Repair	275,000	284,900	295,441	306,668	318,628	331,373
1459	Total Other Operating Expenses			$ 3,573,900	$ 3,709,489	$ 3,872,221	$ 4,040,016	$ 4,214,417	$ 4,394,937
1460	Total NCRWTP Expenses			$ 5,163,095	$ 5,351,976	$ 5,573,151	$ 5,805,181	$ 6,046,721	$ 6,297,443
	Northeast Regional Water Treatment Plant								
	Personnel Services								
1461	Regular Salaries	Salaries and Wages	Labor	$ 216,597	$ 223,095	$ 229,788	$ 236,681	$ 243,782	$ 251,095
1462	ER 457 Deferred Comp	Salaries and Wages	Labor	1,500	1,545	1,591	1,639	1,688	1,739
1463	Overtime	Salaries and Wages	Labor	12,393	12,765	13,148	13,542	13,948	14,367
1464	Vacation Sell Back	Employee Benefits	Labor	531	547	563	580	598	616
1465	Special Pay Adjustment	Employee Benefits	Labor	2,359	2,430	2,503	2,578	2,655	2,735

Table 7

Collier County Water-Sewer District
Bond Feasibility Report - Series 2019 Bonds

Projection of Operating Expenses - Combined Water, Wastewater and IQ Water Systems

Line No.	Description	CAFR Classifications	Escalation Reference [1]	Fiscal Year Ending September 30, 2019	2020	2021	2022	2023	2024
1466	Reserve for Salary Adjustment	Salaries and Wages	Labor	4,332	4,462	4,596	4,734	4,876	5,022
1467	Social Security Matching	Employee Benefits	Labor	17,771	18,304	18,853	19,419	20,001	20,601
1468	Retirement Regular	Employee Benefits	Labor	41,796	43,050	44,341	45,672	47,042	48,453
1469	Health Insurance	Employee Benefits	Ins-Health	39,300	41,265	43,844	47,132	50,667	54,467
1470	Dental Insurance	Employee Benefits	Ins-Dental	1,470	1,544	1,621	1,702	1,787	1,876
1471	Short Term Disability Ins	Employee Benefits	Ins-Disability	300	315	331	347	365	383
1472	Long Term Disability Ins	Employee Benefits	Ins-Disability	600	630	662	695	729	766
1473	Life Insurance Short and Long Term	Employee Benefits	Constant	620	620	620	620	620	620
1474	Workers Compensation Regular	Employee Benefits	WorkComp	4,127	4,333	4,550	4,778	5,016	5,267
1475	Additional Personnel Salary	Salaries and Wages	Calculated	-	-	310,975	320,305	329,914	339,811
1476	Additional Personnel Benefits	Employee Benefits	Calculated	-	-	139,501	143,686	147,997	152,437
1477	Total Personnel Services			$ 343,696	$ 354,904	$ 817,487	$ 844,109	$ 871,685	$ 900,255
	Other Operating Expenses								
1478	IT Capital Allocation	Contractual Services	Labor	$ 300	$ 309	$ 318	$ 328	$ 338	$ 348
1479	Info Technology Automation Allocation	Contractual Services	Labor	14,200	14,626	15,065	15,517	15,982	16,462
1480	IT Microsoft Office Allocation	Contractual Services	Labor	300	309	318	328	338	348
1481	Emergency Maintenance and Repair	Materials, Supplies, and Maintenance	Repair	50,000	51,800	53,717	55,758	57,932	60,250
1482	Interdepartmental Payment For Services	Contractual Services	Labor	500	515	530	546	563	580
1483	Other Contractual Services	Contractual Services	Inflation	33,200	33,997	34,881	35,753	36,647	37,526
1484	Out of County Travel Professional Development	Other Operating Expenses	WEmployees	2,400	2,498	2,686	2,796	2,908	3,022
1485	Motor Pool Rental Charge	Other Operating Expenses	Inflation	8,900	9,114	9,351	9,584	9,824	10,060
1486	Telephone Access Charges	Other Operating Expenses	Inflation	400	410	420	431	442	452
1487	Cellular Telephone	Other Operating Expenses	WEmployees	3,000	3,122	3,358	3,494	3,635	3,778
1488	Postage Freight and UPS	Other Operating Expenses	Inflation	1,200	1,229	1,261	1,292	1,325	1,356
1489	Electricity	Utilities	WElectric	77,000	79,590	82,872	86,249	89,713	93,265
1490	Trash and Garbage Disposal	Utilities	Inflation	8,400	8,602	8,825	9,046	9,272	9,495
1491	Rent - Building	Other Operating Expenses	Inflation	2,000	2,048	2,101	2,154	2,208	2,261
1492	Maintenance Landscaping	Materials, Supplies, and Maintenance	Inflation	8,600	8,806	9,035	9,261	9,493	9,721
1493	Fleet Maint ISF Parts and Sublet	Materials, Supplies, and Maintenance	Repair	1,500	1,554	1,611	1,673	1,738	1,807
1494	Fleet Non Maint ISF Parts and Sublet	Materials, Supplies, and Maintenance	Repair	100	104	107	112	116	120
1495	Printing and/or Binding Outside Vendors	Other Operating Expenses	Repair	100	104	107	112	116	120
1496	Sales Tax Expense	Other Operating Expenses	Repair	100	104	107	112	116	120
1497	Licenses and Permits	Other Operating Expenses	Repair	100	104	107	112	116	120
1498	Office Supplies General	Materials, Supplies, and Maintenance	Repair	2,000	2,072	2,149	2,230	2,317	2,410
1499	Fertilizer Herbicides and Chemicals	Fertilizer, Herbicides, and Chemicals	WEmployees	46,500	48,392	52,047	54,164	56,343	58,552
1500	Fuel and Lubricants ISF Billings	Materials, Supplies, and Maintenance	Fuel	800	844	890	939	991	1,046
1501	Minor Operating Equipment	Materials, Supplies, and Maintenance	Inflation	6,400	6,554	6,724	6,892	7,064	7,234
1502	Other Operating Supplies	Materials, Supplies, and Maintenance	Inflation	18,600	19,046	19,542	20,030	20,531	21,024
1503	Electrical Co	Contractual Services	Repair	12,000	12,432	12,892	13,382	13,904	14,460
1504	Other Training Educational Expenses	Other Operating Expenses	WEmployees	3,600	3,746	4,029	4,193	4,362	4,533
1505	Utilities Parts Etc	Materials, Supplies, and Maintenance	Repair	58,000	60,088	62,311	64,679	67,202	69,890
1506	Total Other Operating Expenses			$ 360,200	$ 372,117	$ 387,364	$ 401,166	$ 415,533	$ 430,359
1507	Total Northeast Regional WTP Expenses			$ 703,896	$ 727,021	$ 1,204,851	$ 1,245,274	$ 1,287,218	$ 1,330,614
	Water Laboratory								
	Personnel Services								
1508	Regular Salaries	Salaries and Wages	Labor	$ 414,743	$ 427,185	$ 440,001	$ 453,201	$ 466,797	$ 480,801
1509	ER 457 Deferred Comp	Salaries and Wages	Labor	1,500	1,545	1,591	1,639	1,688	1,739

Table 7

Collier County Water-Sewer District
Bond Feasibility Report - Series 2019 Bonds

Projection of Operating Expenses - Combined Water, Wastewater and IQ Water Systems

Line No.	Description	CAFR Classifications	Escalation Reference [1]	Fiscal Year Ending September 30, 2019	2020	2021	2022	2023	2024
1510	Overtime	Salaries and Wages	Labor	14,843	15,288	15,747	16,219	16,706	17,207
1511	Vacation Sell Back	Employee Benefits	Labor	1,017	1,048	1,079	1,111	1,145	1,179
1512	Special Pay Adjustment	Employee Benefits	Labor	29,370	30,251	31,159	32,093	33,056	34,048
1513	Reserve for Salary Adjustment	Salaries and Wages	Labor	8,296	8,545	8,801	9,065	9,337	9,617
1514	Social Security Matching	Employee Benefits	Labor	35,936	37,014	38,125	39,268	40,446	41,660
1515	Retirement Regular	Employee Benefits	Labor	41,019	42,250	43,517	44,823	46,167	47,552
1516	Health Insurance	Employee Benefits	Ins-Health	91,700	96,285	102,303	109,976	118,224	127,090
1517	Dental Insurance	Employee Benefits	Ins-Dental	3,430	3,602	3,782	3,971	4,169	4,378
1518	Short Term Disability Ins	Employee Benefits	Ins-Disability	700	735	772	810	851	893
1519	Long Term Disability Ins	Employee Benefits	Ins-Disability	1,400	1,470	1,544	1,621	1,702	1,787
1520	Life Insurance Short and Long Term	Employee Benefits	Constant	1,186	1,186	1,186	1,186	1,186	1,186
1521	Workers Compensation Regular	Employee Benefits	WorkComp	9,919	10,415	10,936	11,482	12,057	12,659
1522	Total Personnel Services			$ 655,059	$ 676,818	$ 700,541	$ 726,466	$ 753,531	$ 781,797
	Other Operating Expenses								
1523	IT Capital Allocation	Contractual Services	Labor	$ 500	$ 515	$ 530	$ 546	$ 563	$ 580
1524	Info Technology Automation Allocation	Contractual Services	Labor	27,200	28,016	28,856	29,722	30,614	31,532
1525	IT Microsoft Office Allocation	Contractual Services	Labor	800	824	849	874	900	927
1526	Interdepartmental Payment For Services	Contractual Services	Labor	52,500	54,075	55,697	57,368	59,089	60,862
1527	Other Contractual Services	Contractual Services	Inflation	151,100	154,726	158,749	162,718	166,786	170,789
1528	Out of County Travel Professional Development	Other Operating Expenses	WEmployees	1,600	1,665	1,791	1,864	1,939	2,015
1529	Motor Pool Rental Charge	Other Operating Expenses	Inflation	200	205	210	215	221	226
1530	Motor Pool Capital Recovery Charge	Other Operating Expenses	Inflation	15,700	16,077	16,495	16,907	17,330	17,746
1531	Telephone Access Charges	Other Operating Expenses	Inflation	600	614	630	646	662	678
1532	Cellular Telephone	Other Operating Expenses	WEmployees	1,000	1,041	1,119	1,165	1,212	1,259
1533	Telephone System Support Allocation	Other Operating Expenses	Inflation	600	614	630	646	662	678
1534	Postage Freight and UPS	Other Operating Expenses	Inflation	3,000	3,072	3,152	3,231	3,311	3,391
1535	Auto Insurance	Insurance	Constant	1,900	1,900	1,900	1,900	1,900	1,900
1536	Fleet Maint ISF Labor and Overhead	Materials, Supplies, and Maintenance	Repair	1,700	1,761	1,826	1,896	1,970	2,048
1537	Fleet Maint ISF Parts and Sublet	Materials, Supplies, and Maintenance	Repair	1,100	1,140	1,182	1,227	1,275	1,325
1538	Fleet Non Maint ISF Parts and Sublet	Materials, Supplies, and Maintenance	Repair	500	518	537	558	579	602
1539	Communication Equipment RM Outside Vendors	Materials, Supplies, and Maintenance	Repair	900	932	967	1,004	1,043	1,084
1540	Licenses and Permits	Other Operating Expenses	Inflation	100	102	105	108	110	113
1541	Office Supplies General	Materials, Supplies, and Maintenance	Inflation	4,900	5,018	5,148	5,277	5,409	5,538
1542	Minor Office Equipment	Materials, Supplies, and Maintenance	Inflation	1,500	1,536	1,576	1,615	1,656	1,695
1543	Clothing and Uniform Purchases	Materials, Supplies, and Maintenance	WEmployees	700	728	783	815	848	881
1544	Clothing and Uniform Rental	Other Operating Expenses	WEmployees	2,800	2,914	3,134	3,261	3,393	3,526
1545	Fertilizer Herbicides and Chemicals	Fertilizer, Herbicides, and Chemicals	WChemical	65,000	68,043	71,753	75,629	79,671	83,882
1546	Fuel and Lubricants ISF Billings	Materials, Supplies, and Maintenance	Fuel	5,600	5,908	6,233	6,576	6,937	7,319
1547	Medical Supplies	Materials, Supplies, and Maintenance	Inflation	400	410	420	431	442	452
1548	Minor Operating Equipment	Materials, Supplies, and Maintenance	Inflation	16,000	16,384	16,810	17,230	17,661	18,085
1549	Other Operating Supplies	Materials, Supplies, and Maintenance	Inflation	22,400	22,938	23,534	24,122	24,725	25,319
1550	Books Publications and Subscriptions	Materials, Supplies, and Maintenance	Inflation	500	512	525	538	552	565
1551	Other Training Educational Expenses	Other Operating Expenses	WEmployees	4,800	4,995	5,373	5,591	5,816	6,044
1552	Total Other Operating Expenses			$ 385,600	$ 397,184	$ 410,517	$ 423,681	$ 437,275	$ 451,064
1553	Total Water Laboratory Expenses			$ 1,040,659	$ 1,074,002	$ 1,111,058	$ 1,150,147	$ 1,190,806	$ 1,232,861
	Golden Gate Water Reclamation Facility								
	Personnel Services								

Table 7

Collier County Water-Sewer District
Bond Feasibility Report - Series 2019 Bonds

Projection of Operating Expenses - Combined Water, Wastewater and IQ Water Systems

Line No.	Description	CAFR Classifications	Escalation Reference [1]	Fiscal Year Ending September 30, 2019	2020	2021	2022	2023	2024
1554	Regular Salaries	Salaries and Wages	Inflation	$ 184,349	$ 217,545	$ 223,201	$ 228,781	$ 234,501	$ 240,129
1555	Overtime	Salaries and Wages	Inflation	4,970	5,865	6,017	6,168	6,322	6,474
1556	Vacation Sell Back	Employee Benefits	Inflation	454	536	550	563	578	591
1557	Reserve for Salary Adjustment	Salaries and Wages	Inflation	3,689	4,353	4,466	4,578	4,693	4,805
1558	Social Security Matching	Employee Benefits	Inflation	14,800	17,609	18,067	18,519	18,982	19,437
1559	Retirement Regular	Employee Benefits	Inflation	16,947	19,571	20,080	20,582	21,096	21,602
1560	Health Insurance	Employee Benefits	Inflation	65,500	75,641	77,608	79,548	81,536	83,493
1561	Dental Insurance	Employee Benefits	Calculated	2,450	-	-	-	-	-
1562	Short Term Disability Ins	Employee Benefits	Calculated	500	-	-	-	-	-
1563	Long Term Disability Ins	Employee Benefits	Inflation	1,000	1,180	1,211	1,241	1,272	1,303
1564	Life Insurance Short and Long Term	Employee Benefits	Calculated	526	-	-	-	-	-
1565	Total Personnel Services			$ 295,185	$ 342,300	$ 351,199	$ 359,979	$ 368,979	$ 377,834
	Other Operating Expenses								
1566	IT Microsoft Office Allocation	Contractual Services	UtilityCustomers	$ 600	$ 709	$ 743	$ 777	$ 812	$ 848
1567	Emergency Maintenance and Repair	Materials, Supplies, and Maintenance	Inflation	75,000	88,505	90,806	93,077	95,403	97,693
1568	Other Contractual Services	Contractual Services	UtilityCustomers	332,000	392,104	410,941	429,993	449,564	469,106
1569	Cellular Telephone	Other Operating Expenses	UtilityCustomers	1,200	1,417	1,485	1,554	1,625	1,696
1570	Electricity	Utilities	UtilityCustomers	198,000	233,845	245,079	256,441	268,113	279,768
1571	Trash and Garbage Disposal	Utilities	UtilityCustomers	2,000	2,362	2,476	2,590	2,708	2,826
1572	R and M Electrical	Contractual Services	Inflation	85,000	101,133	103,763	106,357	109,016	111,632
1573	Licenses and Permits	Other Operating Expenses	Inflation	600	714	732	751	770	788
1574	Office Supplies General	Materials, Supplies, and Maintenance	Inflation	800	952	977	1,001	1,026	1,051
1575	Minor Office Equipment	Materials, Supplies, and Maintenance	Inflation	400	472	484	496	509	521
1576	Clothing and Uniform Rental	Other Operating Expenses	Inflation	1,600	1,638	1,681	1,723	1,766	1,808
1577	Fertilizer Herbicides and Chemicals	Fertilizer, Herbicides, and Chemicals	Inflation	65,000	75,064	77,015	78,941	80,914	82,856
1578	Household and Institutional Supplies	Materials, Supplies, and Maintenance	Inflation	200	238	244	250	257	263
1579	Medical Supplies	Materials, Supplies, and Maintenance	Inflation	400	472	484	496	509	521
1580	Other Operating Supplies	Materials, Supplies, and Maintenance	Inflation	9,000	10,621	10,897	11,169	11,448	11,723
1581	Electrical Supplies	Materials, Supplies, and Maintenance	Inflation	190,000	219,416	225,121	230,749	236,518	242,194
1582	Painting Supplies	Materials, Supplies, and Maintenance	Inflation	1,100	1,270	1,303	1,336	1,369	1,402
1583	Utilities Parts Etc	Materials, Supplies, and Maintenance	Inflation	50,000	57,741	59,242	60,723	62,242	63,735
1584	Utilities Repair Etc	Materials, Supplies, and Maintenance	Inflation	50,000	57,741	59,242	60,723	62,242	63,735
1585	Total Other Operating Expenses		Calculated	$1,062,900	$1,246,415	$1,292,717	$1,339,149	$1,386,811	$1,434,168
1586	Golden Gate WRF Operating Expenses			$ 1,358,085	$ 1,588,714	$ 1,643,916	$ 1,699,128	$ 1,755,790	$ 1,812,002
	RESERVES								
1587	Reserve Attrition - Salary Savings	Employee Benefits	Eliminate	$ (596,600)	$ -	$ -	$ -	$ -	$ -
1588	**INTERFUND TRANSFERS - BCC**			$ (596,600)	$ -	$ -	$ -	$ -	$ -
	INTERFUND TRANSFERS - BCC								
	Interfund Transfers - BCC Expenses (Considered as Operating Expenses)								
1589	Transfer to General Fund 001	Transfers Out	Inflation	$ 200,000	$ 204,800	$ 210,125	$ 215,378	$ 220,762	$ 226,061
1590	Transfer to Impact Fee Administration 107	Transfers Out	Inflation	218,500	223,744	229,561	235,300	241,183	246,971
1591	Transfer to Water and Sewer Special Assessments 409	Transfers Out	Eliminate	288,600	-	-	-	-	-
1592	Transfer to 470 S Waste Displ Srv	Transfers Out	Inflation	139,300	142,643	146,352	150,011	153,761	157,451
1593	Transfer To 473 Mandatory Trash Collection	Transfers Out	Inflation	585,900	599,962	615,561	630,950	646,723	662,245
1594	Transfer to 505 IT Ops	Transfers Out	Inflation	245,900	251,802	258,348	264,807	271,427	277,942

Table 7

Collier County Water-Sewer District
Bond Feasibility Report - Series 2019 Bonds

Projection of Operating Expenses - Combined Water, Wastewater and IQ Water Systems

Line No.	Description	CAFR Classifications	Escalation Reference [1]	Fiscal Year Ending September 30, 2019	2020	2021	2022	2023	2024
1595	**Total Interfund Transfers - BCC Expenses**			$ 1,678,200	$ 1,422,950	$ 1,459,947	$ 1,496,446	$ 1,533,857	$ 1,570,669
1596	**Subtotal Operating Expenses**			$ 97,006,000	$ 101,375,062	$ 106,540,595	$ 110,907,506	$ 115,414,407	$ 120,238,233
	Other Operating Expenses								
1597	Contingency Allowance	Other Operating Expenses	Calculated	$ -	$ 514,819	$ 540,923	$ 563,033	$ 585,851	$ 610,251
1598	Bad Debt Allowance (0.150% of Operating Expenses)	Other Operating Expenses	Calculated	224,494	314,973	328,895	341,921	355,342	368,667
1599	Allowance for CIP Expenditures Reclassified as Operating Expenses	Contractual Services	Calculated	2,860,830	2,229,013	2,029,013	2,029,013	1,870,000	1,730,000
1600	Total Other Operating Expenses			$ 3,085,324	$ 3,058,805	$ 2,898,831	$ 2,933,967	$ 2,811,193	$ 2,708,918
1601	**Total Operating Expenses - Water and Sewer District**			$ 100,091,324	$ 104,433,867	$ 109,439,426	$ 113,841,473	$ 118,225,600	$ 122,947,151

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Table 7A

Collier County Water-Sewer District
Bond Feasibility Report - Series 2019 Bonds

Projection of Operating Expenses - Combined Water, Wastewater and IQ Water Systems - Escalation Factors

Line No.	Description	Escalation Reference	Fiscal Year ending September 30, 2020	2021	2022	2023	2024
1	General Inflation (CPI Index) [1]	Inflation	1.0240	1.0260	1.0250	1.0250	1.0240
2	Labor Escalator [2]	Labor	1.0300	1.0300	1.0300	1.0300	1.0300
3	Repair and Maintenance	Repair	1.0360	1.0370	1.0380	1.0390	1.0400
4	General Insurance [2]	Gen-Ins	1.0500	1.0500	1.0500	1.0500	1.0500
5	Health Insurance [2]	Ins-Health	1.0500	1.0625	1.0750	1.0750	1.0750
6	Disability Insurance [2]	Ins-Disability	1.0500	1.0500	1.0500	1.0500	1.0500
7	Dental Insurance [2]	Ins-Dental	1.0500	1.0500	1.0500	1.0500	1.0500
8	Workers' Compensation [2]	WorkComp	1.0500	1.0500	1.0500	1.0500	1.0500
9	Fuel and Oil [3]	Fuel	1.0550	1.0550	1.0550	1.0550	1.0550
10	Electricity - Commodity [4]	Electric	1.0269	1.0269	1.0269	1.0269	1.0269
11	Electricity + Flow Growth - Water	WElectric	1.0336	1.0412	1.0407	1.0402	1.0396
12	Electricity + Flow Growth - Wastewater	SElectric	1.0452	1.0440	1.0433	1.0427	1.0420
13	Electricity + Flow Growth - IQ Water	IQElectric	1.0276	1.0275	1.0276	1.0275	1.0276
14	Chemicals + Flow Growth - Water [5]	WChemical	1.0468	1.0545	1.0540	1.0534	1.0529
15	Chemicals + Flow Growth - Wastewater [5]	SChemical	1.0585	1.0573	1.0566	1.0560	1.0553
16	Chemicals + Flow Growth - IQ Water [5]	IQChemical	1.0407	1.0406	1.0407	1.0406	1.0407
17	Indirect Cost	Indirect	1.0300	1.0300	1.0300	1.0300	1.0300
18	Constant	Constant	1.0000	1.0000	1.0000	1.0000	1.0000
19	Elimination Factor	Eliminate	0.0000	0.0000	0.0000	0.0000	0.0000
20	Wholesale Water Increases from City of Marco Island [6]	MarcoIsland	1.0300	1.0300	1.0300	1.0300	1.0300
21	Operation Expenses [7]	Expenses	1.0434	1.0479	1.0402	1.0385	1.0399
22	Customer Account Growth [8]	UtilityCustomers	1.0475	1.0484	1.0466	1.0458	1.0437
23	Rate Revenue - Water [9]	Water Rev	1.0408	1.0442	1.0396	1.0393	1.0375
24	Rate Revenue - Sewer [9]	Sewer Rev	1.0327	1.0309	1.0400	1.0391	1.0376
25	Rate Revenue - IQ Water [9]	IQ Rev	1.0928	1.0870	1.0234	1.0227	1.0224
26	Flow Growth + Inflation (Water) [8]	Water Flow	1.0307	1.0403	1.0388	1.0382	1.0367
27	Flow Growth + Inflation (Sewer) [8]	Sewer Flow	1.0422	1.0431	1.0414	1.0408	1.0391
28	Flow Growth + Inflation (IQ Water) [8]	IQ Flow	1.0247	1.0266	1.0257	1.0256	1.0247
29	Total Employees + Inflation [10]	UtilityEmployees	1.0407	1.0755	1.0407	1.0402	1.0392
30	Water System Employees + Inflation [10]	WEmployees	1.0382	1.0681	1.0384	1.0382	1.0371
31	Wastewater System Employees + Inflation [10]	SEmployees	1.0256	1.0276	1.0266	1.0302	1.0942
32	IQ Water System Employees + Inflation [10]	IQEmployees	0.0000	0.0000	0.0000	0.0000	0.0000

Footnotes:

[1] Estimates based on projections contained in "An Update to the Budget and Economic Outlook: 2019 to 2029" published by the Congressional Budget Office in January 2019.
[2] Based on discussions with County staff.
[3] Based on 20-year change in U.S. City average for Fuel Oil as reported by the Bureau of Labor Statistics (Series ID: CUSR0000SEHE01).
[4] Based on 20-year change in U.S. City average for Electricity as reported by the Bureau of Labor Statistics (Series ID: CUSR0000SEHF01).
[5] Based on historical increases in chemical costs and the 20-year change in U.S. City average for Industrial Chemicals as reported by the Bureau of Labor Statistics (Series ID: WPU061).
[6] Based on historical trends in wholesale or bulk rate increases from City of Marco Island.
[7] Calculated based on total operating expenses.
[8] Amounts shown based on customer growth and flow projections for the Forecast Period.
[9] Includes revenue from Board adopted rates and price index rate adjustments assumed for the Forecast Period.
[10] Includes current budgeted positions and employee additions during Forecast Period.

Table 8

Collier County Water-Sewer District
Bond Feasibility Report - Series 2019 Bonds

Summary of Projected Cash Balances and Interest Income for the Forecast Period

Line No.	Description	Fiscal Year Ending September 30, 2019	2020	2021	2022	2023	2024
	ENDING FUND BALANCE SUMMARY						
1	REVENUE / OPERATION AND MAINTENANCE FUND (Fund 408)	$ 43,141,436	$ 41,984,842	$ 39,871,080	$ 37,286,533	$ 36,546,667	$ 36,402,611
2	RENEWAL & REPLACEMENT FUND (WATER)	150,000	150,000	150,000	150,000	150,000	150,000
3	RENEWAL & REPLACEMENT FUND (WASTEWATER)	150,000	150,000	150,000	150,000	150,000	150,000
4	WATER & WASTEWATER FLEET MGMT PROGRAM (Fund 409)	3,171,317	3,101,317	2,996,317	2,926,317	2,821,317	2,751,317
5	WATER CAPITAL ACCOUNT (Fund 412)	23,138,004	7,522,419	7,142,994	5,158,440	7,067,262	7,090,776
6	WASTEWATER CAPITAL ACCOUNT (Fund 414)	45,600,600	25,731,196	20,060,710	7,614,945	11,106,533	6,656,674
7	IQ WATER CAPITAL ACCOUNT (Fund 414)	65,417	129,210	92,868	409,798	929,798	1,379,798
8	DEBT SERVICE RESERVE (Fund 410)	22,209,245	22,209,245	22,209,245	33,355,745	33,355,745	33,355,745
9	WATER SYSTEM DEVELOPMENT FEE FUND (Fund 411)	11,846,173	12,023,865	7,166,723	7,274,224	2,345,837	2,381,025
10	WASTEWATER SYSTEM DEVELOPMENT FEE FUND (Fund 413)	5,269,451	5,348,493	5,428,720	5,510,151	5,592,803	5,676,695
11	TOTAL ENDING FUND BALANCE	$ 154,741,642	$ 118,350,586	$ 105,268,657	$ 99,836,152	$ 100,065,963	$ 95,994,641
	REVENUE / OPERATION AND MAINTENANCE FUND (Fund 408)						
12	Beginning Balance	$ 40,356,650	$ 43,141,436	$ 41,984,842	$ 39,871,080	$ 37,286,533	$ 36,546,667
13	Transfers In - Operations	-	-	-	-	-	-
14	Transfers In - Bond Service Reserve Account	-	-	-	-	-	-
15	Transfers In - Repayment from General Fund	-	-	-	-	-	-
16	Total Funds Available	$ 40,356,650	$ 43,141,436	$ 41,984,842	$ 39,871,080	$ 37,286,533	$ 36,546,667
17	Transfers Out - CIP	-	-	-	-	-	-
18	Transfers Out - Operations	-	-	-	-	-	-
19	Transfers Out - Fund 411: Water System Development Fees	-	-	-	-	-	-
20	Transfers Out - Fund 412: Water Capital Account	4,000,000	4,600,000	4,300,000	3,100,000	780,000	600,000
21	Transfers Out - Fund 413: Wastewater System Development Fees	-	-	-	-	-	-
22	Transfers Out - Fund 414: Wastewater Capital Account	-	-	-	-	-	-
23	Total Transfers Out of Funds	4,000,000	4,600,000	4,300,000	3,100,000	780,000	600,000
	Transfer In / (Out) - Surplus / (Deficiency)						
24	Water	$ 534,043	$ 28,861	$ 49,100	$ 86,380	$ 80,698	$ 117,528
25	Wastewater	7,077,523	$ 4,571,521	$ 3,070,736	$ 1,375,464	$ 899,090	$ 1,402,564
26	IQ Water	(826,780)	$ (1,156,976)	$ (933,598)	$ (946,391)	$ (939,654)	$ (1,064,148)
27	Interest Rate	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
28	Interest Income	575,350	612,622	597,523	574,816	553,448	543,700
29	Recognition of Interest Earnings in Revenue Requirements	575,350	612,622	597,523	574,816	553,448	543,700
30	Ending Balance	43,141,436	41,984,842	39,871,080	37,286,533	36,546,667	36,402,611
	RENEWAL & REPLACEMENT FUND (WATER)						
31	Beginning Balance	$ 150,000	$ 150,000	$ 150,000	$ 150,000	$ 150,000	$ 150,000
32	Transfers In From Operations	-	-	-	-	-	-
33	Transfers Out - Capital Projects/Operations	-	-	-	-	-	-
34	Interest Rate	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
35	Interest Income	2,250	2,250	2,250	2,250	2,250	2,250
36	Recognition of Interest Earnings in Revenue Requirements	2,250	2,250	2,250	2,250	2,250	2,250
37	Ending Balance	150,000	150,000	150,000	150,000	150,000	150,000
	RENEWAL & REPLACEMENT FUND (WASTEWATER)						
38	Beginning Balance	$ 150,000	$ 150,000	$ 150,000	$ 150,000	$ 150,000	$ 150,000
39	Transfers In From Operations	-	-	-	-	-	-
40	Transfers Out - Capital Projects/Operations	-	-	-	-	-	-
41	Interest Rate	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
42	Interest Income	2,250	2,250	2,250	2,250	2,250	2,250
43	Recognition of Interest Earnings in Revenue Requirements	2,250	2,250	2,250	2,250	2,250	2,250
44	Ending Balance	150,000	150,000	150,000	150,000	150,000	150,000
	WATER & WASTEWATER FLEET MGMT PROGRAM (Fund 409)						
45	Beginning Balance	$ 3,171,317	$ 3,171,317	$ 3,101,317	$ 2,996,317	$ 2,926,317	$ 2,821,317
46	Transfer In From Operations	-	-	-	-	-	-
47	Transfers In - Wastewater Capital Account	-	-	-	-	-	-
48	Transfers Out - Capital Projects	-	70,000	105,000	70,000	105,000	70,000
49	Interest Rate	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
50	Interest Income	47,570	47,045	45,732	44,420	43,107	41,795
51	Recognition of Interest Earnings in Revenue Requirements	47,570	47,045	45,732	44,420	43,107	41,795
52	Ending Balance	3,171,317	3,101,317	2,996,317	2,926,317	2,821,317	2,751,317
	WATER CAPITAL ACCOUNT (Fund 412)						
53	Beginning Balance	$ 25,036,478	$ 23,138,004	$ 7,522,419	$ 7,142,994	$ 5,158,440	$ 7,067,262
54	Transfer In From Operating Reserve Fund	4,000,000	4,600,000	4,300,000	3,100,000	780,000	-
55	Transfer In From Operations	13,782,072	13,949,769	14,616,595	16,268,573	19,026,693	19,658,514
56	Transfers In - Additional Cash (General Fund Loan Repayment)	750,000	750,000	750,000	750,000	750,000	-
57	Transfers In - Grant Reimbursements	-	-	-	-	-	-
58	Transfers Out - Capital Projects	20,430,546	34,915,354	20,046,019	22,103,127	18,647,871	19,635,000
59	Interest Rate	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
60	Interest Income	361,309	229,953	109,991	92,261	91,693	106,185
61	Recognition of Interest Earnings in Revenue Requirements	361,309	229,953	109,991	92,261	91,693	106,185
62	Ending Balance	23,138,004	7,522,419	7,142,994	5,158,440	7,067,262	7,090,776
	WASTEWATER CAPITAL ACCOUNT (Fund 414)						
63	Beginning Balance	$ 58,208,844	$ 45,600,600	$ 25,731,196	$ 20,060,710	$ 7,614,945	$ 11,106,533
64	Transfer In From Operating Reserve Fund	-	-	-	-	-	-
65	Transfer In From Operations	22,167,669	24,081,866	24,441,058	24,688,979	25,187,925	25,705,141
66	Transfers In - Additional Cash (General Fund Loan Repayment)	6,713,664	6,713,664	6,713,664	6,713,664	6,713,664	-
67	Transfers In - Grant Reimbursements	-	-	-	-	-	-
68	Transfers Out - Capital Projects	40,189,577	49,364,934	35,525,208	42,548,408	27,110,000	28,855,000

Table 8

Collier County Water-Sewer District
Bond Feasibility Report - Series 2019 Bonds

Summary of Projected Cash Balances and Interest Income for the Forecast Period

Line No.	Description	Fiscal Year Ending September 30, 2019	2020	2021	2022	2023	2024
69	Transfers Out - IQ Capital Account	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000
70	Interest Rate	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
71	Interest Income	778,571	534,988	343,439	207,567	140,411	133,224
72	Recognition of Interest Earnings in Revenue Requirements	778,571	534,988	343,439	207,567	140,411	133,224
73	Ending Balance	45,600,600	25,731,196	20,060,710	7,614,945	11,106,533	6,656,674
	IQ WATER CAPITAL ACCOUNT (Fund 414)						
74	Beginning Balance	$ -	$ 65,417	$ 129,210	$ 92,868	$ 409,798	$ 929,798
75	Transfer In From Operations	-	-	-	-	-	-
76	Transfers In - Wastewater Capital Account	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000
77	Transfers Out - Capital Projects	1,234,583	1,236,206	1,336,342	983,070	780,000	850,000
78	Interest Rate	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
79	Interest Income	491	1,460	1,666	3,770	10,047	17,322
80	Recognition of Interest Earnings in Revenue Requirements	491	1,460	1,666	3,770	10,047	17,322
81	Ending Balance	65,417	129,210	92,868	409,798	929,798	1,379,798
	DEBT SERVICE RESERVE (Fund 410)						
82	Beginning Balance	$ 14,385,745	$ 22,209,245	$ 22,209,245	$ 22,209,245	$ 33,355,745	$ 33,355,745
83	Transfers In- Additional Senior Lien Debt 1	7,823,500	-	-	-	-	-
84	Transfers In- Additional Senior Lien Debt 2	-	-	-	11,146,500	-	-
85	Transfers In- Additional Senior Lien Debt 3	-	-	-	-	-	-
86	Transfers Out - Release to Operating Reserves (Fund 408)	-	-	-	-	-	-
87	Interest Rate	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
88	Interest Income	274,462	333,139	333,139	416,737	500,336	500,336
89	Recognition of Interest Earnings in Revenue Requirements	274,462	333,139	333,139	416,737	500,336	500,336
90	Ending Balance	22,209,245	22,209,245	22,209,245	33,355,745	33,355,745	33,355,745
	DEBT SERVICE SINKING FUND (Fund 410)						
91	Sinking Fund Deposit	$ 22,113,615	$ 23,954,654	$ 23,946,858	$ 25,605,998	$ 24,799,927	$ 24,794,845
92	Average Balance	9,419,524	9,841,530	9,908,955	10,114,500	9,084,732	9,139,461
93	Interest Rate	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
94	Interest Income	141,293	147,623	148,634	151,717	136,271	137,092
95	Recognition of Interest Earnings in Revenue Requirements	141,293	147,623	148,634	151,717	136,271	137,092
	CONSTRUCTION FUND (Additional Parity Bonds - Fund 415)						
96	Beginning Balance	$ -	$ -	$ -	$ -	$ -	$ -
97	Transfers In - New Indebtedness	40,197,000	35,803,000	-	46,818,000	57,221,000	-
98	Transfers Out - Capital Projects	40,197,000	35,803,000	-	46,818,000	57,221,000	-
99	Interest Rate	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
100	Interest Income	-	-	-	-	-	-
101	Recognition of Interest Earnings in Revenue Requirements	-	-	-	-	-	-
102	Ending Balance	-	-	-	-	-	-
	WATER SYSTEM DEVELOPMENT FEE FUND (Fund 411)						
103	Beginning Balance	$ 12,532,320	$ 11,846,173	$ 12,023,865	$ 7,166,723	$ 7,274,224	$ 2,345,837
104	Transfers In - Impact Fee Collections	4,738,573	4,602,761	4,600,173	4,560,898	4,470,383	4,342,283
105	Transfers In - Revenue Fund 408	-	-	-	-	-	-
106	Transfers Out - Capital Projects	867,625	-	5,000,000	-	5,000,000	-
107	Transfers Out - Developer Reimbursement	-	-	-	-	-	-
108	Transfer Out - Payment of Debt Service	4,738,573	4,602,761	4,600,173	4,560,898	4,470,383	4,342,283
109	Interest Rate	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
110	Interest Income	181,478	177,693	142,858	107,501	71,613	35,188
111	Recognition of Interest Earnings in Revenue Requirements	-	-	-	-	-	-
112	Ending Balance	11,846,173	12,023,865	7,166,723	7,274,224	2,345,837	2,381,025
	WASTEWATER SYSTEM DEVELOPMENT FEE FUND (Fund 413)						
113	Beginning Balance	$ 6,000,672	$ 5,269,451	$ 5,348,493	$ 5,428,720	$ 5,510,151	$ 5,592,803
114	Transfers In - Impact Fee Collections	4,801,190	4,750,735	4,570,659	4,533,764	4,441,038	4,308,689
115	Transfers In - Revenue Fund 408	-	-	-	-	-	-
116	Transfers Out - Capital Projects	-	-	-	-	-	-
117	Transfers Out - Developer Reimbursement	180,007	-	-	-	-	-
118	Transfers Out - Payment of Debt Service	-	4,750,735	4,570,659	4,533,764	4,441,038	4,308,689
119	Interest Rate	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
120	Interest Income	83,897	79,042	80,227	81,431	82,652	83,892
121	Recognition of Interest Earnings in Revenue Requirements	-	-	-	-	-	-
122	Ending Balance	5,269,451	5,348,493	5,428,720	5,510,151	5,592,803	5,676,695
	SUMMARY OF INTEREST INCOME						
123	Unrestricted - Included In Gross Revenue	$2,183,545	$1,911,329	$1,584,623	$1,495,789	$1,479,813	$1,484,154
124	Restricted - Not Included In Gross Revenue	265,374	256,734	223,085	188,932	154,266	119,080
125	Total Interest Income	$2,448,919	$2,168,064	$1,807,709	$1,684,721	$1,634,079	$1,603,234

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Table 9

Collier County Water-Sewer District
Bond Feasibility Report - Series 2019 Bonds

Comparison of Typical Monthly District Residential Bills for Water Service with Other Surveyed Utilities [1]

Line No.	Description	Residential Service for a 5/8" or 3/4" Meter [2] 0 Gallons	2,000 Gallons	4,000 Gallons	5,000 Gallons	7,000 Gallons	10,000 Gallons	15,000 Gallons	20,000 Gallons	50,000 Gallons	75,000 Gallons	100,000 Gallons
	Collier County Water-Sewer District											
1	Existing Rates Effective October 1, 2018	$22.41	$28.55	$34.69	$37.76	$47.04	$60.96	$91.76	$122.56	$383.86	$691.11	$998.36
2	Adopted Rates Effective October 1, 2019	23.06	29.38	35.70	38.86	48.40	62.71	94.41	126.11	395.01	711.26	1,027.51
	Surveyed Florida Utilities:											
3	Bonita Springs Utilities, Inc. [3]	$12.17	$19.49	$26.81	$30.47	$38.57	$51.89	$76.43	$104.09	$284.09	$434.09	$584.09
4	City of Bradenton	15.04	19.76	25.91	29.70	37.28	48.65	67.60	86.55	200.25	295.00	389.75
5	City of Cape Coral	17.32	25.12	32.92	36.82	45.92	59.57	93.87	145.12	507.12	818.12	1,129.12
6	Charlotte County [3]	22.18	31.74	41.30	46.08	56.35	72.82	105.99	144.39	409.29	636.04	862.79
7	DeSoto County	22.46	35.72	48.98	55.61	72.21	97.11	146.81	213.06	610.56	941.81	1,273.06
8	Englewood Water District [3]	17.57	21.75	25.93	28.02	32.90	46.81	85.74	142.51	576.91	938.91	1,300.91
9	FGUA - Lehigh Acres System (Lee County) [3]	15.26	26.44	37.62	43.21	54.39	73.71	107.55	146.07	397.17	606.42	815.67
10	City of Fort Myers [3]	8.89	18.47	28.05	32.84	52.00	80.74	147.79	214.84	777.94	1,247.19	1,716.44
11	Hillsborough County [3]	12.79	20.07	27.35	30.99	40.79	55.49	79.99	111.09	330.29	526.54	722.79
12	Lee County [3]	12.59	19.13	25.67	28.94	36.30	48.57	71.48	99.29	295.49	458.99	622.49
13	Manatee County [3]	9.45	14.01	18.57	20.85	25.98	34.53	48.78	82.98	391.08	647.83	904.58
14	City of Marco Island [3]	35.96	44.94	53.92	58.41	67.39	80.86	103.31	125.76	366.21	590.96	815.71
15	City of Naples [3]	8.29	11.15	14.01	15.44	18.30	25.29	37.84	55.74	182.39	289.39	396.39
16	City of North Port	18.77	26.77	34.77	40.77	52.77	75.63	126.21	195.17	796.97	1,298.47	1,799.97
17	Okeechobee Utility Authority	20.01	28.45	39.01	45.35	58.03	77.05	108.75	140.45	330.65	489.15	647.65
18	Pinellas County [3]	6.80	17.06	27.32	32.45	42.71	58.10	83.75	109.40	263.30	391.55	519.80
19	City of Punta Gorda	15.34	21.68	28.02	31.19	38.51	49.49	72.14	94.79	273.39	442.39	611.39
20	City of Sarasota	16.72	23.48	30.24	34.22	42.18	57.30	93.46	135.16	504.96	828.46	1,151.96
21	Sarasota County [3]	16.07	20.95	25.83	28.91	35.07	48.81	85.93	137.03	506.63	814.63	1,122.63
22	City of Venice [3]	24.73	33.95	48.17	55.28	73.04	99.68	155.13	210.58	543.28	820.53	1,097.78
23	Surveyed Florida Utilities' Average	$16.42	$24.01	$32.02	$36.28	$46.03	$62.11	$94.93	$134.70	$427.40	$675.82	$924.25
24	Minimum	6.80	11.15	14.01	15.44	18.30	25.29	37.84	55.74	182.39	289.39	389.75
25	Maximum	35.96	44.94	53.92	58.41	73.04	99.68	155.13	214.84	796.97	1,298.47	1,799.97

Footnotes:

[1] Other Florida utilities represent utilities located in the southwest portion of the State in general proximity of the District.

[2] Unless otherwise noted, amounts shown reflect residential rates in effect January 2019 and are exclusive of taxes or franchise fees, if any, and reflect rates charged for inside the city service. All rates are as reported by the respective utility. This comparison is intended to show comparable charges for similar service for comparison purposes only and is not intended to be a complete listing of all rates and charges offered by each listed utility.

[3] Utility is currently involved in a rate study, is planning to conduct a rate study, or plans to implement a rate revision or price index / pass-through adjustment within the next twelve months following the comparison preparation date.

Reflects billed monthly use for typical residential customer receiving service from the District.

Table 10

Collier County Water-Sewer District
Bond Feasibility Report - Series 2019 Bonds

Comparison of Typical Monthly District Residential Bills for Wastewater Service with Other Surveyed Utilities [1]

Line No.	Description	Residential Service for a 5/8" or 3/4" Meter [2] 0 Gallons	2,000 Gallons	4,000 Gallons	5,000 Gallons	7,000 Gallons	10,000 Gallons	15,000 Gallons	20,000 Gallons	50,000 Gallons	75,000 Gallons	100,000 Gallons
	Collier County Water-Sewer District											
1	Existing Rates Effective October 1, 2018	$34.24	$43.88	$53.52	$58.34	$67.98	$82.44	$106.54	$106.54	$106.54	$106.54	$106.54
2	Adopted Rates Effective October 1, 2019	35.23	45.15	55.07	60.03	69.95	84.83	109.63	109.63	109.63	109.63	109.63
	Surveyed Florida Utilities:											
3	Bonita Springs Utilities, Inc. [3]	$28.48	$35.88	$43.28	$46.98	$54.38	$65.48	$83.98	$87.68	$87.68	$87.68	$87.68
4	City of Bradenton	22.22	26.26	32.76	37.24	46.20	59.64	82.04	104.44	238.84	350.84	462.84
5	City of Cape Coral	21.07	39.15	57.23	66.27	84.35	111.47	156.67	201.87	473.07	699.07	925.07
6	Charlotte County [3]	32.99	42.19	51.39	55.99	65.19	78.99	78.99	78.99	78.99	78.99	78.99
7	DeSoto County	28.08	44.08	60.08	68.08	87.96	117.78	167.48	217.18	515.38	763.88	1,012.38
8	Englewood Water District [3]	25.56	32.06	38.56	41.81	48.31	58.06	74.31	90.56	188.06	269.31	350.56
9	FGUA - Lehigh Acres System (Lee County) [3]	25.63	43.27	60.91	69.73	78.55	78.55	78.55	78.55	78.55	78.55	78.55
10	City of Fort Myers [3]	15.35	42.65	69.95	83.60	110.90	151.85	220.10	288.35	697.85	1,039.10	1,380.35
11	Hillsborough County [3]	13.96	22.96	31.96	36.46	45.46	49.96	49.96	49.96	49.96	49.96	49.96
12	Lee County [3]	20.45	32.15	43.85	49.70	61.40	73.10	73.10	73.10	73.10	73.10	73.10
13	Manatee County [3]	22.54	32.60	42.66	47.69	57.75	72.84	72.84	72.84	72.84	72.84	72.84
14	City of Marco Island [3]	29.32	40.90	52.48	58.27	64.06	64.06	64.06	64.06	64.06	64.06	64.06
15	City of Naples [3]	20.76	28.82	36.88	40.91	48.97	61.06	61.06	61.06	61.06	61.06	61.06
16	City of North Port	28.92	41.50	54.08	60.37	72.95	91.82	104.40	104.40	104.40	104.40	104.40
17	Okeechobee Utility Authority	22.36	36.28	50.20	57.16	71.08	91.96	126.76	161.56	370.36	544.36	718.36
18	Pinellas County [3]	13.66	23.64	33.62	38.61	48.59	63.56	63.56	63.56	63.56	63.56	63.56
19	City of Punta Gorda	27.30	30.48	33.66	35.25	38.43	43.20	43.20	43.20	43.20	43.20	43.20
20	City of Sarasota	23.01	36.41	49.81	57.70	73.48	97.15	136.60	176.05	412.75	610.00	807.25
21	Sarasota County [3]	14.89	29.97	45.05	52.59	67.67	90.29	90.29	90.29	90.29	90.29	90.29
22	City of Venice [3]	25.23	39.49	53.75	60.88	75.14	96.53	132.18	167.83	381.73	559.98	738.23
23	Surveyed Florida Utilities' Average	$23.09	$35.04	$47.11	$53.26	$65.04	$80.87	$98.01	$113.78	$207.29	$285.21	$363.14
24	Minimum	13.66	22.96	31.96	35.25	38.43	43.20	43.20	43.20	43.20	43.20	43.20
25	Maximum	32.99	44.08	69.95	83.60	110.90	151.85	220.10	288.35	697.85	1,039.10	1,380.35

Footnotes:

[1] Other Florida utilities represent utilities located in the southwest portion of the State in general proximity of the District.

[2] Unless otherwise noted, amounts shown reflect residential rates in effect January 2019 and are exclusive of taxes or franchise fees, if any, and reflect rates charged for inside the city service. All rates are as reported by the respective utility. This comparison is intended to show comparable charges for similar service for comparison purposes only and is not intended to be a complete listing of all rates and charges offered by each listed utility.

[3] Utility is currently involved in a rate study, is planning to conduct a rate study, or plans to implement a rate revision or price index / pass-through adjustment within the next twelve months following the comparison preparation date.

Reflects billed monthly use for typical residential customer receiving service from the District.

Table 11

Collier County Water-Sewer District
Bond Feasibility Report - Series 2019 Bonds

Comparison of Typical Monthly District Residential Bills for Water and Wastewater Service with Other Surveyed Utilities [1]

Line No.	Description	Residential Service for a 5/8" or 3/4" Meter [2] 0 Gallons	2,000 Gallons	4,000 Gallons	5,000 Gallons	7,000 Gallons	10,000 Gallons	15,000 Gallons	20,000 Gallons	50,000 Gallons	75,000 Gallons	100,000 Gallons
	Collier County Water-Sewer District											
1	Existing Rates Effective October 1, 2018	$56.65	$72.43	$88.21	$96.10	$115.02	$143.40	$198.30	$229.10	$490.40	$797.65	$1,104.90
2	Adopted Rates Effective October 1, 2019	58.29	74.53	90.77	98.89	118.35	147.54	204.04	235.74	504.64	820.89	1,137.14
	Surveyed Florida Utilities:											
3	Bonita Springs Utilities, Inc. [3]	$40.65	$55.37	$70.09	$77.45	$92.95	$117.37	$160.41	$191.77	$371.77	$521.77	$671.77
4	City of Bradenton	37.26	46.02	58.67	66.94	83.48	108.29	149.64	190.99	439.09	645.84	852.59
5	City of Cape Coral	39.54	51.38	65.68	74.06	92.12	119.21	175.91	249.56	745.96	1,168.96	1,591.96
6	Charlotte County [3]	55.17	73.93	92.69	102.07	121.54	151.81	184.98	223.38	488.28	715.03	941.78
7	DeSoto County	50.54	79.80	109.06	123.69	160.17	214.89	314.29	430.24	1,125.94	1,705.69	2,285.44
8	Englewood Water District [3]	43.13	53.81	64.49	69.83	81.21	104.87	160.05	233.07	764.97	1,208.22	1,651.47
9	FGUA - Lehigh Acres System (Lee County) [3]	40.89	69.71	98.53	112.94	132.94	152.26	186.10	224.62	475.72	684.97	894.22
10	City of Fort Myers [3]	24.24	61.12	98.00	116.44	162.90	232.59	367.89	503.19	1,475.79	2,286.29	3,096.79
11	Hillsborough County [3]	26.75	43.03	59.31	67.45	86.25	105.45	129.95	161.05	380.25	576.50	772.75
12	Lee County [3]	33.04	51.28	69.52	78.64	97.70	121.67	144.58	172.39	368.59	532.09	695.59
13	Manatee County [3]	31.99	46.61	61.23	68.54	83.73	107.37	121.62	155.82	463.92	720.67	977.42
14	City of Marco Island [3]	65.28	85.84	106.40	116.68	131.45	144.92	167.37	189.82	430.27	655.02	879.77
15	City of Naples [3]	29.05	39.97	50.89	56.35	67.27	86.35	98.90	116.80	243.45	350.45	457.45
16	City of North Port	47.69	68.27	88.85	101.14	125.72	167.45	230.61	299.57	901.37	1,402.87	1,904.37
17	Okeechobee Utility Authority	42.37	64.73	89.21	102.51	129.11	169.01	235.51	302.01	701.01	1,033.51	1,366.01
18	Pinellas County [3]	20.46	40.70	60.94	71.06	91.30	121.66	147.31	172.96	326.86	455.11	583.36
19	City of Punta Gorda	42.64	52.16	61.68	66.44	76.94	92.69	115.34	137.99	316.59	485.59	654.59
20	City of Sarasota	39.73	59.89	80.05	91.92	115.66	154.45	230.06	311.21	917.71	1,438.46	1,959.21
21	Sarasota County [3]	39.08	57.36	75.64	86.61	108.55	145.96	222.53	313.08	919.38	1,424.63	1,929.88
22	City of Venice [3]	49.96	73.44	101.92	116.16	148.18	196.21	287.31	378.41	925.01	1,380.51	1,836.01
23	Surveyed Florida Utilities' Average	$39.97	$58.72	$78.14	$88.35	$109.46	$140.72	$191.52	$247.90	$639.10	$969.61	$1,300.12
24	Minimum	20.46	39.97	50.89	56.35	67.27	86.35	98.90	116.80	243.45	350.45	457.45
25	Maximum	65.28	85.84	109.06	123.69	162.90	232.59	367.89	503.19	1,475.79	2,286.29	3,096.79

Footnotes:

[1] Other Florida utilities represent utilities located in the southwest portion of the State in general proximity of the District.

[2] Unless otherwise noted, amounts shown reflect residential rates in effect January 2019 and are exclusive of taxes or franchise fees, if any, and reflect rates charged for inside the city service. All rates are as reported by the respective utility. This comparison is intended to show comparable charges for similar service for comparison purposes only and is not intended to be a complete listing of all rates and charges offered by each listed utility.

[3] Utility is currently involved in a rate study, is planning to conduct a rate study, or plans to implement a rate revision or price index / pass-through adjustment within the next twelve months following the comparison preparation date.

☐ Reflects billed monthly use for typical residential customer receiving service from the District.

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Table 12

Collier County Water-Sewer District
Bond Feasibility Report - Series 2019 Bonds

Comparison of Water and Wastewater System Development (Impact Fees) with Other Surveyed Utilities [1]

Line No.	Description	Residential 5/8" x 3/4" Meter Water	Wastewater	Combined
	Collier County Water-Sewer District			
1	Existing System Development Fees	$2,562	$2,701	$5,263
	Surveyed Florida Utilities:			
2	Bonita Springs Utilities, Inc.	$2,600	$3,925	$6,525
3	City of Bradenton [2]	1,183	1,545	2,728
4	Charlotte County	2,407	2,251	4,658
5	DeSoto County	1,910	4,140	6,050
6	Englewood Water District	2,951	8,571	11,522
7	City of Fort Myers	2,023	1,966	3,989
8	Hillsborough County [4]	1,750	1,800	3,550
9	Lee County	2,440	2,660	5,100
10	Manatee County [4]	1,970	3,027	4,997
11	City of Marco Island	3,740	4,610	8,350
12	City of Naples	1,416	2,324	3,740
13	City of North Port	1,890	2,575	4,465
14	Okeechobee Utility Authority [3]	1,510	2,935	4,445
15	Pasco County	1,561	2,730	4,291
16	Pinellas County	840	2,060	2,900
17	City of Punta Gorda	2,646	2,677	5,323
18	City of Sarasota	900	2,577	3,477
19	Sarasota County [4]	2,720	2,627	5,347
20	Other Florida Utilities' Average	$2,025	$3,056	$5,081

Footnotes:

[1] Unless otherwise noted, amounts shown reflect fees charged to a standard residential connection (considered as one ERC) in effect as of January 2019 and are exclusive of taxes or franchise fees, if any, and reflect rates charged for inside the city service. All rates are as reported by the respective utility. This comparison is intended to show comparable charges for similar service for comparison purposes only and is not intended to be a complete listing of all rates and charges offered by each listed utility.

[2] Fees are based on number of fixtures per customer. Fees shown are calculated at an assumed 19 fixtures for a typical home representing a standard residential connection (considered as one ERC).

[3] Fees shown at gross amount. Actual charges reflect a ~75% temporary reduction from the original fee schedule until their sunset date of September 30, 2019.

[4] Utility is currently included in a fee study, or plans to implement a fee revision within the next twelve months following the comparison preparation date.

APPENDIX A

Engineering Portion of CCWSD Engineering and Bond Feasibility Report Dated March 2019

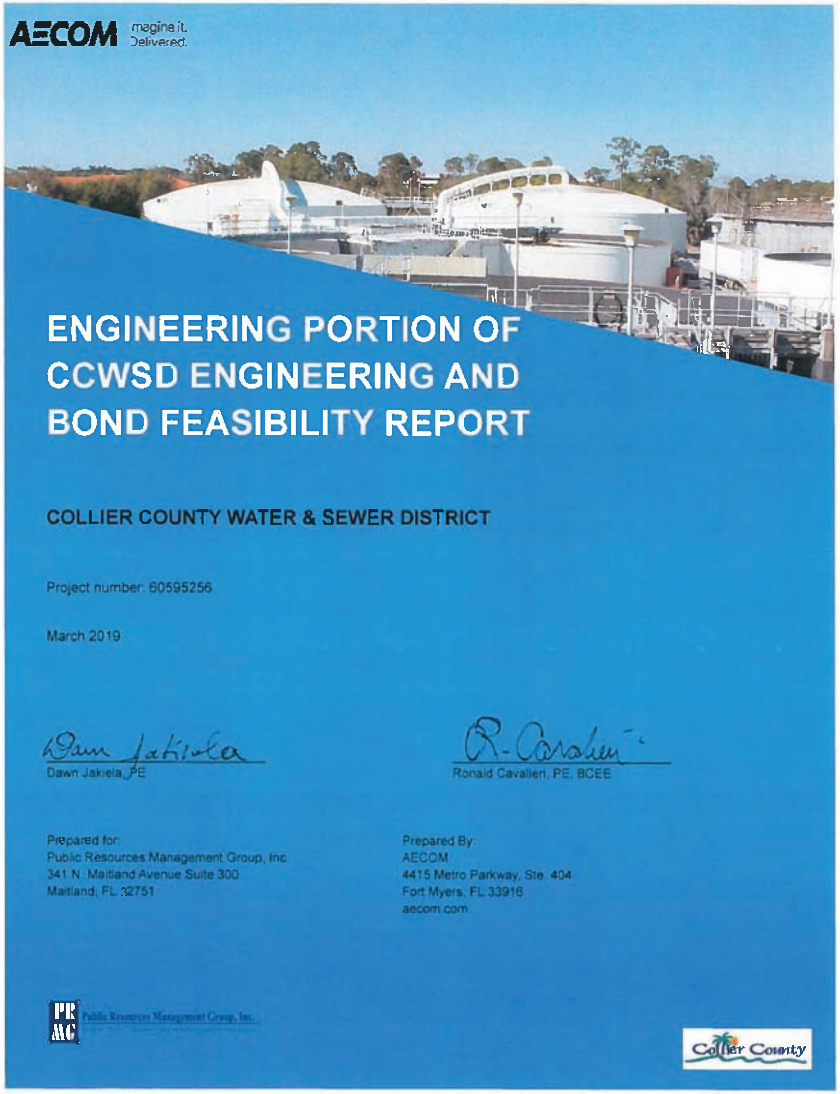


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Engineering Portion of the CCWSD Consulting
Engineering and Bond Feasibility Report
Project number: 60595256

List of Common Acronyms

Acronym	Definition
AADD	Annual Average Daily Demand
AADF	Annual Average Daily Flow
ASR	Aquifer Storage and Recovery
AUIR	Annual Update and Inventory Report
BEBR	Bureau of Economics and Business Research
BOCC	Board of County Commissioners
CCWSD	Collier County Water-Sewer District
CCPUD	Collier County Public Utilities Division
CDES	Community Development and Environmental Services
CIP	Capital Improvement Plan
CMOM	Capacity, Management, Operation and Maintenance
CUP	Consumptive Use Permit
DIW	Deep Injection Wells
ERP	Environmental Resource Permit
FAC	Florida Administrative Code
FGUA	Florida Government Utility Authority
FDEP	Florida Department of Environmental Protection
FY	Fiscal Year
GGC	Golden Gate City
GGUS	Golden Gate Utility System
GIS	Geographic Information System
gpcd	Gallons per Capita per Day
GPD	Gallons per Day
HP	Horsepower
HPRO	High Pressure Reverse Osmosis
HZ1	Hawthorn Zone 1
IE	Ion Exchange
I/I	Inflow and Infiltration
IQ	Irrigation Quality
LH	Lower Hawthorne
LOSS	Level of Service Standard
LPRO	Low Pressure Reverse Osmosis
LS	Lime Softening
LT	Lower Tamiami Aquifer
MMDD	Maximum Month Daily Demand
MG	Million Gallons
MGD	Million Gallons per Day
mg/L	Milligrams per Liter

Prepared for: Public Resources Management Group, Inc. (PRMG)
AECOM

Acronym	Definition
MLE	Modified Ludzack-Ettinger
MMDF	Maximum Month Daily Flow
M3DD	Maximum Three Day Demand
M3DF	Maximum Three Day Flow
MDD	Maximum Daily Demand
NCRWTP	North County Regional Water Treatment Plant
NCWRF	North County Water Reclamation Facility
NERWTP	Northeast Regional Water Treatment Plant
NEWRF	Northeast Water Reclamation Facility
OT	Orange Tree
OTUC	Orange Tree Utility Company
OTWTP	Orange Tree Water Treatment Plant
OTWWTP	Orange Tree Wastewater Treatment Plant
O&M	Operations and Maintenance
PUMP	Public Utilities Master Plan
PUD	Planned Urban Development
RIDS	Regional Irrigation Distribution System
RO	Reverse Osmosis
SCADA	Supervisory Control and Data Acquisition
SCRWTP	South County Regional Water Treatment Plant
SCWRF	South County Water Reclamation Facility
SDP	Site Development Plan
SERWTP	Southeast Regional Water Treatment
SEWRF	Southeast Water Reclamation Facility
SFWMD	South Florida Water Management District
TAZ	Traffic Analysis Zone
TDS	Total Dissolved Solids
TM	Technical Memorandum
UIC	Underground Injection Control
USEPA	United States Environmental Protection Agency
VFD	Variable Frequency Drive
WRF	Water Reclamation Facility
WT	Water Table
WTP	Water Treatment Plant
WUP	Water Use Permit
WWTP	Wastewater Treatment Plant

1. Introduction

Public Resources Management Group, Inc. (PRMG) has requested that professional engineering services be provided by AECOM to prepare the engineering portion of a Collier County Water and Sewer District (CCWSD) Consulting Engineering and Bond Feasibility Report for the CCWSD's potable water, irrigation quality (IQ) water, and wastewater systems in support of the issuance of Utility Revenue Bonds, Series 2019. Information from this Engineering Report will be included in the Official Statement associated with the issuance of the Series 2019 Bonds.

This engineering report is summarized based on a general due diligence investigation of the CCWSD system, which includes a review of available reports and supporting documents, a visual field review of the system treatment facilities, review of system reports and permit records with regulatory agencies including, Florida Department of Environmental Protection (FDEP) and South Florida Water Management District (SFWMD), review of the CCWSD Capital Improvement Plan (CIP), and meetings and discussions with CCWSD staff. The field review of the treatment facilities was conducted from January 14 through January 17, 2019 and included walk-through inspections of the aboveground facilities including treatment facility buildings, process structures, and equipment.

This engineering report provides a summary of AECOM's findings and recommendations on the following:

- Characterization and general condition assessment of the facilities operated within the CCWSD System
- General description of the management and organizational structure of CCWSD
- Spatial description of CCWSD water and wastewater system service areas
- Estimation of projected potable water demands, wastewater flows, and IQ water demands of the CCWSD system
- Capacity evaluation of the CCWSD facilities to meet existing and future projected demands and flows
- Assessment of the CCWSD system's compliance with regulatory and permit requirements
- Review of the CCWSD's most recent Capital Improvement Program
- Identification of infrastructure expansions and upgrades of the existing system to meet projected service area needs.

The forecast period of the Series 2019 Bonds is September 30, 2019 through and including September 30, 2023. However, this engineering report identifies the system needs through a 20 year planning horizon (2040). AECOM recently prepared "Revised Fiscal Year 2019 Water, Wastewater, IQ Water, and Bulk Potable Water Master Plan/CIP Plan Update for the expanded CCWSD" dated December 7, 2018 and this document is referenced herein.

2. CCWSD System

General

The CCWSD was created by the Collier County (County) Water-Sewer District Special Act, adopted in 2003 by the Legislature of the State of Florida pursuant to Section 189.429, Florida Statutes. The CCWSD is an independent special district and public corporation of the State with the Collier County Board of County Commissioners being its governing board (the "Board"). The purpose of the CCWSD is to provide water and wastewater services to a population of approximately 209,000 located within its service area boundary.

Organizational Structure

The Collier County's Public Utilities Department (the "Department") is comprised of two enterprise funds that include the Collier County Water-Sewer District and Solid and Hazardous Waste Management, as well as the Facilities Management Division which is funded through ad valorem taxes. To meet the requirements of providing both demand and compliance driven essential services, the Department must maintain an appropriate level of both physical and financial resources.

The County's Public Utilities Department includes Administration, Financial Operations, Engineering and Project Management, In-ground Services, Production/Treatment Plants, and Public Utilities as described below.

Administration

This division including the Critical Infrastructure Protection Group provides management, policy oversight, administration and public information support to the operations and capital improvement programs of the Department. The administration division works in concert with the County manager's office and other departments in support of the county strategic goals as they relate to revising the Growth Management Plan and Land Development Code to improve the county's ability to manage and control the rate and quality of future development.

Financial Operations

This division including the Executive Administration Support provides sound fiscal management to division department's operations and capital expenditure programs, maintains internal controls, manages centralized department inventory, manages departmental accounts receivable and payables, and processes vendor payments associated with the compliant operations of the Department's enterprise entities. The division includes dedicated IT staff to provide support services. The division also provides call center customer service for all water and sewer utility customers and solid waste residential curbside customers to meet the demands of customer quality assurance/quality control initiatives. Meter services are also part of this division.

Engineering and Project Management

This division is responsible for the proactive and efficient planning and project management of the CCWSD's capital improvement program, and for supporting the County's strategic goals of developing reliable public infrastructure and asset management process. The division manages new utility infrastructure capital improvements and multi-year project execution.

In-Ground Services

This division provides effective management, operation, and maintenance of the CCWSD's water distribution system, wellfields, wastewater collection system, and power systems to ensure service level demands are efficiently met. The division is also in charge of delivering irrigation quality water to the community for beneficial reuse. Cross-connection control and hydrant maintenance are essential division programs to maintain the reliability of the public water supply.

Production/Treatment Plants

This division provides potable water treatment within the CCWSD. The division currently operates two regulatory compliant regional water treatment facilities to efficiently meet demand.

The division also provides effective management, operation, and maintenance of the CCWSD's waste water treatment plants to ensure all facilities operate in regulatory compliance, provide a safe work environment, and efficiently meet service-level demand. The division currently operates two regional water reclamation facilities and two sub-regional facilities.

Public Utilities

This division is comprised of technical support for the entire CCWSD, solid waste management, and facilities management.

The technical support division provides underground utility locating services, technical support for applications specific to utility operations and integrated geographic information systems (GIS) based support for the asset management department.

The solid waste management division is responsible for the efficient and economical balance of the public and private services to meet federal, state, and local requirements for solid waste management and disposal. The division ensures public health, safety, and preservation of natural resources by utilizing a customer centric, environmentally sound, and cost-effective operational approach that provides the best

value services for residential curbside collection accounts, recycling center visitors, and commercial accounts. The division is responsible for the CCWSD's debris recovery mission in the event of a major disaster, and administration of the board-approved integrated solid waste management strategy.

The facilities management division is responsible for providing secure, clean, and comfortable facilities for our citizens, visitors, and staff. All buildings, offices, grounds, and property acquisitions are managed and maintained to the highest standards through operational excellence and preventative and predictive maintenance. The division manages regular maintenance schedule for electrical, plumbing, heating, ventilation and air conditioning, structural repairs, physical energy plant, fire systems compliance, pest control, and landscaping for the counties 900+ structures. The division is also responsible for handling professional property acquisition, management, and leasing services through expeditious and knowledgeable handling of real estate transactions.

Figure 2-1 presents the Organizational flow chart of the Public Utilities Department. The chart also identifies the personnel responsible for each division. The detailed organizational charts for each division of the Public Utilities Department are included in **Appendix A** of this report.

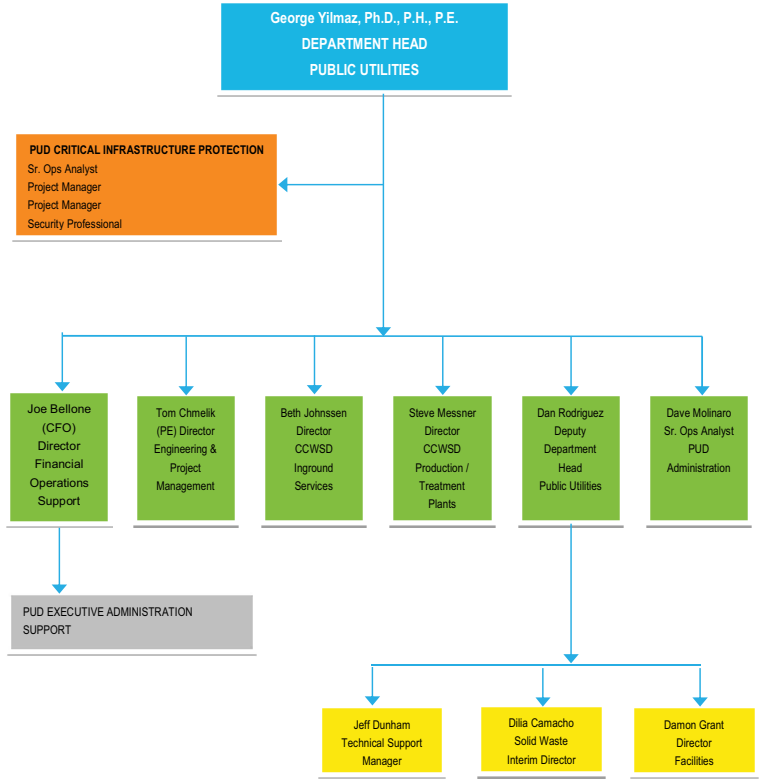
CCWSD Operations Staff

Based on discussions with CCWSD staff, the system provides for adequate operation by employing personnel capable of operating, maintaining, and expanding the system as necessary. Current system management appears to be well qualified for the positions for which it is responsible.

Staffing needs are met with a combination of permanent employees, job bank employees, and contract employees. This mixture is constantly being revised for the correct balance.

The CCWSD has an ongoing training program for its water, wastewater and IQ water operation and maintenance staff. All of the CCWSD's plant operators and distribution and collection field crew leaders are licensed and certified as required in accordance with the Florida Administrative Code (FAC). In addition to training required for compliance, the CCWSD conducts recurrent training to maintain proper facility operations as well as maintaining a safe work environment.

Figure 2-1: Organizational Chart



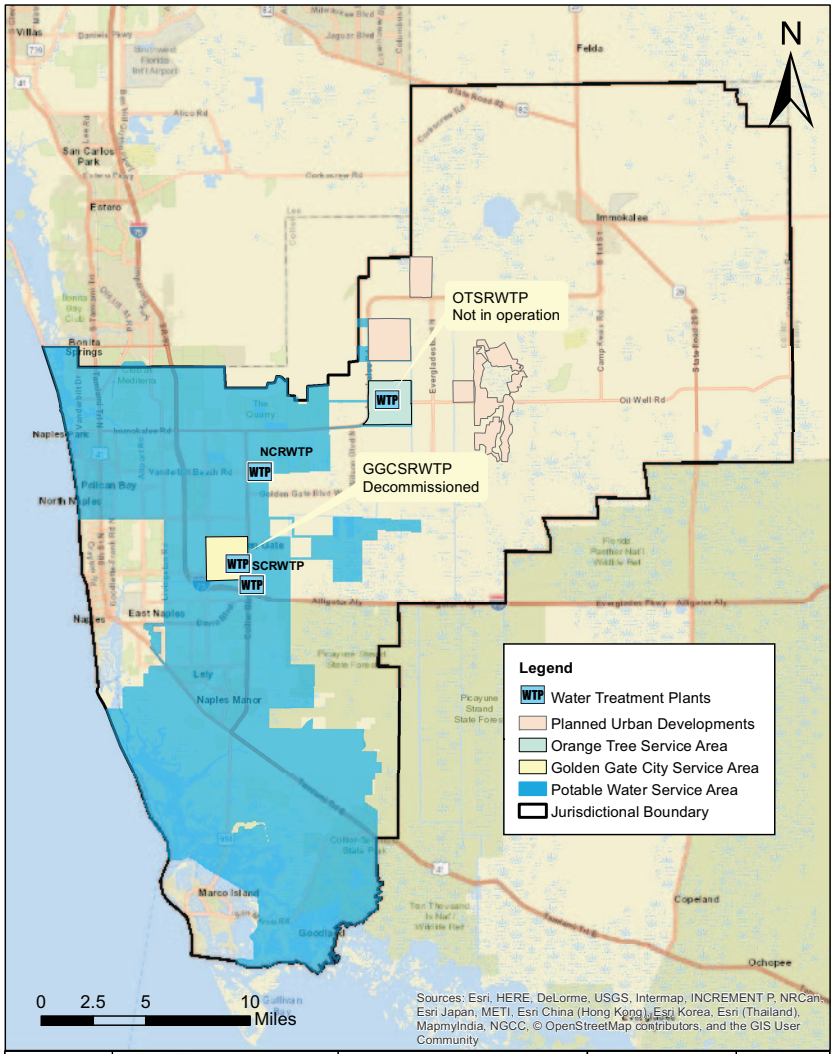
Service Area

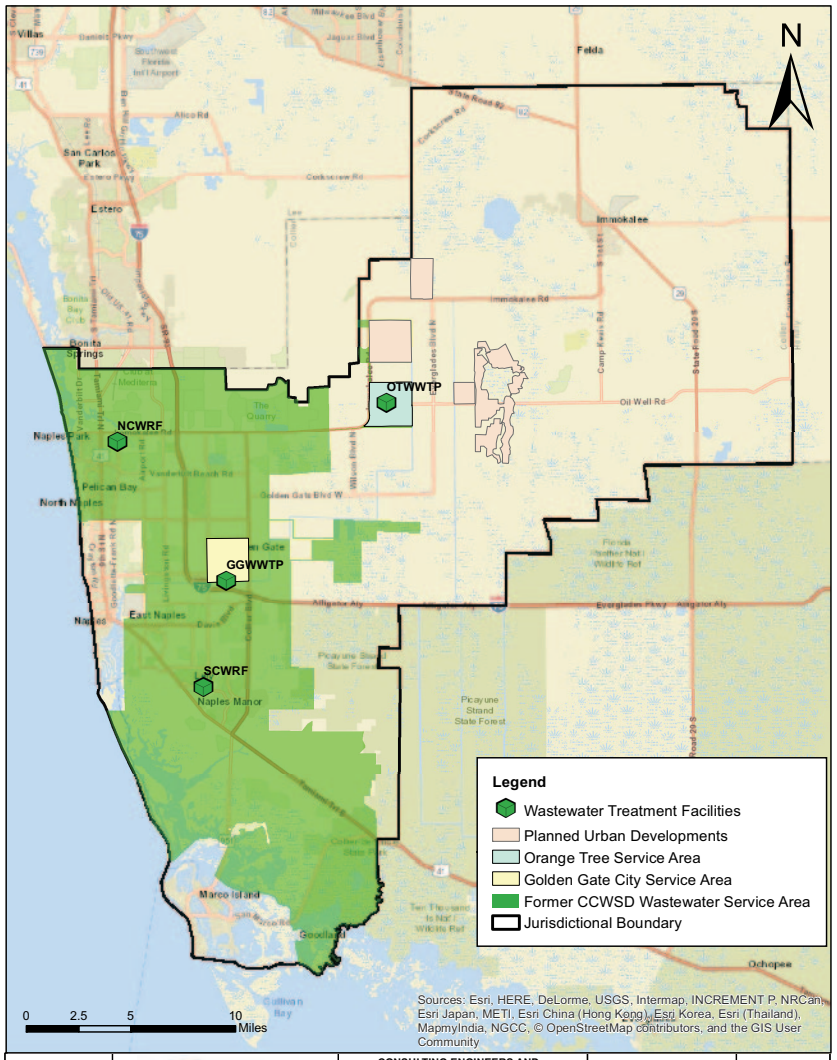
The CCWSD provides potable water, IQ water, and wastewater services within its service area boundary, which has been established and adopted by the BOCC in accordance with the Florida State Statute 153.53, entitled "Establishment of Districts in Unincorporated Areas." The CCWSD service area is bordered on the north by Lee County, on the south by the Marco Island Service Area, on the east by the Urban Planning Boundary and on the west by the City of Naples Service Area and the Gulf of Mexico. Within the CCWSD boundary, the service area does not include those areas within the County currently served by the City of Naples. Recently, CCWSD expanded its service area boundary and the expanded jurisdictional service area boundary was approved by BOCC in 2018.

The CCWSD has recently acquired Orange Tree Utility Company (OTUC) in March 2017 and Florida Governmental Utility Authority (FGUA) Golden Gate Utility System (GGUS) in March 2018 with the purpose of providing reliable and safe water and wastewater services to their corresponding service areas. The CCWSD has plans to serve future Planned Unit Developments (PUD) located in the north east area within its jurisdictional service boundary.

The former OTUC service area that was integrated into the CCWSD system is located 9 miles east of I-75 and extends over 2,573 acres. The service area includes Orange Tree PUD, Twin Eagles PUD, Orange Blossom Ranch PUD, and three Collier County School Board facilities – Corkscrew Elementary, Corkscrew Middle, and Palmetto Ridge High School. The former GGUS service area that was recently integrated into the CCWSD system is located east of I-75 and extends over 2,700 acres bound by I-75 to the west, Collier Boulevard to the east, SW 15th Avenue and access roads to the north, and Golden Gate canal to the south. The service area includes mainly Golden Gate City.

PUDs in the northeast of the CCWSD's jurisdictional service area boundary are scheduled to be integrated into the CCWSD as they are constructed. These developments include Hogan Island Village, Rural Lands West, SR 846 Land Trust, and Winchester Lakes (also known as Collier Lakes). **Figure 2-2** presents CCWSD's potable water treatment facilities as well as the existing and future water service area and **Figure 2-3** presents CCWSD's wastewater treatment facilities and the existing and future wastewater service area. The figures also show the recently approved jurisdictional boundary of the CCWSD service area. It should be noted that the potable water service area varies from the wastewater service area and does not include some areas served by the City of Naples.





Source: Collier County, FDOT, and ESRI
User: karagozk
Date: January 2019
County: Collier

CONSULTING ENGINEERS AND FINANCIAL FEASIBILITY REPORT

Wastewater System Service Areas and Facilities

AECOM

FIGURE 2-3

3. Potable Water System

The CCWSD potable water system is comprised of potable water supply, treatment, and distribution systems. The system includes raw water supply wellfields, two Water Treatment Plants (WTP) and a water transmission and distribution system consisting of pumping facilities, storage tanks, and transmission and distributing network with a goal of providing safe drinking water and adequate fire protection (fire hydrants) throughout the service area.

As indicated, the CCWSD recently acquired ownership of OTUC and GGUS potable water systems. The acquired treatment facilities were shut down and the potable water distribution systems are interconnected to the CCWSD system and are being served by the CCWSD's treatment facilities.

Potable Water System Raw Water Supply

The CCWSD has historically obtained its potable water raw water supply from groundwater resources. Groundwater is either fresh or brackish depending on its source aquifer.

Raw Water Wellfields

The raw water supply sources for CCWSD potable water system consist of the following groundwater wellfields:

1. Golden Gate Tamiami Wellfield
2. North Hawthorn Wellfield
3. South Hawthorn Wellfield
4. North Eastern Wellfield (future proposed)
5. OTUC Wellfield (currently not in use)
6. GGUS Wellfield (currently not in use)

The CCWSD potable water system raw water supplies are currently regulated by the SFWMD, which is a public entity of the State of Florida that has the responsibility of managing the water resources within its boundaries. SFWMD regulates raw water withdrawals and is authorized to require permits for the consumptive use of water. All significant water users within south Florida, including the CCWSD, require permission to withdraw raw water through the issuance of a water user permit by the SFWMD. A permit is issued by the SFWMD when an entity such as the CCWSD demonstrates that the water use is consistent with the public interest, is a reasonable beneficial use of water, and will not interfere with any presently existing legal use of water.

The Golden Gate Tamiami Wellfield and North and South Hawthorn Wellfields are regulated by SFWMD under Consumptive Use Permit (CUP) number 11-00249-W. The permit was issued on May 8, 2018 and expires on September 22, 2036. The OTUC Wellfield is regulated by SFWMD under CUP number 11-00419-W. The permit was issued on March 7, 2018 and expires on March 7, 2023. The GGUS Wellfield is regulated by SFWMD under CUP number 11-00148-W. The permit was issued on March 1, 2010 and expires on March 10, 2030. The CCWSD is in the process of applying for a water use permit for a North Eastern Wellfield. Currently, there are no wells drilled at this wellfield.

Fresh groundwater supplies are obtained from the Golden Gate Tamiami Wellfields that tap the Lower Tamiami Aquifer. Brackish groundwater supplies are obtained from the North Hawthorn Wellfield and South Hawthorn Wellfield that tap the Lower Hawthorn and Mid Hawthorn (also referenced as Hawthorn Zone 1) aquifers. The OTUC Wellfield taps to the Lower Tamiami Aquifer and GGUS Wellfield taps to the Water Table Aquifer and Lower Tamiami Aquifer. The North Eastern Wellfield is a future proposed wellfield that would potentially tap to the Lower Tamiami and/or Mid Hawthorn Aquifers.

Water Table Aquifer Raw Water Wells: The acquired GGUS Wellfield has 9 existing permitted shallow wells that tap to the Water Table Aquifer (fresh water aquifer). The wells are constructed at a depth ranging from of 8.5 to 35 feet and have a pumping capacity ranging from 160 to 250 gpm. The raw water wells at this wellfield are capped and currently do not supply raw water to any of the existing water treatment plants. The CCWSD has future plans to transfer this allocation to CCWSD facilities.

Lower Tamiami Aquifer Raw Water Wells: The CCWSD has 37 permitted existing shallow raw water wells (located in Golden Gate Tamiami Wellfield) that tap to the Lower Tamiami Aquifer. The wells are constructed at depths ranging from 50 to 102 feet. The wells typically have a pumping capacity in the range of 700 to 1,000 gallons per minute (gpm). The CCWSD is also permitted for one future shallow raw water well to tap to the Lower Tamiami Aquifer. The well is proposed to be 90 feet in depth with a pumping capacity of 1,000 gpm. The well is proposed to be located in the Golden Gate Tamiami Wellfield.

The acquired OTUC Wellfield has 4 existing permitted shallow wells that tap to the Lower Tamiami Aquifer. The wells are constructed at a depth ranging from of 70 to 74 feet and have a pumping capacity of 300 gpm. The OTUC Wellfield is also permitted for 6 future fresh water supply wells to tap to the Lower Tamiami Aquifer. The wells are proposed to be 70 feet in depth with a pumping capacity in the range of 400 gpm. This raw water wellfield is currently not in operation and does not supply raw water to any of the existing water treatment plants. However, the CCWSD has plans to transfer this allocation to CCWSD facilities when the proposed North Eastern Wellfield is in operation to serve proposed new water treatment plant of the CCWSD system. The timing when the proposed new facilities will be online are discussed in the later sections (Potable Water System Gap Analysis) of the report.

The acquired GGUS Wellfield is permitted for 3 future fresh water supply wells to tap to the Lower Tamiami Aquifer. The wells are proposed to be 80 to 141 feet in depth with a pumping capacity ranging from 200 to 810 gpm. The CCWSD has plans to transfer this allocation to CCWSD facilities when the proposed North East Facilities are online as discussed earlier.

Mid Hawthorn Aquifer Raw Water Wells: The CCWSD has 46 existing permitted deep brackish supply wells (located in North and South Hawthorn Wellfields) that tap to the Mid Hawthorn Aquifer. The wells are constructed at depths ranging from 292 to 412 feet. The wells typically have a pumping capacity in the range of 350 to 750 gpm.

Lower Hawthorn Aquifer Raw Water Wells: The CCWSD has 42 existing permitted deep brackish supply wells (located in North and South Hawthorn Wellfields) that tap to the Lower Hawthorn Aquifer. The wells are constructed at depths ranging from 630 to 790 feet. The wells typically have a pumping capacity in the range of 700 to 1,000 gpm.

Raw Water Allocation

Table 3-1 presents the CCWSD raw water wellfield allocations as permitted by the SFWMD. The Table also indicates the wellfield permitted firm capacities based on SFWMD permits and wellfield firm capacities based on the number of active wells and the potential yield as obtained from the CCWSD inventory.

The total annual allocation for CCWSD operating wellfields is 20,270 Million Gallons (MG) per year (55.53 MGD-AADD) as per SFWMD CUP 11-00249-W. The permit limits the use of fresh groundwater resources to 26.50 MGD and brackish water to 29.03 MGD (35.52 MGD with overlap). Special permit Condition 5 of the permit allows for an allocation up to 26.50 MGD from fresh groundwater resources through September 29, 2019. This allocation will be reduced to 18.77 MGD from September 30, 2019 through September 29, 2036. However, renewal documentation is underway to extend the current fresh groundwater allocation through 2036. The current Lower Tamiami Aquifer water supply at the OTUC Wellfield has a permitted capacity of 236.12 MG per year (0.65 MGD-AADD). The total annual allocation for CCWSD wellfields including the OTUC Wellfield will be 56.18 MGD. The CCWSD plans to utilize this raw water allocation in the future. The GGUS Wellfield also has a permitted fresh water annual allocation of 1,247 MG per year (3.42 MGD – AADD) and permitted wellfield firm capacity of 4.58 MGD. However, the CCWSD currently has no plans to utilize this allocation or raw water well capacity but plans to transfer this allocation to CCWSD wellfields when the proposed North East Facilities are placed in operation.

Table 3-1: Raw Water Wellfields - Allocation and Firm Capacities

Aquifer	Total Number of Wells based on SFWMD CUP[1]	SFWMD CUP Annual Allocation (AADD)		Wellfield Permitted Firm Capacity based on SFWMD CUP[7]		Number of Active Wells based on CCWSD Well Inventory[8]	Wellfield Firm Capacity based on CCWSD Well Inventory[8]	
		MGY	MGD	GPM	MGD		GPM	MGD
Lower Tamiami Aquifer	38[2]	9,673	26.50[5]	32,200	46.37	36	26,935	38.79
Mid Hawthorn Aquifer	46	5,840	16.00	29,650	42.70	42	27,226	39.21
Lower Hawthorn Aquifer	42	4,757	13.03[6]	38,500	55.44	25	16,849	24.26
Total	126	20,270	55.53[6]	100,350	144.50	103	71,010	102.25
Lower Tamiami Aquifer – OTUC[10]	10[3]	236	0.65	3,200	4.61	Data not available		
Total	136	20,506	56.18	103,550	149.11			
Water Table and Lower Tamiami Aquifer – GGUS[10]	12[4]	1,247	3.42	Raw water wells capped and will not be used in future				
Total	148	21,753	59.60					

Notes:

(1) Number of wells taken from SFWMD CUPs (Permit Numbers 11-00249-W, 11-00419-W, and 11-00148-W).

(2) Includes 1 proposed future well as permitted in the SFWMD CUP (Permit Number 11-00249-W).

(3) Includes 6 proposed future wells as permitted in the SFWMD CUP (Permit Number 11-00419-W).

(4) Includes 3 proposed future wells as permitted in the SFWMD CUP (Permit Number 11-00148-W).

(5) Special permit condition 5 of the SFWMD CUP (11-00249-W) provides for an annual allocation of 26.50 MGD from Lower Tamiami Aquifer, until September 29, 2019. This allocation is reduced to 18.77 MGD from September 30, 2019 through September 29, 2036. However, renewal documentation is underway to extend the current fresh groundwater allocation.

(6) Special permit condition 5 of the SFWMD CUP (11-00249-W) provides for an annual allocation of 7,125 MG (19.52 MGD) for the Lower Hawthorn Aquifer. However, the CUP limits the total annual withdrawals from all the wellfields to 20,270 MG (55.53 MGD). Assuming that maximum withdrawals are made from Lower Tamiami and Mid Hawthorn Aquifers, the allowable withdrawal from the Lower Hawthorn Aquifer would be: 20,270 - (9,673 + 5,840) = 4,757 MG (13.03 MGD).

(7) Wellfield permitted firm capacity is based on the of number of wells identified in the SFWMD CUPs with largest well out of service and corresponding rated capacity from raw water wells.

(8) Number of active wells was obtained from CCWSD well inventory. The information on OTUC Wellfield was not available.

(9) Wellfield firm capacity is based on number of active wells with largest well out of service and potential yield from raw water wells. The information on wellfield firm capacity for OTUC Wellfield is not available from CCWSD inventory. The raw water wells at the GGUS wellfield are capped and therefore are not included in this table.

(10) The CCWSD plans to transfer the fresh raw water allocation from OTUC and GGUS Wellfields to CCWSD wellfields in future.

Potable Water System Treatment Facilities

The CCWSD operates two water treatment plants that have the ability to process both fresh groundwater and brackish groundwater resources. The WTPs include:

1. The North County Regional Water Treatment Plant (NCRWTP)
2. The South County Regional Water Treatment Plant (SCRWTP)

The water treatment plants (WTPs) that were acquired from OTUC and GGUS include:

3. Orange Tree Sub-Regional Water Treatment Plant (OTSRWTP)
4. Golden Gate City Sub-Regional Water Treatment Plant (GGCSRWTP)

However, the acquired WTPs are shut down and currently not in operation.

The CCWSD is also planning the design and construction of the following treatment facility to meet projected growth requirements in the CCWSD's northeast service area:

5. Northeast Regional Water Treatment Plant (NERWTP)

AECOM performed site visits to visually inspect the operating treatment facilities and conducted interviews with Plant Managers and the Environmental Compliance Manager on January 14th and 15th, 2019 to assess their current operation and general condition. Below is a description of the treatment facilities with findings from site visits.

North County Regional Water Treatment Plant

The NCRWTP is located on the north side of Vanderbilt Beach Road Extension east of County Road 951 in the northeastern quadrant of the service area. The plant has a constructed capacity of 20.00 MGD including a 12.00 MGD Nano Filtration (NF) treatment process and an 8.00 MGD Low Pressure Reverse Osmosis (LPRO) process. The Golden Gate Tamiami Wellfield supplies raw fresh groundwater to the NF treatment system while the North Hawthorn Wellfield supplies raw brackish groundwater to the LPRO system. The recovery efficiencies of the NF and LPRO treatment processes are 85 percent and 75 percent, respectively.

The NF process uses semi-permeable membranes for the removal of mineral constituents from fresh groundwater. The raw water flow is pretreated chemically to lower the pH and to prevent scale-forming constituents from fouling the membranes. The raw water then flows through cartridge filters for pre-treatment prior to the membrane softening. The water is then sent to membrane units using feed pumps. The LPRO process includes cartridge filters, raw water feed pumps, LPRO skids, and ancillary chemical

feed systems. The LPRO also employs the use of semi-permeable membranes to remove mineral constituents from the water.

Product water produced by the two membrane processes is blended in a common header for post-treatment and distribution. Degasifiers are used to remove hydrogen sulfide and reduce carbon dioxide, and the pH is adjusted using sodium hydroxide. Odorous air from the degasifiers is treated by two-stage chemical scrubbers. Chlorine and chloramines are used for disinfection. Additional chemical additives include polyphosphate for corrosion control and fluoride for public health. The degasified water flows directly into an existing clear-well, located partially below grade. Water from clear-well is pumped to the two 6.00 MG ground storage tanks using vertical turbine transfer pumps. From the storage tanks, finished water is pumped to the distribution system using high service pumps. The concentrate produced by the two membrane processes also is blended and subsequently disposed into one of the two on-site deep injection wells (DIW). Four generators provide emergency power to allow for continued operation of the facility in the event of a temporary or prolonged power outage.

South County Regional Water Treatment Plant

The SCRWTP is located near the intersection of CR 951 and I-75 about 5.5 miles south of the NCRWTP. The plant has a permitted capacity of 32.00 MGD including a 12.00 MGD lime softening (LS) process and a 20.0 MGD LPRO process. The Golden Gate Tamiami Wellfield supplies raw fresh groundwater to the plant's LS process system while the South Hawthorn Wellfield supplies raw brackish groundwater to the plant's LPRO process system. The recovery efficiencies of the LS and LPRO treatment processes are 97 percent and 75 percent, respectively.

For the LS process, the raw water is initially pumped through four updraft degasification units to remove hydrogen sulfide. Odorous air from the updraft degasifiers is treated by two two-stage chemical scrubbers. Downstream of the degasification units, a splitter box serves as a feed point for potassium permanganate prior to diverting the flow into three reactor/clarifiers for lime softening. The softened water flows from the reactors to the re-carbonation basin where carbon dioxide is added for pH adjustment. From the re-carbonation basin, the flow continues to the gravity sand filters. Upstream of the filters, ammonia and chlorine are added. The filtered water then flows to the clearwell/blend tank.

Upstream of the LPRO process, the raw water is chemically pretreated to adjust pH and inhibit scale and is routed through cartridge filters. The pretreated water is then directed to the LPRO process to remove calcium, chlorides and inorganic carbon. Raw water feed pumps pump the pretreated water to the ten 2.00 MGD LPRO skids. The product water leaving the RO facility goes through degasification to remove sulfides and any remaining carbon and the pH is adjusted using sodium hydroxide. Odorous air from the LPRO degasifiers is treated by two two-stage chemical scrubbers. The degasified permeate flows to the blend tank, sized to serve both the LPRO and lime-softened water.

Once lime-softened water and LPRO permeate come together in the blend tank, sodium hydroxide, chlorine (to disinfect), anhydrous ammonia (to form a chlorine residual), and a blend of ortho-polyphosphate (to inhibit corrosion) and sodium silico-fluoride (public health) are added for final treatment. The blend tank is equipped with five transfer pumps to feed to one 2.00 MG and two 6.00 MG finished water storage tanks. From the storage tanks, finished water is pumped by high service pumps to the distribution system. Two deep injection wells and a dual zone monitor well are used to dispose of the LPRO concentrate. Two lime softening facility generators and two LPRO facility generators at the plant provide sufficient emergency power to allow for continued operation of the facility in the event of a temporary or prolonged power outage.

Orange Tree Sub-Regional Water Treatment Plant

The OTSRWTP is located east of SR-846 and north of CR-858. The plant has a constructed capacity of 0.75 MGD using NF membrane softening. The plant is supplied by the lower Tamiami fresh groundwater wellfield and has a recovery efficiency of 62 percent. The CCWSD acquired this water plant in March 2017. The plant was in service initially but has been placed on stand-by since connecting this community to the CCWSD regional water system. It is an operational facility but is not needed at this time for production. The CCWSD has plans to build a new water treatment plant to serve the north east region. Based on the condition of the OTSRWTP and the construction of a new plant to serve the north east region, this plant may not be needed in operation even in the future. Improvements to the OTSRWTP would be needed in order to maintain the high water quality standard of the CCWSD.

Golden Gate City Sub-Regional Water Treatment Plant

The GGCSRWTP is located approximately 6 miles east of I-75 on Golden Gate Parkway, in the SE quadrant of the service area. The plant is rated at 2.10 MGD and treats groundwater from the Water Table Aquifer using parallel treatment trains of Reverse Osmosis (RO) treatment process, rated at 0.875 MGD and LS treatment process, rated at 1.20 MGD. However, the entire facility is in poor condition and therefore the plant is shut down and membranes preserved upon connection of customers to the CCWSD potable water system shortly after take-over. This facility is not needed for production.

North East Regional Water Treatment Plant

The NERWTP is proposed to be online by the year 2027. The plant is proposed to include 3.75 MGD Ion Exchange (IE) treatment process and 1.25 MGD LPRO treatment process. The Ion Exchange treatment process is proposed to be supplied with raw fresh groundwater from proposed North Eastern Wellfield. The LPRO treatment process is proposed to be supplied with raw brackish groundwater from Low Hawthorn Aquifer wells located at the North Hawthorn Wellfield.

Potable Water System Transmission and Distribution

The CCWSD's potable water transmission and distribution system consists of pumping facilities, storage tanks, and transmission and distributing network.

Potable Water System Pumping and Storage

Potable water from the treatment plants is pumped to water transmission and distribution system using high service pumps located at the water treatment plants. The high service pumps are operated to maintain a discharge pressure of 80 psi. Four booster pumping stations and an in-line booster station, listed in **Table 3-2** are utilized to maintain pressures in the extremities of the water system during high demand periods. Ground storage tanks at the treatment plants and at the booster pumping station sites provide system storage and reserve capacity to help meet peak hourly demands of the water system.

Table 3-2: Potable Water System - Pumping and Storage Facilities

Facility Name	Storage Tank Volume (MG)	Usable Storage Volume (MG)	Number of Pumps	High Service / Booster Pumping Station Firm Capacity (gpm)
NCRWTP	12.00	11.10	6	20,200
SCRWTP	14.00	12.40	10	39,165
Isles of Capri Booster Pump Station and Storage Tank	0.25	0.20	4	1,100
Manatee Road Booster Pump Station and Storage Tank	2.00	1.80	3	4,820
Carica Road Booster Pump Station and Storage Tank	10.00	9.30	4	17,250
Vanderbilt Drive Booster Pump Station and Storage Tank	N/A	N/A	1	1480
Green Boulevard Booster Pump Station and Storage Tank (GGUS)	1.00	1.00	Information not available	
Total	39.25	35.80	28	84,015

The Isles of Capri facilities serve the far south portion of the CCWSD service area. The Manatee Road facilities serve the south portion of the service area. The Carica Road facilities serve the north portion of the service area. The Vanderbilt Drive in-line booster pumping station serves the northwest portion of the service area. The Green Boulevard booster pump and storage tank were acquired from GGUS and serves the GGUS service area.

The storage tanks located at the OTSRWTP and GGCSRWTP are shut down and currently not in operation and therefore are not listed in the table above. The CCWSD also maintains and operates the

Goodland Water Booster Pump Station and Storage Tank, which is part of the Goodland Water Sub-District and therefore is not listed in the table above. In addition to the traditional storage and pumping facilities mentioned above, CCWSD maintains a 1.00 MGD potable water ASR system at the Manatee Road Pumping Station.

Potable Water System Transmission and Distribution Network

The CCWSD pipelines 16 inches in diameter and larger are generally termed transmission mains. These are typically located along arterial and collector roadways and convey water to major demand areas. Pipelines that are smaller than 16 inches in diameter are generally called distribution mains, branching off to the transmission system to supply individual users.

The CCWSD owns and maintains over 1,090 miles of potable water transmission and distribution pipelines, ranging in size up to 48 inches in diameter. The pressure in the water distribution system is generally maintained at 80 psi, which meets the fire flow requirements of CCWSD. The water distribution system also includes an adequate number of fire hydrants to provide fire protection throughout the service area. There are about 10,300 hydrants in the system. The CCWSD system includes about 74 miles of asbestos pipe that is between 40 and 50 years old in age. The CCWSD currently has a program to replace approximately 2 miles of this pipe per year.

The OTUC potable water distribution system is currently interconnected to the CCWSD distribution system and is served by the CCWSD treatment facilities. The transmission pipelines range in size from 3 inch to 12 inch and total approximately 9 miles in length.

The GGUS potable water distribution system is currently interconnected to the CCWSD distribution system and is served by the CCWSD treatment facilities. The pressure in this area is currently being maintained at 65 psi. The GGUS distribution system includes a storage and booster pumping station and nearly 45 miles of water transmission and distribution lines ranging in size from ¾ inch to 12 inches in diameter, and other appurtenances such as service lines, hydrants, and meters to deliver potable water to the retail water customers.

Condition of Potable Water System

Based on observations made during site inspections of the water treatment facilities and interviews with CCWSD staff conducted in January 2019 as well as the overall knowledge of the system due to ongoing work with the County, it is AECOM's opinion that the potable water system is in overall good condition. It is being operated according to industry standards and prudent utility management practices. Based on the input provided by CCWSD staff during site visits and phone conversations and review of permits for potable water system facilities, the following is the summary of regulatory status and maintenance activities performed by CCWSD in the potable water system.

Regulatory Status and Maintenance of Potable Water System

The CCWSD operates potable water system to maintain the reliability of the system including wellfield management, regulatory monitoring and compliance of treatment facilities, meter services, hydrant maintenance, and cross connection control.

- The United States Environmental Protection Agency (USEPA), the Florida Department of Environmental Protection (FDEP), and the Collier County Department of Health regulate the quality of the District's water. Review of the past 5-year Consumer Confidence Reports indicate that the CCWSD is currently in compliance with all applicable regulations relating to water quality, providing potable water that meets the Federal Safe Drinking Water Act and all State of Florida primary and secondary standards. Primary standards set limitations for specific contaminants in drinking water. Secondary standards establish levels for contaminants that may have adverse cosmetic or aesthetic effects on drinking water.

- The maintenance activities that were recently performed and/or currently underway at the SCRWTP include:
  - Media in degasifiers is being replaced to address calcium build-up.
  - Scrubbers are scheduled for monthly cleaning to remove buildup.
  - Design for 6.00 MGD clarifier 4 is currently underway to provide redundancy.
  - Sludge thickener was recently rebuilt and sludge press is scheduled to be replaced soon.
  - VFD change out on high service pumps and transfer pumps is currently underway.
  - Additional surge tank is being added for high service pumps.
  - In-house design on DIW piping is currently underway.
  - Standby generator for LS system has been added recently.

- The maintenance activities that were recently performed and/or currently underway at the NCRWTP include:
  - The NF system is currently being rehabilitated with new elements. Change of elements for LPRO system is scheduled for 2025.
  - The top material for degasifiers is being replaced with PVC. Flow meter and valves are also being added to the degasifier system.
  - A new scrubber and acid feed system were recently added.
  - The seepage at the on-site grounds has been repaired recently.
  - Modifications to electrical switch gear were performed recently.
  - Preventive maintenance on high service pumps is currently underway.

- All chemicals associated with pre-treatment, treatment, post-treatment, and cleaning of the membranes are stored, used, and disposed of, if necessary, in accordance with Federal and State regulations.

- The DIWs and the dual zone monitoring wells are permitted and operated in accordance with FDEP requirements.

- The raw water wellfields are permitted and operated in accordance with SFWMD. The wells are chlorinated annually as part of regular maintenance. Raw water wells in the Golden Gate Tamiami Wellfield are currently being acidified to gain lost capacity and will be completed over the next 2 years. The CCWSD is proactive in renewing its CUPs in advance of expiration and intends to maintain the necessary CUPs to meet the raw water requirement.

- The potable water system storage tanks are inspected per the AWWA recommendations and FDEP requirements every few years. The latest inspection by a licensed engineer of all tanks was performed in July of 2018 and no major issues were identified.

- Full overhaul including replacement of pumps, fill valve, and some telemetry components was recently completed at the Manatee Road Booster Pump Station. Full overhaul for Carica Road Booster Pump Station is scheduled for February, 2019. Full overhaul at Isles of Capri Booster Pump Station was completed 2 years ago. Multiple projects to replace various components of the Stations including electrical system and valving was completed three years ago at Goodland Booster Pump Station.

- The CCWSD water distribution system is generally not considered as a looped network and there are numerous instances of some dead-end lines, which require periodic flushing to assure water quality. The water distribution facilities are equipped with isolation valves throughout the water system for repairs and maintenance without shutting down significant portions of the water system at one time.

- The CCWSD performs free flush of the entire distribution system and flushing of all dead-end water mains twice a year. The CCWSD operates 391 automatic flushing stations in the system and another 51 temporary potable flushing stations for maintenance of the distribution system.

- The CCWSD works closely with various Fire Districts on maintenance and any issues with fire hydrants. All hydrants are maintained annually with replacement of parts or whole hydrant as warranted.

- The CCWSD maintains distribution system pressure to meet fire flow in accordance with ISO standards. There are few small pockets of older areas in the system that do not meet ISO I standards, but are minimal and have not caused a lower insurance rating. The CCWSD is working on system improvements to meet the required standards.

- The unaccounted for water loss in the CCWSD water distribution system has been less than 10 percent as recommended by AWWA standards and as indicated below:
    - Unaccounted for water loss estimated in 2015 – 4.00 percent
    - Unaccounted for water loss estimated in 2016 – 5.36 percent
    - Unaccounted for water loss estimated in 2017 – 9.26 percent
    - Unaccounted for water loss estimated in 2018 – 6.58 percent

  The unaccounted for water loss was high in the year 2017 due to impacts of Hurricane Irma and wild fires in the area. The slight increase in unaccounted for water loss in the year 2018 can be attributed to the acquisition of GGUS that had higher unaccounted-for water loss. The CCWSD is planning to employ a leak detection company to investigate GGUS distribution system and perform annual checks in various areas such as those with increasing age of cast iron pipe for leaks that are not visually obvious. The CCWSD also has an ongoing program to replace 2 miles per year of Asbestos Cement (AC) pipe.

- Additionally, the CCWSD plans to continue to perform ongoing renewals and replacements on the GGUS water distribution system in a systematic manner to improve the overall long term service capability.

- The CCWSD utilizes CityWorks software, which allows data to be readily available to the entire organization to track all assets and their preventative and reactive maintenance tasks performed on them.

Historical Potable Water Demand and Production

The CCWSD potable water production data for the past 10 years from 2009 through 2018 was analyzed to establish historical trends in the potable water plant production and to characterize the maintenance and management of the existing system. **Table 3-3** presents the historical trends of potable water plants production data on an annual average daily demand (AADD), maximum month daily demand (MMDD), maximum 3-day daily demand (M3DD) basis, and maximum daily demand (MDD). The historical data indicates that potable water production decreased from 2009 through 2013. This could be attributed partly to the economic recession in the Country after 2007, implementation of water conservation measures, and significant drought conditions and associated water restrictions. Since 2013 potable water production has been gradually increasing. Water demands are expected to continue increasing due to additions to

the CCWSD served area in the form of new developments in the northeast, and growth within the existing served area. The Table also shows the historical potable water production data for OTSRWTP and GGCSRWTP.

The potable water production data (AADD) and permanent population for the past 10 years from 2009 through 2018 was analyzed to establish historical trends in the per-capita water demand to characterize the per-capita water usage in the service area. Based on the past ten year per-capita water demands, it is recommended that a per-capita water demand of 150 gpcd be used as the level of service standard (LOSS) for planning future needs. **Table 3-4** shows the historical potable water demands of the combined potable water system and the historical potable water per-capita demands. It should be noted that even though the OTUC and GGUS system were acquired in 2017 and 2018, respectively, the combined historical data (as available) was used to characterize the water usage in the combined system.

Table 3-3: CCWSD Historical Water Demands

FY	Former CCWSD Water Demands				OTUC Water Demands				GGUS Water Demands			
	AADD (MGD)	MMDD (MGD)	M3DD (MGD)	MDD (MGD)	AADD (MGD)	MMDD (MGD)	M3DD (MGD)	MDD (MGD)	AADD (MGD)	MMDD (MGD)	M3DD (MGD)	MDD (MGD)
2009	22.70	28.10	31.10	33.30	-	-	-	-	-	-	-	-
2010	21.34	23.10	26.38	28.13	-	-	-	-	1.38	1.46	1.73	2.02
2011	22.58	26.20	27.90	29.35	-	-	-	-	1.43	1.54	1.71	1.81
2012	22.35	26.15	27.92	29.84	-	-	-	-	1.41	1.44	1.69	1.84
2013	22.14	26.76	28.69	30.38	-	-	-	-	1.28	1.39	1.83	1.92
2014	23.86	27.35	29.28	30.02	-	-	-	-	1.39	1.43	1.68	2.13
2015	24.13	28.00	29.92	31.34	-	-	-	-	1.54	1.64	1.84	2.03
2016	24.27	28.57	31.22	33.88	0.34	0.38	0.44	0.57	1.53	1.64	1.82	2.17
2017	24.36	29.74	31.11	32.24	0.35	0.39	0.50	0.76	1.50	1.60	1.82	1.99
2018	25.39	30.26	32.23	32.24	0.27	0.36	0.42	0.47	1.55	1.82	1.99	1.51
10-Year Average	**23.31**	**27.42**	**29.57**	**31.07**	**0.32**	**0.38**	**0.45**	**0.60**	**1.45**	**1.55**	**1.79**	**1.93**

Notes:

- CCWSD historical demand data for years 2009-2010 was obtained from CCWSD LOSS Review, March 2014.
- CCWSD historical demand data for years 2011-2018 was obtained from Historical Plant Flows provided by Collier County.
- Historical demand data for OTSRWTP for 2016-2018 was obtained from Historical Plant Flows, provided by Collier County.
- Historical demand data for GGCSRWTP for the year 2010-2018 was obtained from 'Finished Water Daily Flows' provided by FGUA.
- OTSRWTP historical flow data was available only from 2016.
- GGCSRWTP historical flow data was available only from 2010.

The ratios of M3DD to AADD, MMDD to AADD, and MDD to AADD for past 10 years from 2009 through 2018 were also analyzed to establish historical trends in the water demand peaking factors to characterize the maximum water use demands in the service area. Based on an evaluation of these trends a MMDD peaking factor of 1.22, a M3DD peaking factor of 1.30, and a MDD peaking factor of 1.35 is recommended to be used for the future planning.

Table 3-4: Historical Per-Capita Water Demand and Potable Water Production for Combined System

Fiscal Year	Per Capita Demand LOSS (gpcd)	Total Demands	AADD	MMDD	MDD	M3DD
		(MG)	(MGD)	(MGD)	(MGD)	(MGD)
2012	170	8,653	23.7	27.6	31.4	29.3
2013	170	8,549	23.4	28.1	31.5	30.0
2014	150	9,216	25.2	28.8	31.4	30.7
2015	150	9,370	25.7	29.6	32.7	31.6
2016	150	9,522	26.1	30.6	35.9	33.3
2017	150	9,569	26.2	31.7	34.2	33.0
2018	145	9,587	26.3	30.8	33.9	33.9
Percent Change 2012-2018	-15%	11%	11%	12%	8%	16%

Potable Water System Demand Projections

The potable water system annual average demand projections are estimated using population projections and a recommended per-capita water demand that was established based on an analysis of past 10-year historical water usage (150 gpcd).

Projected AADD = Projected Population x Per-Capita Water Demand (150 gpcd)

The potable water system MMDD projections, M3DD projections, and MDD projections are estimated based on AADD increased by peaking factors established based on 10-year historical data - 1.22, 1.30, and 1.35, respectively.

MMDD = AADD x MMDD peaking factor (1.22)

M3DD = AADD x M3DD peaking factor (1.30)

MDD = AADD x MDD peaking factor (1.35)

Engineering Portion of the CCWSD Consulting
Engineering and Bond Feasibility Report
Project number: 60595256

Table 3-5: CCWSD Projected Potable Water Demands

Fiscal Year	Projected Population					AADD (MGD)	MMDD (MGD)	M3DD (MGD)	MDD (MGD)
	Former Collier County	OTUC	GGUS	Proposed Northeast Developments	Total				
2019	184,245	6,479	17,167	-	207,891	31.18	38.04	40.54	42.10
2020	188,519	6,716	17,950	-	213,185	31.98	39.01	41.57	43.17
2021	192,445	6,936	18,733	563	218,677	32.80	40.02	42.64	44.28
2022	196,120	7,140	19,517	1,575	224,352	33.65	41.06	43.75	45.43
2023	199,835	7,347	20,300	2,981	230,463	34.57	42.17	44.94	46.67
2024	203,618	7,558	21,083	4,725	236,984	35.55	43.37	46.21	47.99
2025	207,470	7,746	21,866	7,275	244,357	36.65	44.72	47.65	49.48
2026	211,010	7,970	22,649	9,938	251,567	37.74	46.04	49.06	50.94
2027	214,228	8,150	23,433	12,431	258,242	38.74	47.26	50.36	52.29
2028	217,495	8,332	24,216	15,038	265,081	39.76	48.51	51.69	53.68
2029	220,811	8,517	24,999	17,756	272,083	40.81	49.79	53.06	55.10
2030	224,177	8,704	25,555	20,531	278,967	41.85	51.05	54.40	56.49
2031	224,623	8,880	26,110	23,040	282,653	42.40	51.73	55.12	57.24
2032	230,243	9,043	26,666	25,549	291,500	43.73	53.34	56.84	59.03
2033	233,202	9,207	27,221	27,776	297,407	44.61	54.43	57.99	60.22
2034	236,200	9,375	27,777	30,004	303,356	45.50	55.51	59.15	61.43
2035	239,238	9,544	27,777	32,231	308,790	46.32	56.51	60.21	62.53
2036	242,052	9,701	27,777	34,346	313,876	47.08	57.44	61.21	63.56
2037	244,636	9,845	27,777	35,955	318,213	47.73	58.23	62.05	64.44
2038	247,250	9,991	27,777	37,305	322,322	48.35	58.99	62.85	65.27
2039	249,893	10,138	27,777	38,318	326,126	48.92	59.68	63.59	66.04
2040	252,566	10,287	27,777	39,218	329,848	49.48	60.36	64.32	66.79

Notes:

- Projected Population for former CCWSD service area was obtained from 2018 AUIR.
- Projected Population for OTUC service area was obtained from 2018 AUIR.
- Projected Population for GGUS service area was obtained from 2018 AUIR.
- Projected Population for Northeast Developments was obtained from December 2018 Developer estimates and includes the following developments:
    - Valencia GCC Phase 2
    - Orange Blossom Ranch
    - Orange Tree Developments
    - Rural Lands West
    - Winchester Lakes
    - Hogan Island Village
    - Immokalee Road Rural Village

Table 3-5 presents the estimated projected potable water demands for a 20 years planning horizon. The population projections for CCWSD, OTUC, and GGUS service areas were identified separately. The population projections also include planned northeast developments that CCWSD anticipates starting in the year 2021.

According to the population projections, the potable water service area permanent population is projected to increase from 203,128 in 2018 to 329,848 in 2040. Based on these projections, the potential potable water system demands will increase by 87 percent from the year 2018 through 2040 (based on AADD).

Potable Water System Gap Analysis

Increasing potable water demands require that the CCWSD analyze the existing facilities for capacity requirements and evaluate additional capacity, if required, to accommodate growth and provide additional infrastructure to deliver finished water to the customers.

The potable water system gap analysis identifies the differential, whether a surplus or deficit, between the CCWSD's existing potable water system facilities and the projected potable water demands. The potable water system facilities that were evaluated under this gap analysis include the following:

- Water Treatment Plant Capacity
- Raw Water Supply Capacity (wellfield capacity and raw water allocation)
- Storage Capacity

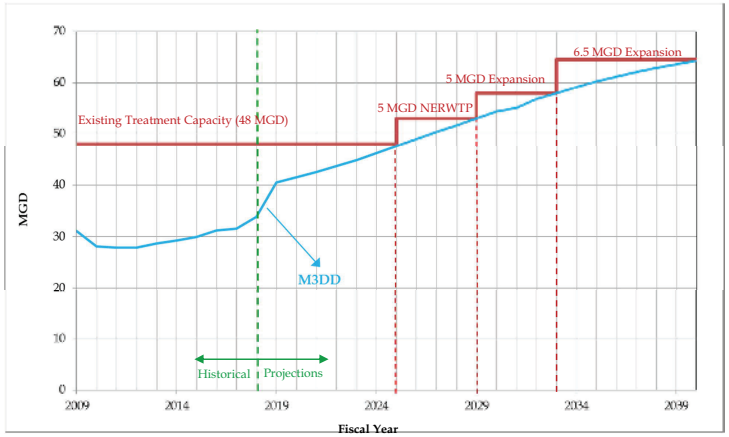
Potable Water System Treatment Capacity Gap Analysis

The total operational capacity of water treatment facilities must be able to meet the projected peak demands. Since the CCWSD has sufficient potable water storage available to offset peak hour demands, the M3DD is utilized in lieu of MDD for determining the operational water treatment capacity.

As indicated earlier, the permitted treatment capacity of the CCWSD WTPs is 52.0 MGD including 20.0 MGD at the NCRWTP and 32.0 MGD at the SCRWTP. The total operational treatment capacity of the CCWSD's potable water system is 48.0 MGD assuming that a 4.0 MGD lime softening reactor/clarifier is out of service. The total combined operational capacity of the water treatment facilities must be able to meet the M3DD. Therefore, comparing the CCWSD potable water system total operational treatment capacity of 48.0 MGD to the potable water system projected M3DDs shows that the estimated M3DD will exceed the existing WTP total operational capacity in the year 2025.

Figure 3-1 presents a chart showing the projected potable water M3DDs against the total operational capacity. Approximately 16.32 MGD of additional treatment capacity is required to meet the projected potable water system demands through the year 2040.

Figure 3-1: CCWSD Treatment Capacity Gap Analysis



The following are the proposed treatment capacity expansions recommended to meet the projected potable water demands by 2040:

- The County's 10-year Water Supply Plan (January 2019) indicates that the NERWTP is proposed to be online by the year 2027. The 2018 AUIR indicates that the NERWTP is proposed to be online by the year 2028. However, based on the timeline of the projected potable water demands, the NERWTP needs to be online in advance of the year 2025. The NERWTP is proposed to have a treatment capacity of 5.00 MGD.
- Another 5.00 MGD treatment capacity is required by year 2029 to meet the projected potable water demands. The required additional 5.00 MGD expansion is proposed at the NERWTP.
- Another 6.50 MGD of treatment capacity is required by year 2033 to meet the projected potable water demands. It is proposed that future plans beyond 2033 will potentially include a South East Regional Water Treatment Plant (SERWTP) at the 42.5 acre Manatee Road Pumping Station site.

Potable Water System Raw Water Supply Gap Analysis

An analysis was completed to evaluate the necessary raw fresh groundwater and brackish groundwater required to produce potable water to meet projected potable water demands. This analysis considered the various water treatment processes at the NCRWTP and SCRWTP and their respective recovery

efficiencies. The required raw water (fresh or brackish) to produce potable water to meet projected potable water demands was then compared to the SFWMD CUP raw water allocation. The results of this comparison are summarized below:

The NF system at the NCRWTP plant is capable of producing 12.00 MGD of finished water at an approximate 85 percent recovery efficiency. Therefore, 14.12 MGD of raw water is required to meet the finished water plant capacity. The LS system at the SCRWTP plant is capable of producing 12.00 MGD of finished water at an approximate 97 percent recovery efficiency. Therefore, 12.37 MGD of raw water is required to meet the finished water plant capacity. The LPRO system at the NCRWTP plant is capable of producing 8.00 MGD of finished water at an approximate 75 percent recovery efficiency. Therefore, 10.67 MGD of raw water is required to meet the finished water plant capacity. Similarly, the LPRO system at the SCRWTP plant is capable of producing 20.00 MGD of finished water at an approximate 75 percent recovery efficiency. Therefore, 26.67 MGD of raw water is required to meet the finished water plant capacity.

Based on Public Utilities Department Reliability Guidelines, February 2006, the operational capacity of a wellfield must include additional capacity equal to 20 percent of the raw water requirement for the Tamiami wellfield (fresh groundwater resource) and 33 percent of the raw water requirement for the Hawthorn wellfields (brackish groundwater resource). Approximately 31.79 MGD (26.49 MGD fresh raw groundwater requirement X 1.20) of fresh groundwater well capacity is required to provide 24.00 MGD of potable water to NCRWTP and SCRWTP. Similarly, 49.66 MGD (37.34 MGD brackish raw groundwater requirement X 1.33) of brackish groundwater well capacity is required to provide 28.00 MGD of potable water to NCRWTP and SCRWTP.

Table 3-6 provides the summary of raw water requirement at both the water treatment plants. The table also includes the raw water requirement for the proposed 5.00 MGD NERWTP and additional 5.00 MGD expansions required at NERWTP and a 6.5 MGD SERWTP.

Table 3-6: Reliability Raw Water Requirement (including proposed expansions to meet projected needs)

Facility	Treatment Process	Source Water	Permitted Capacity (MGD)	Efficiency (%)	Raw Water Requirement (MGD)	Additional Raw Water Reliability Ratio - CCWSD Standards (%)	Reliability Raw Water Requirement (MGD)
(a)	(b)	(c)	(f)	(g)	(h) = (f) / (g)	(i)	(j) = (h) * [1+(i)]
NCRWTP	NF	Fresh GW	12.00	85%	14.12	20%	16.94
	LPRO	Brackish GW	8.00	75%	10.67	33%	14.19
SCRWTP	LS	Fresh GW	12.00	97%	12.37	20%	14.85
	LPRO	Brackish GW	20.00	75%	26.67	33%	35.47
Total			52.00		63.82		81.44
Proposed NERWTP (5.00 MGD)	IE	Fresh GW	3.75	80%	4.69	20%	5.63
	LPRO	Brackish GW	1.25	75%	1.67	33%	2.22
Total			57.00		70.18		89.28
NERWTP Expansion (5.00 MGD)	LPRO	Brackish GW	5.00	75%	6.67	33%	8.87
Proposed SERWTP (6.50 MGD)	LPRO	Brackish GW	6.50	75%	8.67	33%	11.53
Total			68.50		85.52		109.67

A comparison of the reliability raw water required to CCWSD raw water wellfield firm capacity is provided in **Table 3-7**. The comparison shows that the CCWSD wellfields have sufficient permitted firm capacity to meet the reliability raw water requirement as per the CCWSD permits. However, the wellfield firm capacity based on CCWSD inventory shows that additional brackish groundwater capacity is needed to meet proposed treatment capacity expansions.

Table 3-7: Gap Analysis – Raw Water Supply Wellfield Capacity

Source Water	Reliability Raw Water Requirement (MGD)(1)	Wellfield Permitted Firm Capacity based on SFWMD CUP (MGD)(2)	Wellfield Operational Firm Capacity based on CCWSD Inventory (MGD)(2)
Fresh Groundwater	37.41	46.37	38.79
Brackish Groundwater	72.26	98.14	63.47
Total	109.67	144.50	102.25

Notes:
(1) Refer to **Table 3-6**.
(2) Refer to **Table 3-1**.

It should be noted that the CCWSD inventory does not include the capacity of the Lower Hawthorn Brackish raw water wells that are recently drilled but are not yet in operation. Once the wells are put in operation, the firm capacity of the wellfields based on the active CCWSD well inventory will be sufficient to meet the proposed expansions.

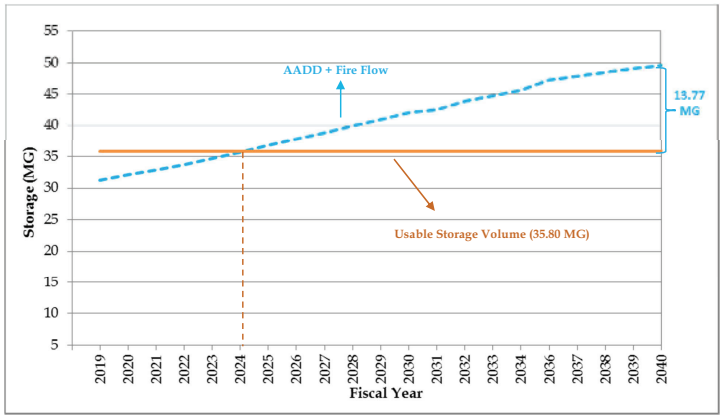
A comparison of projected potable water needs (AADD) to permitted raw water allocation was made. The finished water potable demand through 2040 is 49.48 MGD (AADD). The fresh raw water potable water allocation based on SFWMD CUP is 26.50 MGD, provided that CCWSD's permit renewal for extending the current fresh raw water allocation is approved.. Assuming all this allocation is used before using the brackish raw water allocation, the brackish raw water allocation that is needed to accommodate the rest of the projected potable water demands will be 30.64 MGD (49.48 MGD – 26.50 MGD / 0.75). Seventy five percent treatment efficiency was assumed to calculate brackish raw groundwater needs. The current brackish raw water allocation available is 29.03 MGD (AADD). An additional 1.6 MGD (AADD) raw water allocation is required to meet the future needs of the system through 2040. The CCWSD has a pending application with SFWMD to allow 3.75 MGD of fresh water treatment at the NERWTP. Therefore, the current permitted raw water allocation along with approval of pending permit applications is sufficient to meet the projected demands of the CCWSD system.

Potable Water System Storage Capacity Gap Analysis

The Ten States Standards recommend that finished water storage facilities be sized for AADD plus fire flow requirements. FDEP recommends that finished water storage capacity (excluding storage capacity for fire protection) should be at least 25 percent of the systems maximum day demand. The Ten State Standards criterion exceeds the FDEP criterion, and will provide storage to meet an average day demand and fire demand for one hour should unexpected outages of treatment capacity occur.

The fire flow requirement for 1 hour based on CCWSD Level of Service Standards (LOSS) is 1,500 gpm. The total of projected potable water system AADD (as indicated in **Table 3-6**) and fire flow requirement was compared against available usable storage volume of 35.8 MG (as indicated in **Table 3-2**). **Figure 3-2** shows the storage capacity gap analysis. The figure shows that the projected potable storage needs exceed the available usable storage volume by the year 2025. An additional 13.77 MG of storage volume is required by the year 2040 to meet the CCWSD projected needs. The CCWSD plans to build a 7.50 MG distribution system storage tank in the proposed north east region as part of the construction of the new NERWTP. This would accommodate the projected storage needs of the potable water system until 2032. The system would still need a 6.27 MG storage volume, which can be met by the on-site storage tanks at the NERWTP and/or another 7.5 MG distribution system storage tank.

Figure 3-2: CCWSD Storage Capacity Gap Analysis



4. Wastewater System

The CCWSD wastewater system is comprised of collection, treatment, reuse, and disposal systems. The system includes two water reclamation facilities (WRF) and an extensive wastewater collection and conveyance system that includes gravity sewers, pumping stations, and a manifolded force main network.

As indicated, the CCWSD recently acquired ownership of OTUC and GGUS wastewater systems. As part of the acquisition, the CCWSD now owns the OTUC wastewater treatment plant (WWTP) and its collection system and the GGUS WWTP and its collection system.

Wastewater Reclamation Facilities

The CCWSD currently owns and operates two water reclamation facilities and two wastewater treatment plants. The CCWSD is currently planning construction of a new facility in the north east service area.

- North County Water Reclamation Facility (NCWRF)
- South County Water Reclamation Facility (SCWRF)
- Orange Tree Wastewater Treatment Plant (OTWWTP)
- Golden Gate Wastewater Treatment Plant (GGWWTP)
- North East Water Reclamation Facility (NEWRF) – proposed new facility

Wastewater at each of these facilities is treated, at a minimum, to meet secondary effluent standards mandated by the FDEP, as reflected in each facility's operating permit. Each of the water reclamation facilities also has tertiary treatment to produce effluent with disinfection that meets state standards for reuse water and land application. The existing wastewater system treatment capacity for CCWSD facilities is presented in **Table 4-1** below.

AECOM performed site visits to visually inspect each of these facilities and conducted interviews with the CCWSD staff during January 14th, and 17th, 2019 to assess their current operation and general condition. Below is a description of the treatment facilities inspected.

Table 4-1: Wastewater Treatment Plant Capacities

Facility	Capacity (MGD)[1]
NCWRF	24.10
SCWRF	16.00
OTWWTP[2]	0.87
GGWWTP[3]	2.00
Total	42.97

(1) Capacity is based on MMDF
(2) Treatment capacity for OTWWTP is estimated based on permitted TMADF multiplied by an estimated MMDF peaking factor of 1.16 based on available historical flow information.
(3) Treatment capacity for GGWWTP is estimated by multiplying permitted AADF by a 1.49 MMDF peaking factor based on available historical data.

North County Water Reclamation Facility

The North County Water Reclamation Facility treats wastewater generated in the North County Service Area. The facility operates under FDEP permit number FLA0141399-034-DW and has a permitted capacity of 24.10 MGD Maximum monthly average daily flow (MADF).

The facility consists of a manual bar screen, four mechanical screens, four grit removal tanks, two 1.5 MG equalization tanks, two sludge digesters, and two treatment trains (north and south). The north train has a permitted capacity of 11.00 MGD and consists of three oxidation ditches. Effluent flows to five secondary clarifiers and then to eight backwash filters for solids removal and two chlorine contact chambers for disinfection. The newer south train was completed in 2005 and has a permitted capacity of 13.00 MGD and consists of three conventional aeration basins operating as a two-stage Modified Ludzack-Ettinger (MLE) process. A portion of the aeration basin effluent is recycled to the aeration basin to promote denitrification. Effluent from four secondary clarifiers flows to twelve bridge automatic backwash filters for solids removal. Filtered effluent flows to six chlorine contact chambers for disinfection.

Reuse quality effluent is pumped by the Reuse Pump Station to the Irrigation Quality (IQ) water system. Any water not meeting reuse standards is stored in reject ponds and/or disposed of through on-site deep injection wells. Residuals produced by the NCWRF are mixed with polymer and dewatered by five belt filter presses to meet regulatory requirements for Class B pathogen and vector attraction reduction for landfill disposal. Treatment residuals are hauled to the Hendry County Landfill.

South County Water Reclamation Facility

The South County Water Reclamation Facility treats wastewater generated in the portion of the service area located south of Golden Gate Parkway to Auto Ranch Road. The facility operates under FDEP permit number FL0141356-019-DW and has a permitted capacity of 16.00 MGD maximum monthly average daily flow (MMADF).

The SCWRF consists of two 1.25 MG flow equalization tanks, an odor control system, influent screening, grit removal system, fourteen biological treatment basins consisting of anoxic and aerobic zones, four circular center-feed clarifiers, eight sand filters, four chlorine contact chambers, and two aerated sludge holding tanks. The treatment facility can operates in MLE process mode but can also operate in conventional activated sludge mode.

Residuals produced by the SCWRF are mixed with polymer and dewatered by four belt filter presses to meet regulatory requirements for Class B pathogen and vector attraction reduction for landfill disposal. Treatment residuals are hauled to the Hendry County Landfill. Effluent is returned to the community as treated reclaimed water to be utilized as irrigation water. Any remaining effluent is disposed of through a deep injection well located on site. Any effluent not meeting reuse standards can also be stored in reject ponds for reintroduction to the facility as a side stream flow for treatment.

Orange Tree Wastewater Treatment Plant

The Orange Tree Wastewater Treatment Plant is located in the northeast of the service area and provides service to the Orange Tree service area. This facility operates under FDEP permit number FLA014165-009-DW3R and has a permitted capacity of 0.75 MGD three month average daily flow (TMADF) and is comprised of an older section of the plant with process tankage built out of concrete, currently used for flow equalization, and a newer section of the plant with bolted steel aeration basins and clarifiers.

Influent wastewater flows through two screens at the head of the plant to an aerated flow equalization tank. Two external pumps transfer the wastewater to two circular aeration basins, which use diffused air for aeration of the mixed liquor prior to clarification. After clarification, effluent flows to disk filter units and is disinfected in chlorine contact basins. The plant operates using an extended aeration activated sludge process. Treated effluent from the plant is pumped to three on-site Rapid Infiltration Basins (RIBs). Sludge is pumped to three aerobic digesters. Residual solids are dewatered by a mobile dewatering unit, and the material is hauled offsite by a contractor.

Golden Gate Wastewater Treatment Plant

The Golden Gate Wastewater Treatment Plant is located at the intersection of Tropicana Pkwy and 32nd Ave SW, east of I-75. This facility operates under FDEP permit number FLA 142140-017-DW1P and has

a permitted treatment capacity of 1.50 MGD average daily flow (AADF) and 1.80 MGD three-month average daily flow (TMADF). The plant is a complete multi-zone activated sludge process.

Wastewater influent flows through mechanical bar screens to a five zone aeration basin. After the aeration basin, mixed liquor flows to two clarifiers. Treated effluent is disinfected in three chlorine contact chambers and then pumped to a deep injection well located on site. Three rapid infiltration basins are located on the property but no longer used as a means of effluent disposal. Sludge is pumped to the digester for storage and then dewatered by a mobile dewatering unit and hauled offsite by a contractor.

Wastewater Collection System

The CCWSD owns and operates the wastewater collection and conveyance system located within the service area boundaries. The system consists of gravity sewers, pumping stations and a manifolded force main network.

The CCWSD wastewater system is currently divided into:

1. North county service area (served by NCWRF)
2. South county service area (served by SCWRF)
3. OTUC service area (served by OTWWTP)
4. GGUS service area (served by GGWWTP)

The service areas operate independently and are currently not interconnected. The CCWSD is planning to interconnect the north and south service area using an existing 20 inch Eastern Interconnect along Santa Barbara Boulevard. The design and construction of a 24 inch Western Interconnect along Livingston Road is underway to connect the north and south wastewater system service areas.

The gravity collection system for CCWSD consists of approximately 709 miles of pipeline, ranging from 4 inches to 24 inches in diameter. The majority of the gravity mains are polyvinyl chloride (PVC) pipe, however, vitrified clay is also present, especially in older construction. Ductile iron and Cast Iron pipe is also present in certain portion of the system, but minimal. PVC pipe is generally used for recent and new construction. The force main network is comprised of approximately 447 miles of pipeline, ranging from 1½ inches to 36 inches in diameter. Most of the force mains are PVC pipe, but there are also high density polyethylene (HDPE) pipes, ductile iron, cast iron and vitrified clay pipes.

The collection system includes about 900 pumping stations, of which 22 are Master Pump Stations (MPS). The County's collection system also receives flows from numerous privately owned pump stations

located throughout the service area. These pump stations adhere to the CCWSD standards and have no adverse impact on the CCWSD collection system.

Condition of Wastewater System

The CCWSD operates the wastewater system to maintain safe and reliable service. Based on observations made during site inspections of the water reclamation and wastewater treatment facilities, interviews with Plant Managers conducted during January 2019 site visits, and the overall knowledge of the system due to the ongoing work with the County, it is AECOM's opinion that the Wastewater System is in overall good condition and is being operated according to industry standards.

Maintenance of Wastewater System

The CCWSD carries out maintenance activities throughout the year to keep the wastewater system facilities and process equipment in optimal working condition.

- The maintenance activities that were recently performed and/or are currently underway at the NCWRF include:
  - Rebuilding of three belt presses
  - Installation of two new sludge pumps
  - Installation of new VFDs and flow meters
  - Re-coating of Clarifier #1
  - Rehabilitation of one mechanical bar screen (currently underway)
  - Addition of mixers for chlorine contact chambers
  - Rebuilding of RAS/WAS pump station
  - Addition of supernatant system to aerated sludge tank

- The maintenance activities that were recently performed and/or are currently underway at the SCWRF include:
  - Rehabilitation of effluent filters
  - Rehabilitation of one clarifier
  - Replacement of electrical power systems (Ongoing)
  - Reject storage tank conversion

- The maintenance activities that were recently performed and/or are currently underway at the OTWWTP include:
  - Cleaning of the Rapid Infiltration Basins
  - Recoating of the clarifier tanks
  - Installation of fiber optic cable to connect with CCWSD Information Technology Division
  - Replacement or rehabilitation of stairs and catwalks throughout the plant

  - Treatment capacity addition of 0.375 MGD

- The maintenance activities that were recently performed and/or are currently underway at the GGWWTP include:
  - Two positive displacement blowers were recently installed for the aeration tank
  - Installation of a dedicated emergency generator for the deep injection well (in 2017)
  - Replacement of valves, diffusers, catwalks, and stairs
  - Restoration of the inoperative grit removal system
  - Rehabilitation of lift station

Regulatory Status of Wastewater System

The CCWSD wastewater treatment facilities are permitted and regulated by the FDEP. The regulatory status of the Wastewater System facilities is provided below:

- The CCWSD NCWRF and SCWRF have consistently met all federal, state, and local requirements for residuals and effluent quality. The SCWRF was the subject of a compliance evaluation inspection on May 8, 2017 and was found to be in compliance by the FDEP.

- Prior to its acquisition by the CCWSD, the WWTP in Orange Tree underwent a Compliance Evaluation Inspection (09/13/2016) and was found to be potentially in non-compliance due to the condition of the clarifiers and the rapid infiltration basins. These issues have been addressed by the CCWSD since acquisition. The RIBs were cleared of debris and vegetation to improve infiltration rates, and repairs have been conducted to the clarifiers and throughout the facility.

- Also prior to acquisition by the CCWSD, the Golden Gate WWTP was issued a Compliance Assistance Offer Letter (CAO) by the FDEP regarding an obstruction and water quality issues in the Deep Injection Well. The County is currently working with the FDEP to resolve these issues.

- It is not anticipated that Total Maximum Daily Load (TMDL) criteria will have impact on the CCWSD system based on the methods of effluent disposal.

- A summary of the wastewater treatment facilities permits is listed below.

Table 4-2: Wastewater Treatment Facilities FDEP Permit Summary

Facility	ID#	Capacity (MGD)	Basis	FDEP Permit#	Expiration Date
NCWRF	FL0141399	24.1	MADF	FL0141399-034-DW1P	9/8/2023
SCWRF	FL0141356	16.0	MADF	FL0141356-019-DW	10/23/2022
GGWWTP	FLA142140	1.80	TMADF	FLA142140-017-DW1P	6/15/2020
OTWWTP	FLA014165	0.75	TMADF	FLA014165-009-DW3R	3/25/2022

Historical Wastewater Flows

Historical flow data for the CCWSD wastewater treatment facilities was analyzed for the past 10 year period from 2009 through 2018 to establish historical trends in wastewater flow. **Table 4-3** presents the historical wastewater flows for each wastewater treatment facility. **Table 4-4** presents a summary of the combined historical flows for CCWSD system that reflects the increase in flow due to the addition of the OTUC and GGUS service areas. The flows are expressed in terms of the following basis:

- Annual Average Daily Flow (AADF): Total wastewater flow generated in one year divided by the number of days in that year
- Maximum Month Daily Flow (MMDF): The largest volume of wastewater flow generated over a single month in a year, expressed as a daily average.
- Maximum 3 Day Flow (M3DF): The largest volume of wastewater flow generated over a three-day period in a year, expressed as a daily average.

Wastewater flows increased over the 10-year period of 2009 to 2018 due to growth within the service area and the addition of the Orange Tree and Golden Gate service areas. Wastewater flows are expected to continue increasing due to additions to the served area in the form of new developments in the northeast, and growth within the existing served area.

Table 4-3: Historical Wastewater Flows

Fiscal Year	Wastewater Flows at NCWRF			Wastewater Flows at SCWRF			Wastewater Flows at OTWWTP			Wastewater Flows at GGWWTP		
	AADF (MGD)	MMDF (MGD)	M3DF (MGD)	AADF (MGD)	MMDF (MGD)	M3DF (MGD)	AADF (MGD)	MMDF (MGD)	M3DF (MGD)	AADF (MGD)	MMDF (MGD)	M3DF (MGD)
2009	6.90	7.90	8.66	6.90	8.00	9.23						
2010	7.30	8.00	9.00	7.04	7.90	9.04	0.36	0.39	0.55			
2011	8.28	9.50	10.13	6.49	7.30	8.58	0.36	0.41	0.54			
2012	9.00	10.35	13.60	6.80	7.80	11.68	0.38	0.43	0.58			
2013	9.50	10.50	12.10	7.40	8.40	12.10	0.42	0.50	0.64	1.17	1.75	3.31
2014	9.00	10.75	11.77	7.22	8.71	11.58	0.38	0.41	0.56	1.08	1.31	2.48
2015	9.63	10.98	11.72	7.60	8.56	9.45	0.38	0.40	0.58	1.11	1.34	1.81
2016	9.79	11.83	14.63	8.03	9.94	15.04	0.42	0.48	0.63	1.11	1.48	2.34
2017	10.35	11.96	16.73	8.20	9.57	13.67	0.44	0.55	0.84	1.09	1.55	2.70
2018	9.75	10.77	11.81	8.28	9.23	10.75	0.44	0.50	0.59	1.11	1.42	2.00
10-Year Average	8.95	10.25	12.02	7.40	8.54	11.11	0.40	0.45	0.61	1.11	1.48	2.44

• Historical flow data for CCWSD for the years 2009-2013 reported as provided by Collier County Public Utilities, LOSS Review, March 2014.
• Historical flow data for CCWSD for the years 2014-2017 obtained from Collier County's SCADA.
• Historical flow data for OTWWTP from Historical Plant Flows, provided by Collier County.
• Historical demand data for GGWWTP for the years 2013-2018 from 'Monthly Operating Reports' provided by FGUA.
• M3DF for OTWWTP was estimated using a Peaking Factor of 1.5 (former CCWSD PF) for comparative purposes.

Table 4-4: Historical Wastewater Flows Summary – Expanded CCWSD

Fiscal Year	AADF (MGD)	MMDF (MGD)	M3DF (MGD)
2009	13.80	15.90	17.89
2010	14.34	15.90	18.04
2011	14.76	16.80	18.71
2012	15.80	18.15	25.28
2013	16.90	18.90	24.20
2014	16.18	19.46	21.67
2015	17.18	19.54	20.25
2016	17.82	21.56	29.25
2017	18.90	22.02	30.90
2018	19.58	21.22	23.69
10-Year Average	16.53	18.95	22.99

1) Historical flow data for CCWSD for the years 2009-2013 reported as provided by Collier County Public Utilities, LOSS Review, March 2014. Flow data for 2014-2018 obtained from Collier County's SCADA.
2) OTWWTP and GGWWTP flows starting the first full year of incorporation to the CCWSD.

Wastewater Flow Projections and Gap Analysis

Projected annual average daily wastewater flows for the CCWSD system were estimated by multiplying the projected population by the LOSS adopted by the CCWSD, which is currently 100 gpcd. The M3DF and MMDF were calculated using the AADF projections and the system wide peaking factors of 1.50 for M3DF and 1.20 for MMDF as calculated in the Revised FY2019 Water, Wastewater, IQ Water and Bulk Potable Water Master Plan/CIP Plan Update for the Expanded CCWSD. **Table 4-5** shows the total wastewater service area flow projections for the planning period of 2019-2040.

A wastewater treatment plant capacity gap analysis identifies the differential between the CCWSD's existing wastewater treatment plant capacity and the projected wastewater flows. The wastewater treatment plant's permitted operational capacity and the Maximum 3 Day Flow is used in lieu of Maximum Month Flow recommended by the FDEP in this analysis to minimize the risk and potential impacts of wastewater service interruptions and sanitary sewer overflows (SSOs). A summary of the wastewater treatment gap analysis is provided in **Table 4-6.**

Table 4-5: Wastewater Flow Projections

Fiscal Year	Population					AADF (mgd)	MMDF (mgd)	M3DF (mgd)
	Former CCWSD	Orange Tree	Golden Gate City	New Northeast Developments	Total			
2019	207,043	6,479	12,487	-	226,009	22.60	27.12	33.90
2020	211,348	6,716	12,487	-	230,551	23.06	27.67	34.58
2021	215,357	6,936	12,487	563	235,343	23.53	28.24	35.30
2022	219,054	7,140	12,487	1,575	240,256	24.03	28.83	36.04
2023	222,820	7,347	12,487	2,981	245,635	24.56	29.48	36.85
2024	226,656	7,558	12,487	4,725	251,426	25.14	30.17	37.71
2025	230,561	7,773	12,487	7,275	258,096	25.81	30.97	38.71
2026	234,150	7,970	12,487	9,938	264,545	26.45	31.75	39.68
2027	237,412	8,150	12,487	12,431	270,480	27.05	32.46	40.57
2028	240,724	8,332	12,487	15,038	276,581	27.66	33.19	41.49
2029	244,003	8,517	12,487	17,756	282,763	28.28	33.93	42.41
2030	247,193	8,704	12,738	20,531	289,166	28.92	34.70	43.38
2031	250,123	8,880	12,990	23,040	295,033	29.50	35.40	44.25
2032	252,842	9,043	13,241	25,549	300,675	30.07	36.08	45.10
2033	255,597	9,207	13,492	27,776	306,072	30.61	36.73	45.91
2034	258,389	9,375	13,744	30,004	311,512	31.15	37.38	46.73
2035	261,218	9,544	13,995	32,231	316,988	31.70	38.04	47.55
2036	263,838	9,701	14,246	34,346	322,131	32.21	38.66	48.32
2037	266,245	9,845	14,497	35,955	326,542	32.65	39.19	48.98
2038	268,678	9,991	14,749	37,305	330,723	33.07	39.69	49.61
2039	271,140	10,138	15,000	38,318	334,596	33.46	40.15	50.19
2040	273,628	10,287	15,000	39,218	338,133	33.81	40.58	50.72

• Historical population and projections are based on permanent population.
• Projected population for 2019-2040 obtained from 2018 AUIR, provided by Collier County. Populations are for actual areas served. NESA population based on December 2018 developer's estimates.
• Projected population for GGUS was updated by AECOM.

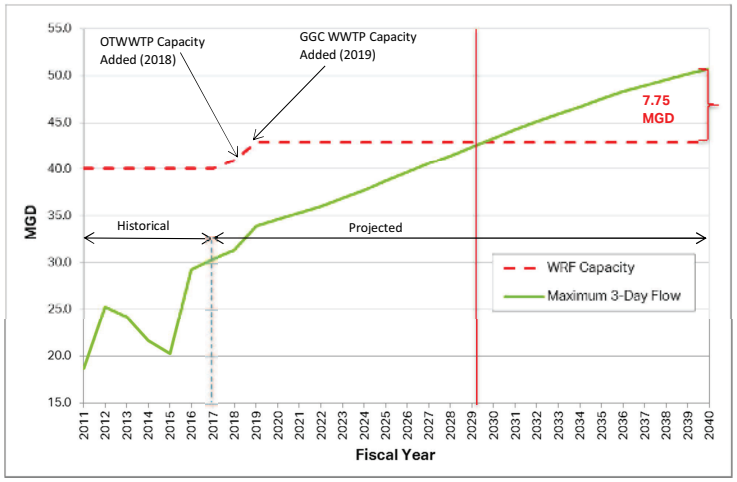
Table 4-6: Projected Wastewater Flow vs. Existing Treatment Capacity

Fiscal Year	AADF (MGD)	MMDF (MGD)	M3DF (MGD)	Capacity	M3DF Gap Analysis (MGD)
2019	22.60	27.12	33.90	42.97	9.07
2020	23.06	27.67	34.58	42.97	8.39
2021	23.53	28.24	35.30	42.97	7.67
2022	24.03	28.83	36.04	42.97	6.93
2023	24.56	29.48	36.85	42.97	6.12
2024	25.14	30.17	37.71	42.97	5.26
2025	25.81	30.97	38.71	42.97	4.26
2026	26.45	31.75	39.68	42.97	3.29
2027	27.05	32.46	40.57	42.97	2.40
2028	27.66	33.19	41.49	42.97	1.48
2029	28.28	33.93	42.41	42.97	0.56
2030	28.92	34.70	43.38	42.97	-0.40
2031	29.50	35.40	44.25	42.97	-1.28
2032	30.07	36.08	45.10	42.97	-2.13
2033	30.61	36.73	45.91	42.97	-2.94
2034	31.15	37.38	46.73	42.97	-3.76
2035	31.70	38.04	47.55	42.97	-4.58
2036	32.21	38.66	48.32	42.97	-5.35
2037	32.65	39.19	48.98	42.97	-6.01
2038	33.07	39.69	49.61	42.97	-6.64
2039	33.46	40.15	50.19	42.97	-7.22
2040	33.81	40.58	50.72	42.97	-7.75
2040	33.81	40.58	50.72	42.97	-7.75

• AADF for 2018-2040 calculated based on an average per capita usage of 100 gallons per capita per day.
• MMDF for 2018-2040 calculated based on the AADF multiplied by a peaking factor of 1.20.
• M3DF for 2018-2040 calculated based on the AADF multiplied by a peaking factor of 1.5.
• M3DF Gap Analysis calculated based on the difference between the capacity and the M3DF.

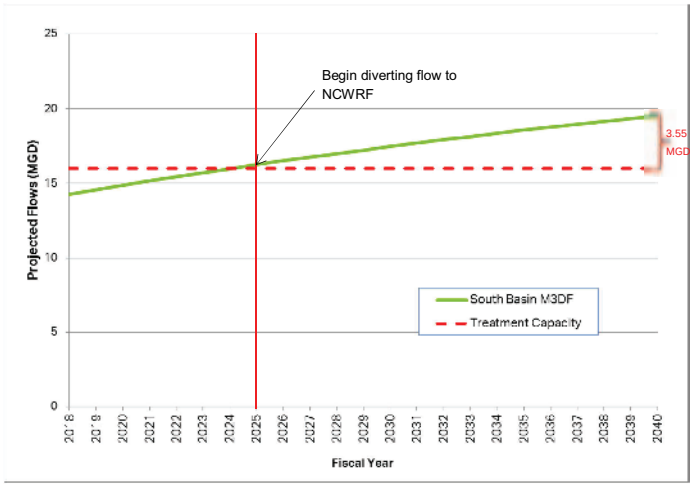
The gap analysis for the treatment capacity shows that the combined CCWSD system has sufficient treatment capacity through 2029. An additional treatment capacity of 7.75 MGD is required by 2040 to meet the future projected demands of the combined service area. The CCWSD plans to build NEWRF to accommodate projected flows. Figure 4-1 shows the projected M3DF as compared to the treatment capacity of the combined WRFs and WWTPs.

Figure 4-1: Expanded CCWSD Wastewater Treatment Capacity Gap Analysis



The OTWWTP service area, the NCWRF service area, and the GGWWTP service area are considered a part of the north and northeast service area. The SCWRF service area is considered south basin. An analysis of individual basin areas was conducted in order to identify the areas where wastewater treatment capacity deficits will occur first. **Figure 4-2** shows the gap analysis for the SCWRF (south basin). The projected wastewater flows in the south basin exceed the treatment capacity of SCWRF in the year 2025. It was indicated by the CCWSD staff that the SCWRF has no room for expansion. Therefore, the CCWSD plans to divert wastewater flows from south basin to north and northeast basin. The design and construction of infrastructure to divert wastewater flows from south basin to north and northeast basin are currently under way. **Table 4-7** and Figure 4-2 show future flows that will be conveyed to the north and northeast basin from the south basin.

Figure 4-2: Wastewater Treatment Capacity Gap Analysis - SCWRF



Refer to footnotes on Table 4-7.

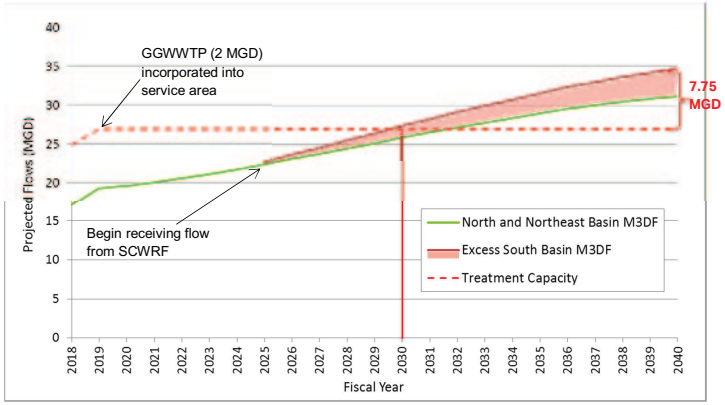
Table 4-7: Excess Flow Conveyance Gap Analysis

Fiscal Year	South Basin[1]				North and Northeast Basin[2]			North and Northeast Basin with Excess Flows From South Basin			
	Population	M3DF (MGD)	Treatment Capacity (MGD)	M3DF Gap Analysis (MGD)	M3DF (MGD)[1]	Treatment Capacity (MGD)[2]	M3DF Gap Analysis (MGD)	M3DF From N Basin (MGD)	Excess M3DF From S Basin	Treatment Capacity	M3DF Gap Analysis (MGD)
2018	95,212	14.28	16.00	1.72	17.08	24.97	7.89	17.08		24.97	7.89
2019	97,227	14.58	16.00	1.42	19.32	26.97	7.65	19.32		26.97	7.65
2020	99,285	14.89	16.00	1.11	19.69	26.97	7.28	19.69		26.97	7.28
2021	101,201	15.18	16.00	0.82	20.12	26.97	6.85	20.12		26.97	6.85
2022	102,968	15.45	16.00	0.55	20.59	26.97	6.38	20.59		26.97	6.38
2023	104,768	15.72	16.00	0.28	21.13	26.97	5.84	21.13		26.97	5.84
2024	106,602	15.99	16.00	0.01	21.72	26.97	5.25	21.72		26.97	5.25
2025	108,468	16.27	16.00	-0.27	22.44	26.97	4.53	22.44	0.27	26.97	4.26
2026	110,184	16.53	16.00	-0.53	23.15	26.97	3.82	23.15	0.53	26.97	3.29
2027	111,743	16.76	16.00	-0.76	23.81	26.97	3.16	23.81	0.76	26.97	2.40
2028	113,326	17.00	16.00	-1.00	24.49	26.97	2.48	24.49	1.00	26.97	1.48
2029	114,933	17.24	16.00	-1.24	25.17	26.97	1.80	25.17	1.24	26.97	0.56
2030	116,564	17.48	16.00	-1.48	25.89	26.97	1.08	25.89	1.48	26.97	-0.40
2031	118,089	17.71	16.00	-1.71	26.54	26.97	0.43	26.54	1.71	26.97	-1.28
2032	119,504	17.93	16.00	-1.93	27.18	26.97	-0.21	27.18	1.93	26.97	-2.13
2033	120,938	18.14	16.00	-2.14	27.77	26.97	-0.80	27.77	2.14	26.97	-2.94
2034	122,391	18.36	16.00	-2.36	28.37	26.97	-1.40	28.37	2.36	26.97	-3.76
2035	123,863	18.58	16.00	-2.58	28.97	26.97	-2.00	28.97	2.58	26.97	-4.58
2036	125,226	18.78	16.00	-2.78	29.54	26.97	-2.57	29.54	2.78	26.97	-5.35
2037	126,479	18.97	16.00	-2.97	30.01	26.97	-3.04	30.01	2.97	26.97	-6.01
2038	127,745	19.16	16.00	-3.16	30.45	26.97	-3.48	30.45	3.16	26.97	-6.64
2039	129,026	19.35	16.00	-3.35	30.84	26.97	-3.87	30.84	3.35	26.97	-7.22
2040	130,321	19.55	16.00	-3.55	31.17	26.97	-4.20	31.17	3.55	26.97	-7.75

1) South Basin includes the section of the service area served by the SCWRF.

2) North and Northeast Basin includes basins and treatment plants for NCWRF, Orange Tree WWTP and Golden Gate City WWTP as well as future developments in the northeast service area. Treatment capacity includes the addition of OTWWTP (0.87 MGD) in 2018 and GGWWTP (2 MGD) in 2019.

Figure 4-3: North and Northeast Service Area Gap Analysis



Refer to footnotes on Table 4-7

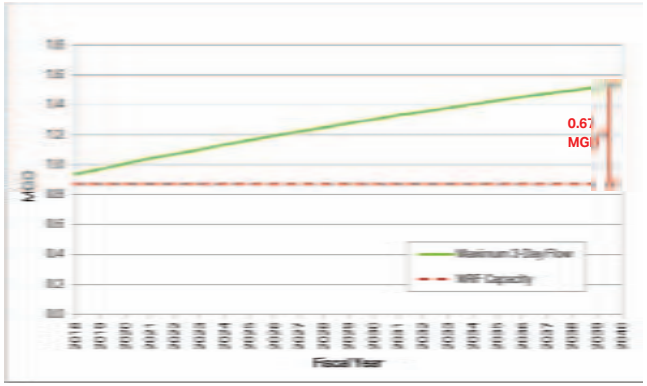
Since the OTWWTP is currently operating near treatment capacity, a separate gap analysis was also completed for this individual WWTP (**Table 4-8** and **Figure 4-4**)

Table 4-8: Wastewater Treatment Capacity Gap Analysis - OTWWTP

Fiscal Year	Population	AADF (MGD)	MMDF (MGD)	M3DF (MGD)	Capacity (MGD)	M3DF Gap Analysis (MGD)
2019	6,479	0.65	0.78	0.97	0.87	-0.10
2020	6,716	0.67	0.81	1.01	0.87	-0.14
2021	6,936	0.69	0.83	1.04	0.87	-0.17
2022	7,140	0.71	0.86	1.07	0.87	-0.20
2023	7,347	0.73	0.88	1.10	0.87	-0.23
2024	7,558	0.76	0.91	1.13	0.87	-0.26
2025	7,773	0.78	0.93	1.17	0.87	-0.30
2026	7,970	0.80	0.96	1.20	0.87	-0.33
2027	8,150	0.82	0.98	1.22	0.87	-0.35
2028	8,332	0.83	1.00	1.25	0.87	-0.38
2029	8,517	0.85	1.02	1.28	0.87	-0.41
2030	8,704	0.87	1.04	1.31	0.87	-0.44
2031	8,880	0.89	1.07	1.33	0.87	-0.46
2032	9,043	0.90	1.09	1.36	0.87	-0.49
2033	9,207	0.92	1.10	1.38	0.87	-0.51
2034	9,375	0.94	1.13	1.41	0.87	-0.54
2035	9,544	0.95	1.15	1.43	0.87	-0.56
2036	9,701	0.97	1.16	1.46	0.87	-0.59
2037	9,845	0.98	1.18	1.48	0.87	-0.61
2038	9,991	1.00	1.20	1.50	0.87	-0.63
2039	10,138	1.01	1.22	1.52	0.87	-0.65
2040	10,287	1.03	1.23	1.54	0.87	-0.67

- AADF for 2018-2040 calculated based on an average flow of 100 gallons per capita per day.
- MMDF for 2018-2040 calculated based on the AADF multiplied by a peaking factor of 1.20.
- M3DF for 2018-2040 calculated based on the AADF multiplied by a peaking factor of 1.50.
- M3DF Gap analysis calculated based on the difference between plant capacity and the M3DF.
- Orange Tree WWTP capacity adjusted to MMDF basis = 0.87 MGD.

Figure 4-4: Orange Tree WWTP Wastewater Treatment Capacity Gap Analysis



Note: Refer to **Table 4-16** footnotes.

The OTWWTP is shown as having reached capacity in 2018. However, this analysis utilizes the district-wide LOSS of 100 gpcd (which is much higher than the plant's historical per capita flows of 74 gpcd) along with district wide peaking factors and M3DF criterion. If MMDF criterion is used in lieu of M3DF, the OTWWTP capacity is still reached. The CCWSD recently completed adding 0.375 MGD of additional treatment capacity to this WWTP, which will address the wastewater treatment needs in this area until the wastewater additional treatment capacity is added in the northeast.

The GGWWTP is under similar circumstances and the CCWSD is currently investigating options for expansion of this facility to accommodate for additional flows generated by expansion of the served population within Golden Gate City as well as additions to this plant's basin from pumping stations located outside of the current service area but near the WWTP.

The new regional water reclamation facility, NEWRF, will serve developments in the northeast region of the CCWSD. This facility will be constructed in anticipation of Board-approved PUDs, which when fully constructed would leave only 15% remaining capacity at the NCWRF, and put the SCWRF at a 44% deficit, according to the "Collier County Water-Sewer District System Utilization and Diminishing Capacity Report". A 1.50 MGD interim WWTP and deep injection well will begin construction in FY 2019, followed by a 4.0 MGD initial phase to be online by FY 2024.

IQ Water System

The CCWSD provides irrigation quality (IQ) water to the service area using treated effluent from the NCWRF and SCWRF as a main source, supplemented by fresh groundwater wellfields. The treated effluent is compliant with the FDEP permit requirements and is of quality suitable for public and/or open access irrigation. The IQ water obtained from the wellfields requires no additional treatment.

The IQ water system includes 29 storage ponds, over 110 miles of distribution pipeline, approximately 12 miles of raw water pipeline, 7 pumping stations located throughout the service area, and 7 storage tanks. Golf courses, roadway medians and residential customers make up the bulk of Collier County's IQ water customers. Current major IQ customers for Collier County and their average usage during the past 5-year period are shown in **Table 4-9**. In order to supply irrigation quality water to major customers with a LOSS of 1" per acre per week and also have available supply to meet maximum month demands for non-controllable use and basic customers, approximately 23 million gallons per day are needed.

Table 4-9 IQ Water Demand

Major Customers	LOSS for IQ availability @ 1" per Irrigable Acre per Week (GPD)	5-Year Average Usage (GPD)	5-Year Max Month Usage (GPD)
Audubon	787,420	617,696	1,119,000
Autumn Woods	326,495	188,576	371,258
Beachwalk	103,955	89,739	173,600
Collier's Reserve	535,290	293,279	605,323
Countryside	500,380	148,804	384,742
Foxfire HOA	726,016	318,684	1,793,667
Glades	756,388	568,368	1,399,600
CC Facilities	58,184	75,117	117,500
Hibiscus	581,837	322,629	564,967
Imperial	930,939	282,120	877,667
La Playa	438,317	380,208	1,177,667
Lakewood CC	186,188	96,852	223,194
Lakewood HOA	756,388	352,519	735,710
Lely Resort	1,396,409	705,651	1,575,700
Lely CDD	2,408,457	1,030,196	1,902,833
The Club Pelican Bay	620,626	280,229	662,400
Riviera	232,735	145,832	318,833
Royal Palm	426,681	321,636	2,989,806
Vineyards Dev	2,804,455	1,173,544	4,946,167
Vineyards Park	96,973	143,524	610,900
North Collier Park	224,977	185,151	430,367
Windstar	387,891	394,860	620,767
Calusa Bay	147,399	86,949	234,633
Tarpon Cove	77,578	88,930	145,903
Total Major Customers	15,511,978	8,291,093	23,982,202
Basic Users Max Month Demand	**6,517,000**		**6,517,000**
Non Controllable Use	**1,003,625**		**1,003,625**
Total Demand	**23,032,603**		**31,502,827**

- Existing customer data and 5-year usage history provided by Collier County Public Utilities, December 2017.
- Non Controllable Use refers to small residential customers that are tied into a pressurized system and the County has no means of isolating them from the system.
- Non controllable = Max month pressurized users - 1" pressurized users = 1,003,625.
- "Irrigable" refers to pervious areas where IQ water may be applied to assist growth of plants.

IQ water availability is determined based on the County's Water Reclamation Facilities minimum monthly effluent flow. The AADF (MGD) is multiplied by a factor of 0.95 to account for distribution losses, and by a minimum peaking factor of 0.8 to account for seasonal fluctuation of WRF flows. IQ water demands currently exceed available effluent. The CCWSD supplements its IQ system with fresh groundwater wells and ASR wells located within the North Service Area. The wells are permitted to provide up to 7.0 MGD and 5.0 MGD, respectively.

Table 4-10: Projected IQ Water Availability

Fiscal Year	Projected Population	AADF (MGD)	95% of Minimum Month ADF (MGD)	Supplemental Water (MGD)	ASR Wells (MGD)	IQ Availability (MGD)
2019	207,043	20.70	15.74	5.0	n/a	20.74
2020	211,348	21.13	16.06	5.0	1	22.06
2021	215,357	21.54	16.37	7.0	1	24.37
2022	219,054	21.91	16.65	7.0	2	25.65
2023	222,820	22.28	16.93	7.0	2	25.93
2024	226,656	22.67	17.23	7.0	3	27.23
2025	230,561	23.06	17.52	7.0	3	27.52
2026	234,150	23.42	17.80	7.0	4	28.80
2027	237,412	23.74	18.04	7.0	4	29.04
2028	240,724	24.07	18.30	7.0	5	30.30
2029	244,003	24.40	18.54	7.0	5	30.54
2030	247,193	24.72	18.79	7.0	5	30.79
2031	250,123	25.01	19.01	7.0	5	31.01
2032	252,842	25.28	19.22	7.0	5	31.22
2033	255,597	25.56	19.43	7.0	5	31.43
2034	258,389	25.84	19.64	7.0	5	31.64
2035	261,218	26.12	19.85	7.0	5	31.85
2036	263,838	26.38	20.05	7.0	5	32.05
2037	266,245	26.62	20.23	7.0	5	32.23
2038	268,678	26.87	20.42	7.0	5	32.42
2039	271,140	27.11	20.61	7.0	5	32.61
2040	273,628	27.36	20.80	7.0	5	32.80

• Projected population data for 2019-2040 from 2018 AUIR, provided by Collier County. Orange Tree and Golden Gate populations were not included for analysis.
• AADF for 2019-2040 calculated based on an average usage of 100 gallons per capita per day.
• 95% of minimum month ADF = 0.8*AADF(MGD)*0.95
• Well supplement and ASR well data from Collier County Public Utilities. ASR well supply is based on well capacity.
• Total demand = 23.0 MGD
• IQ availability = 95% of minimum month ADF + supplemental water + ASR Wells
• IQ Water demand is projected to be met in year 2021.

Currently, the CCWSD cannot meet the IQ water demand of 23.0 MGD based upon the 1" per irrigable acre per week for major customers plus the basic users and non-controllable use demands of 7.5 MGD. Shortfalls in the availability of IQ water are caused by seasonal variations that typically occur in late spring and customer usage that typically exceeds 1" per week. The CCWSD recognizes this and plans to expand the IQ system to increase IQ water availability, however, at this moment the system is aiming to provide ½ inch per irrigable acre per week at a minimum. Customer expansion is feasible within this planning horizon, given that in FY 2021 IQ availability is expected to exceed the 23.0 MGD anticipated demands.

5. Capital Improvement Program

The CCWSD developed a Capital Improvement Program in order to meet the current and future needs of the system and maintain the reliability of the potable water, wastewater, and IQ water systems. The capital projects consist of Growth Related Projects (Funds 411 & 413) and Repair and Rehabilitation Projects (Funds 412 & 414). The CIP was developed as part of the 2014 Public Utilities Master Plan and subsequent updates and is reviewed by CCWSD on an annual basis. The CCWSD FY 2019-2028 Capital Improvement Program is included in **Appendix 2**.

The Wastewater FY 2019-2028 CIP consists of the following funded projects:

- 1 – Existing Growth Related Project (Fund 413)
- 1 – New Growth Related Project (Fund 413)
- 54 - Repair and Rehabilitation Projects (Fund 414)
- 6 – New Repair and Rehabilitation Projects (Fund 414)

These projects have been identified to meet the wastewater infrastructure needs over the next ten years. The total budget allocated for Wastewater Projects (Fund 413 and Fund 414) in FY 2019-2028 amounts to approximately $487 million.

The Potable Water FY 2019-2028 CIP consists of the following funded projects:

- 2 – Existing Growth Related Projects (Fund 411)
- 2 – New Growth Related Projects (Fund 411)
- 47 – Existing Repair and Rehabilitation Projects (Fund 412)
- 8 – New Repair and Rehabilitation Projects (Fund 412)

The total budget allocated for Potable Water Projects (Fund 411 and Fund 412) for FY 2019-2028 amounts to approximately $325 million. The IQ Water FY 2019-2028 CIP consists of:

- 1 - Growth Related Project (Fund 413)
- 6 - Repair and Rehabilitation Projects (Fund 414)

These projects have been identified to meet the IQ demands over several years. The total budget allocated for IQ Water Projects (Fund 413 and Fund 414) in FY 2019-2028 amounts to $40,360,952.

Overall, the Capital Improvement Program appears to meet the CCWSD capacity and regulatory compliance needs. The total cost of the CIP will vary based upon current market conditions; however the overall costs are reasonable.

The major Capital Improvements for the CCWSD that have been identified in the FY 2019-2023 Capital Improvement Plan anticipated to be funded from the proceeds of the Series 2019 Bonds as summarized below:

Description	Amount
NE Water Storage Tank and Potable Water Transmission Main	$39,122,000
Interim NE Potable Water Pump Station	$1,984,000
Interim NE 1.5 MGD NE Wastewater Treatment Plant	$9,641,000
NE Wastewater Transmission Mains	$10,030,100
Interim IQ Pump Station, IQ Storage Tank, and Pipelines	$15,970,952
Total Projects	**$76,748,052**

A detailed description of the above capital improvement projects is presented below.

Potable Water

Water System Development Fee Fund (411) Projects

NE Water Storage Tank and Potable Water Transmission Mains

This project consists of constructing a 7.5 MG potable water storage tank, and potable water transmission mains to distribute potable water in the north east service area. The storage tank is part of the NERWTP design, being constructed in advance.

As a part of this Engineering Report a gap analysis was completed to compare the required potable water storage capacity based upon Ten States Standards and FDEP requirements and the available potable water storage. The recommended more stringent requirement for potable water storage (Ten States Standards) was used and compared to the available potable water storage of 35.8 MG. Based upon Ten States Standards, it is projected that the CCWSD will require additional finished storage volume by FY 2025, and a total of 13.77 MG will be required by FY 2040.The construction of the new 7.5 MG storage tank will address the water storage gap until FY 2032. Additional storage capacity will be required starting FY 2032 and will be fulfilled with a second 7.5 MG storage tank r onsite storage at the NERWTP.

Potable water transmission mains will be needed to distribute water from the regional system to serve the future population from the northeast developments starting in FY 2021. The permanent population estimates for the northeast developments were provided by CCWSD in December 2018 and are based upon the developer's estimate of residential units, the County's average person per household, and the developer's forecasted schedule.

Interim NE Potable Water Pump Station

An interim potable water pump station and chemical treatment system to be constructed at the same time as the storage tank and transmission lines is needed to distribute water to the northeast from the regional system. This project is expected to start in FY 2019 and be online by 2020.

Permanent population from the future developments located in the Northeast Service area to be served from the regional system is anticipated starting in FY 2021. The permanent population estimates for the North East Developments were provided by CCWSD in December 2018 and are based upon the developer's estimate of residential units, the County's average person per household, and the developer's forecasted schedule.

Wastewater

Wastewater System Development Fee Fund (414) Projects

Interim 1.5 MGD NE Wastewater Treatment Plant

This project consists of designing and constructing an interim 1.5 MGD NE wastewater treatment plant to be online in 2020 to service initial development in Hyde Park, Rural Lands West, Immokalee Road Rural Village and Hogan Island Village.

The CCWSD anticipates growth in population and wastewater flows in the northeast region of the County, resulting in an expansion of the service area and the need for additional treatment capacity. A new regional Water Reclamation Facility at the North East Utility Facility is planned to support the future developments in this area. Based upon the permanent population projections provided by CCWSD, permanent population from the future developments located in the Northeast Service area to be served from the regional system are anticipated starting in FY 2021.

Based upon the updated System-wide Treatment Capacity Gap Analysis, the existing treatment plant capacity is not exceeded until Fiscal Year 2030. When evaluating the treatment plant gap analysis based upon the wastewater treatment plant basin areas, the South basin exceeds its capacity by Fiscal Year 2025 and the North and Northeast basin (with flows diverted from south to north) exceeds the Orange Tree and Golden Gate City WWTP capacities by Fiscal Year 2030.

The CCWSD utilizes the Collier County Water Sewer District System Utilization and Diminishing Capacity Report ("Checkbook') which compares available treatment capacity to the quantity of Board approved

PUDs. The 2018 Annual Update and Inventory Report notes that there would be 15% remaining capacity at the NCWRF while the SCWRF would have a 44% deficit if all Board approved PUDs were to be constructed. An interim 1.5 MGD interim NE Wastewater Treatment Plant is planned to support the future developments until a permanent 4 MGD NE Water Reclamation Facility is design and constructed.

NE Wastewater Transmission Mains

This project entails constructing wastewater transmission mains to the NE developments to facilitate connection to the Interim NE WWTP to be online in 2020 to service initial development in Hyde Park, Rural Lands West, Immokalee Road Rural Village and Hogan Island Village.

Irrigation Quality Water

Irrigation Quality Water System Development Fee Fund (414) Project

Interim IQ Pumping Station, IQ Storage Tank, and all Pipelines

The purpose of this project is to design and construct an interim IQ pump station, IQ storage tank and pipelines to be online in 2020 to distribute IQ water to Hyde Park, Rural Lands West, Immokalee Road Rural Village and Hogan Island Village.

The IQ water demand of existing customers, based on 1-inch per irrigable acre per week for current major customers, maximum month demands for basic users and non-controllable use is 23.0 MGD, but adjusted schedules for the construction of the groundwater and ASR wells along with seasonal variations have impacted the IQ availability. Currently, the IQ availability is projected to meet the existing IQ customer demands in FY 2021.

6. Findings and Conclusions

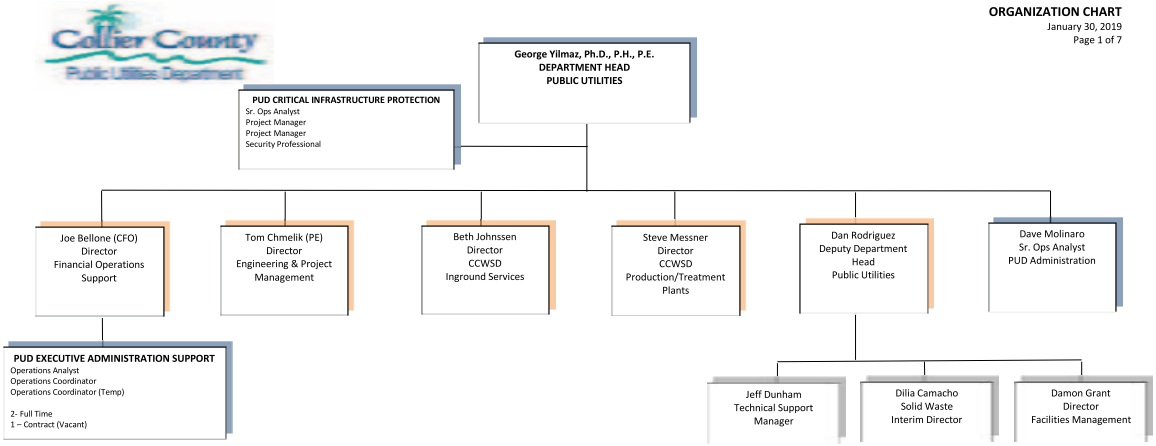
AECOM completed a due diligence investigation of the CCWSD water, wastewater, and IQ water systems, which included a review of available reports and supporting documents, a visual review of the system's treatment facilities, a review of regulatory agencies permit records, a review of the CCWSD Capital Improvement Plan, and meetings and discussions with CCWSD staff. Based on this review, it is AECOM's opinion that:

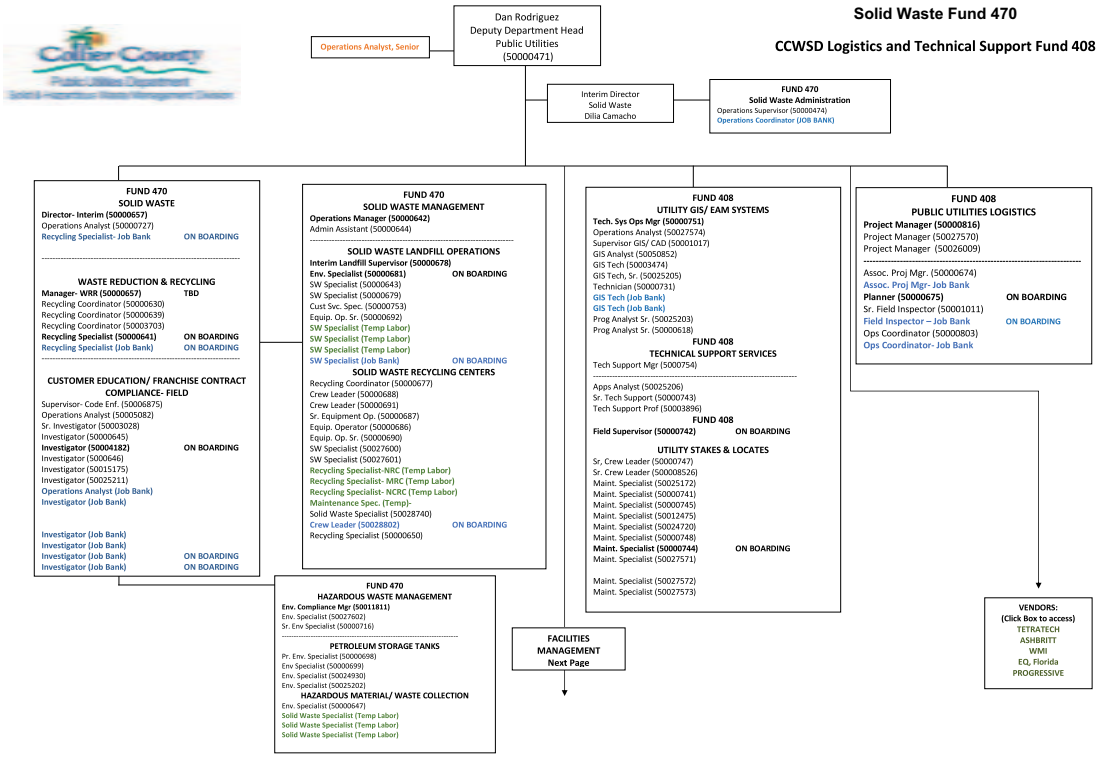
- The CCWSD Water and Sewer system facilities are adequately maintained following manufacturers' recommendations and more stringent CCWSD standards.
- The District personnel have the proper qualifications and are trained to maintain licenses and certifications required under the Florida Administrative Code (FAC).
- The existing CCWSD facilities along with the facilities, improvements and additions proposed in the FY2019-FY2028 CIP can reasonably provide potable water and wastewater services to the service area through FY 2029 in the case of the potable water system, and FY 2034 in the case of the wastewater system.
- All required permits for operating the system are current. Renewal applications for permit modifications or permit extensions are submitted in a timely manner and the CCWSD remains compliant with regulatory agencies. Recently acquired utilities are being brought up to CCWSD standards in permitting and operation so as to maintain compliance.
- The CCWSD is in compliance with Federal and State regulatory requirements related to the provision of water and wastewater services.

APPENDIX A
COLLIER COUNTY
PUBLIC UTILTIES DEPARTMENT
ORGANIZATION CHART

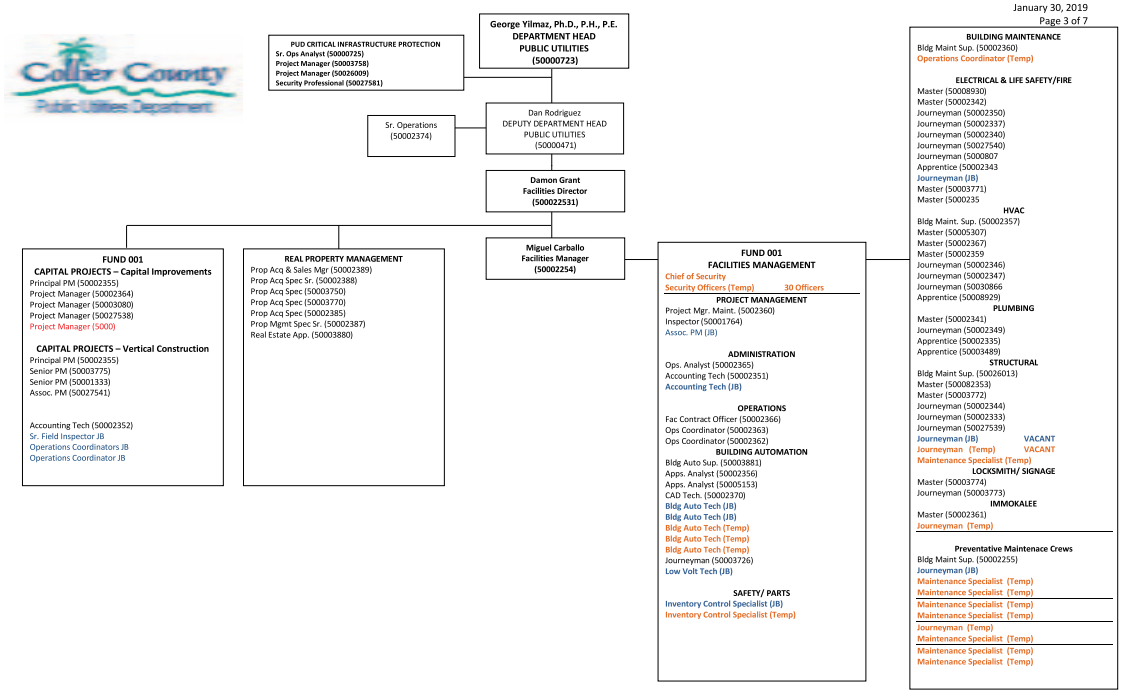
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ORGANIZATION CHART
January 30, 2019
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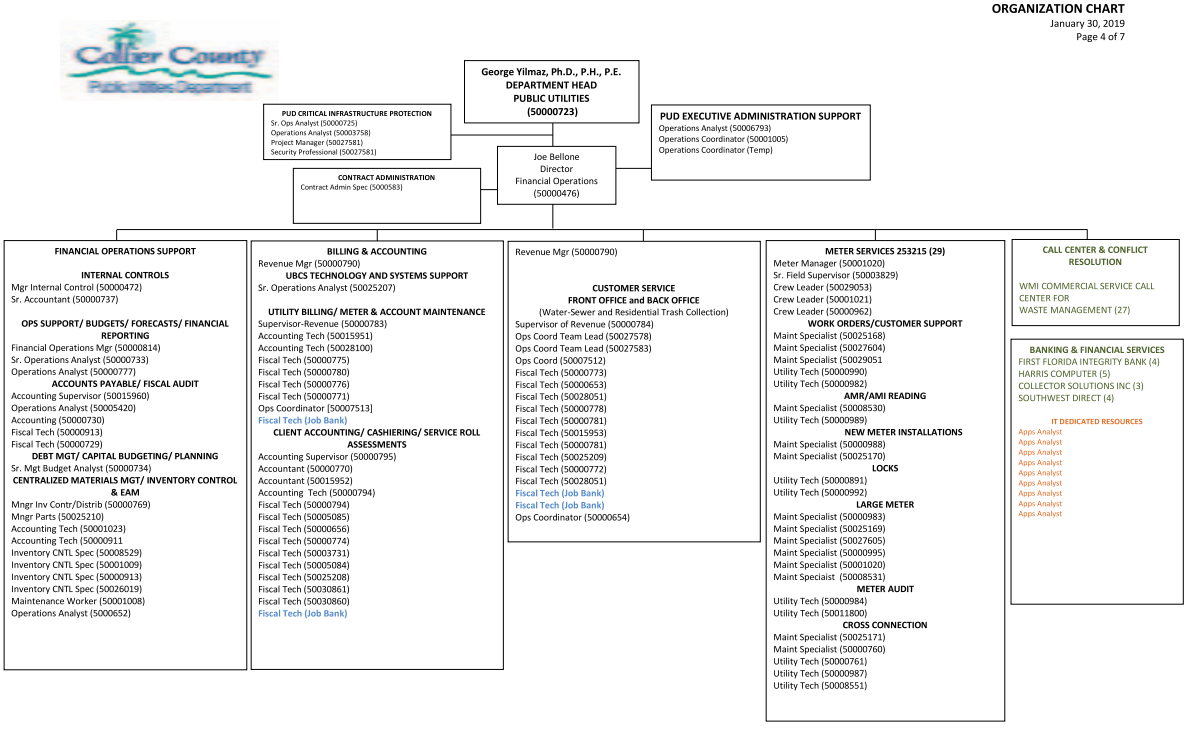




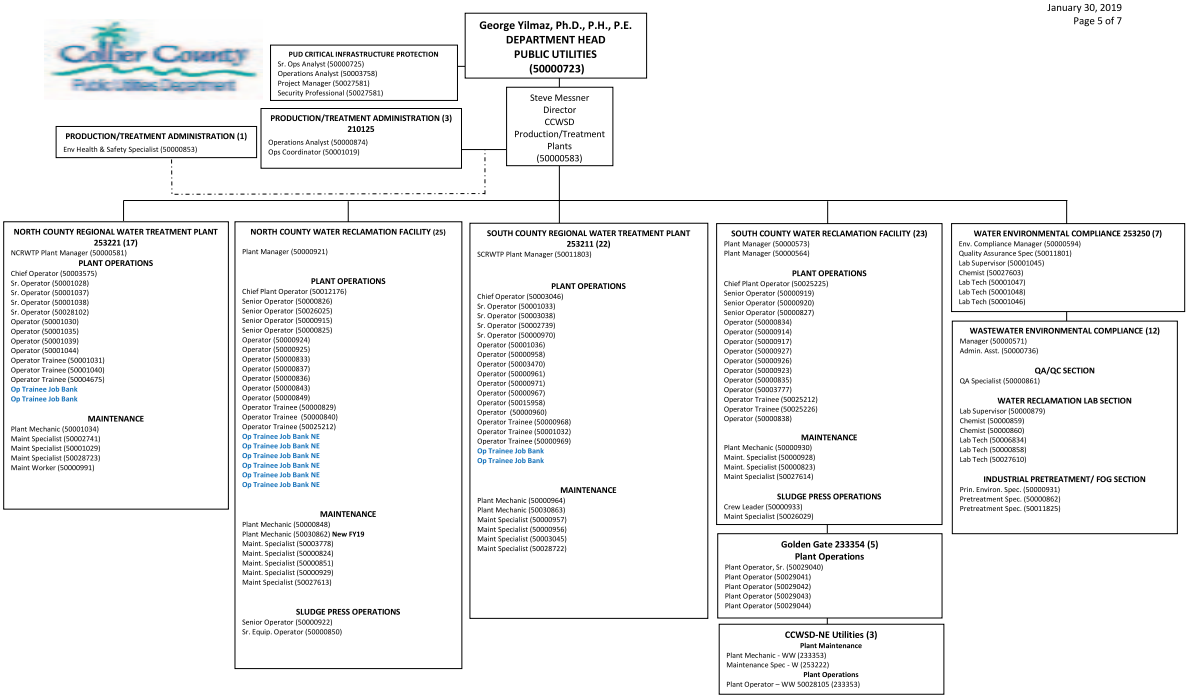
ORGANIZATION CHART
January 30, 2019
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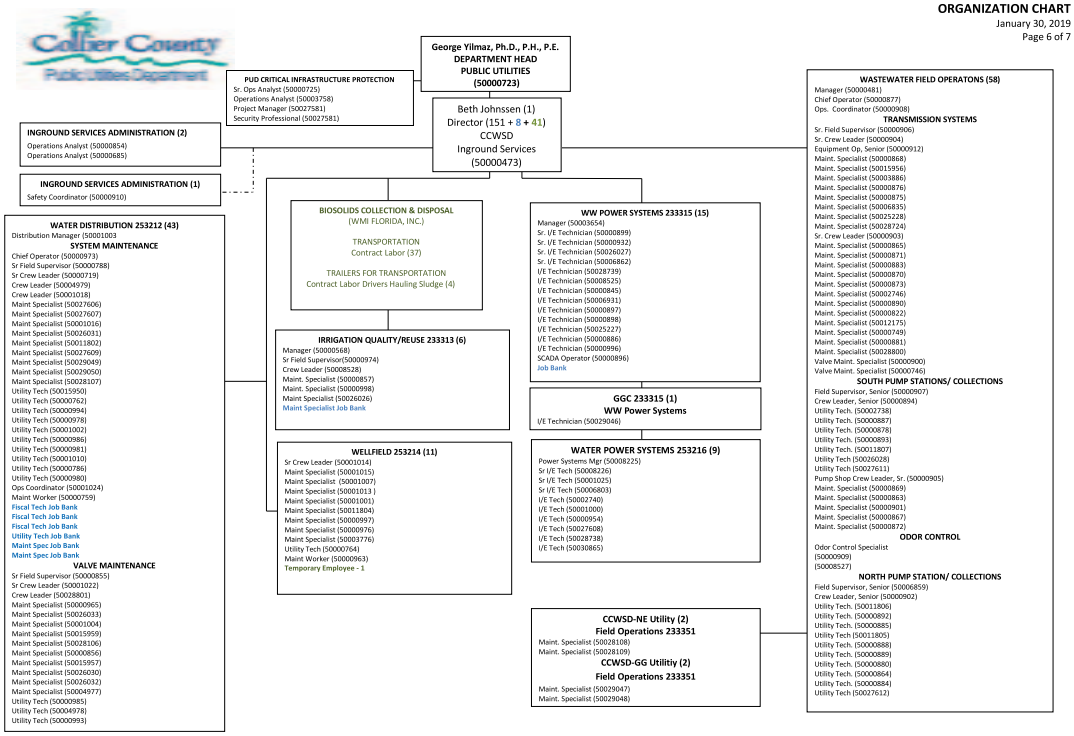
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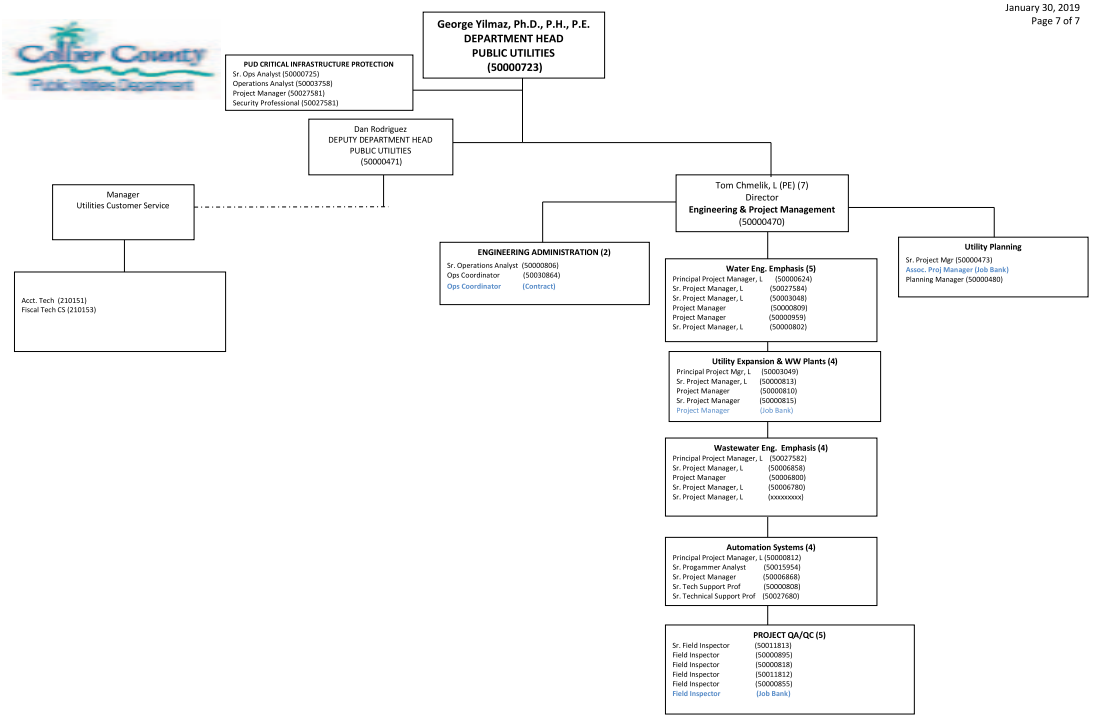


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January 30, 2019
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APPENDIX B
CAPITAL IMPROVEMENT PROJECTS
FY 2019-2028
POTABLE WATER
WASTEWATER (NON IQ)
AND
IRRIGATION QUALITY (IQ) WATER

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TABLE 8-1
COLLIER COUNTY GOVERNMENT
PUBLIC UTILITIES ENGINEERING AND PROJECT MANAGEMENT DIVISION
2019 WATER 10-YEAR CIP PLAN UPDATE

CAPITAL IMPROVEMENT PROJECTS FY 2019-2023
POTABLE WATER

Line No.	Project No.	Project Name	Description
Existing 411 Water Projects			
1	31411	Fund 411 Operating Project - Imp. Fee Refunds	NA
2	70194	NERWTP First Phase (5 MGD) online by 2028	Purpose: Update design for technology and construct the first phase (5 MGD) of the NERWTP to accommodate population increase to be online by 2028. Method: CMAR starting in FY2025. End State: Sufficient potable water treatment capacity to reliably meet projected demand.
New 411 Water Projects			
3	WNEW	NE Water Storage Tank and Potable Water Transmission Mains*	Purpose: Construct one 7.5 MG potable water storage tank, and potable water transmission mains to NE developments to be online by 2020 to distribute water to the NE from the regional system. Tank is part of the NERWTP design, being constructed in advance. A corresponding interim potable water pump station and chemical treatment system funded by user-fees (Fund 412) will also be constructed at the same time to distribute water to the NE from the regional system. Method: Design-Build RFP starting in FY2019. End State: Sufficient potable water treatment capacity to reliably meet projected demand.
4	WNEW	Golden Gate City Utility Phase 2 (Expand Distrib)	Purpose: Extend the Golden Gate City water distribution system to serve approximately 9,000 residents. Method: RFP and competitive bids. End State: A large portion of this population will no longer be served by a well system and a septic system on the same property.
Existing 412 Water Projects			
1	50105	Integrated Asset Management Program	Purpose: Implement an Enterprise-wide Integrated Asset Management Program within the Public Utilities Department (PUD) to more cost-effectively manage PUD assets. This multiyear program has three phases. Phase One (PUD pilot) is complete. Phase Two (RFP solicitation and vendor selection) is complete. Phase Three is in progress and is focused on implementation and integration of the selected Cityworks software application with existing Agency wide systems of GIS, SAP, SCADA and many interdivisional processes including procurement and finance spanning five full scale implementation projects (FSIP) . Cityworks go-live occurred in May 2016 for FSIP 1, 2, & 3, and FSIP 5 go-live in June 2017 was very successful. Technical Support is anticipated to continue into FY19. Method: Through competitive Request for Proposal process. End State: A tangible GIS-based asset and work management system to guide predictive and preventative maintenance and consistent sustainable work practices that occur in a systematic manner, at less cost, and with less operational impact versus catastrophic failure.
2	70010	Water Meter Renewal and Replacement Program	Purpose: This multi-year program consists of replacing water meters that have reached the end of their useful life. There are over 60,000 meters in the system that record water usage, and are thus the source of revenue for the utility. In FY19, approximately 6,500 small meters (3/4" - 2") are to be replaced depending on age and service life. Scheduled replacement will be modified as needed to remain consistent with the results of the meter audit. This project also replaces meters that have been identified during the meter audit program as being non-compliant. Method: Fixed term contracts for purchases and replacements with a portion of installation by staff. End State: Remain in compliance with Florida Administrative Code 62-555, Ordinance 201-73, and sustain an accurate measurement of customer water usage for accurate billing.
3	70014	Real Property/Infrastructure Audit	Purpose: Ensure that all Collier County Water-Sewer District assets are located within County Utility Easements. Where this is not the case, the County does not have the legal right to construct projects or perform maintenance required to remain in compliance and to serve the District's customers. Method: Coordinate with appropriate divisions to verify asset locations in existing geographical information system (GIS) layers. Coordinate with Real Property Management to locate easement interest documents, upload into the document management system (DMS), and plot locations in GIS. Compare easement interests with asset locations on GIS to determine if additional easements are required. End State: Confirm all assets reside within appropriate easements, and obtain additional easements where needed.
4	70019	Cross Connections Program	Purpose: To maintain compliance with Rule 62-555 of the Florida Administrative Code and the Collier County Cross Connection Control Ordinance. The rule requires all community water systems to establish and implement a routine cross-connection control program to detect and control cross-connections and prevent backflow of contaminants into the water system. Approximately 5,000 devices in various neighborhoods throughout the County are planned for overhauled or replaced in FY19. Method: Procure the devices through existing contracts and provide installation through a bid process or by staff as determined by the operating department. End State: Fully compliant and protected water supply system.
5	70023	Fire Hydrants Replacement	Purpose: This on-going program replaces fire hydrants that have reached the end of their useful life. There are approximately 10,000 fire hydrants in the distribution system; 25 hydrants are planned to be replaced each year beyond those replaced with water main rehabilitation projects. The areas targeted for replacement will be primarily based on input from the Fire Districts and areas of concern identified during annual flushing exercises. Method: Utilize existing underground services contracts. End State: Replace hydrants to ensure compliance with fire protection codes and ordinances, and provide a point to flush the water distribution system when necessary to comply with state and federal water quality standards.

Line No.	Project No.	Project Name	Description
6	70031	Utility Master Plan	Purpose: Utilize consultants to assist with updates to the Utilities Master Plan, including coordination with the rate study program, and the annual CIP update aimed at responsible system growth, maintenance and preservation. Method: Utilization of RFP and existing fixed term contracts; retain a qualified consultant to prepare and update master plans, rate study collaboration and CIP validation. End State: The Master Plans, CIP and rate study will remain concurrent with the latest population trends concurrent with GMD Comprehensive Planning guidance and the needs of all Public Utilities Operating Divisions.
8	70045	FDOT Utility Construction Projects - W	Purpose: Plan, design, and construct Collier County Water-Sewer District infrastructure driven by Florida Department of Transportation (FDOT) construction projects. Long-range upcoming FDOT projects that require utility relocations include: US41 from Greenway Road to Six L's Farm Road and potentially I-75 at CR951 Ultimate Build Out. Project activities generally include: engineering review, plan development or deconflicting for various intersection improvements, lighting improvements, traffic signal upgrades and installations throughout the CCWSD service area. Method: Fixed-term contracts and competitive bids or Joint Project Agreements with the FDOT. End State: Coordinated utility construction to maintain compliance and provide reliable services.
9	70071	Countywide Utility Projects - Water	Purpose: Plan, design, and construct Collier County Water-Sewer District infrastructure driven by intra-county divisions. Project activities generally include: engineering review, plan development or deconflicting for various intersection improvements, lighting improvements, traffic signal upgrades and installations throughout the CCWSD service area. Method: Fixed-term contracts and competitive bids or Joint Project Agreements with the Growth Management Division. End State: Interdivisional coordination with utility construction projects to maintain compliance and provide reliable services with minimal impact to the community.
10	70084	Wellfield SCADA Support Operating	Purpose: Rehabilitate the Supervisory Control And Data Acquisition systems (SCADA) for the wellfields that supply raw water to the north and south treatment plants through a multi-year Technical Support Program (TSP) to increase reliability and operational efficiency. This program is needed to eliminate obsolescence of existing programmable logic controllers (PLCs) and various instrumentation used to constantly monitor and control the process and communicate with the regional water treatment plants. There are 102 well sites with 72 PLCs and communication networks throughout the wellfield. This program will upgrade communication methods to more consistent and reliable standards. Focus is on communication and control hardware in the South Hawthorne and Lower Tamiami wellfields. Method: Through fixed-term contracts and competitive bids. End State: Maintain compliance and reliability throughout the wellfield SCADA system.
11	70085	Wellfield/Raw Water Booster Station Op TSP	Purpose: Provide annual Technical Support Program (TSP) funding for repairs and modifications needed to meet demand and to remain in compliance. Projects include ongoing restoration and rehab to maintain water production capabilities at 102 individual production wells (well pump replacement, casing and tubing replacement, metering, electrical and mechanical rehab); within the 41 miles of raw water piping system (valve and main rehab, air release valve installation); and at both raw water booster pump stations (pump and control rehab, building maintenance). Projects for FY19 include one well repair, one well replacement and various process improvements including well pump replacement. Method: Fixed-term contracts and competitive bids. End State: Meet demand and remain in compliance, maintain production capabilities and reliability.
13	70102	SCRWTP SCADA Support Operating	Purpose: Restore and rehabilitate the Supervisory Control And Data Acquisition (SCADA) systems for the South County Regional Water Treatment Plant through a multi-year Technical Support Program. This program is needed to eliminate obsolescence of existing programmable logic controllers (PLCs) and various instrumentation used to constantly monitor and control the many processes and communicate throughout the water treatment plant. There are 28 PLCs at this facility with 5 PLCs and associated instrumentation planned to be replaced per year focusing on management and modernizing of the core communication networks and PLC platform. Method: Through fixed-term contracts and competitive bids. End State: Maintain compliance and reliable operations.
15	70109	Lime Treatment TSP	Purpose: Design and construct improvements to the lime softening treatment process at the South County Regional Water Treatment Plant utilizing technology improvements that have occurred since the initial plant design in the early 1980's. Work in FY19 includes repair and rehabilitation of components related to the sludge thickening & dewatering system and polymer feed equipment. Method: Through fixed-term contracts and competitive bids. End State: Meet demand and remain in compliance, achieve energy efficiencies, and maintain reliability.
16	70113	Fac Infrastructure Main Water	Purpose: Operational and preventative maintenance program which performs regular preventative maintenance on water facilities including inspections of roofs, gates, garage doors, fences, HVAC, site and fire sprinklers. Method: Fixed term services contracts and/or competitive construction bids. End State: An enhanced and fully compliant water department that will extend the life cycle of the facility and its vertical assets.
17	70114	Infrastructure TSP Field Ops-Water	Purpose: To optimize the operating efficiency and increase the safety of the Public Utility Operations Center (PUOC) and Collier County wellfield structures by completing projects relating to rehabilitation, replacements, and optimizations of HVAC Systems, roofs, electrical and fire systems, and other vertical assets existing in the PUOC and Public Utilities Wellfield. This will enhance the utilization and life cycle expectancy of the PUOC and Wellfield by maintaining structures in satisfactory operating condition by providing systematic inspection, detection, and correction of incipient failures either before they occur or before they develop into major defects. Planned FY19 projects include preventive maintenance inspections of PUOC and wellfield assets and HVAC replacement and roof replacements at the PUOC. Method: Fixed term services contracts and/or competitive construction bids. End State: An enhanced and fully compliant PUOC and Wellfield that will ensure safety for employees, and extend the life cycle of the facility and its vertical assets.
18	70118	Infrastructure TSP -Water Plants	Purpose: To optimize the operating efficiency and increase the safety of the Water Plants by completing maintenance service projects (MSP) relating to rehabilitation, replacements, and optimizations of HVAC Systems, roofs, electrical and fire systems, and other vertical assets existing at the South and North County Regional Water Treatment Plant (SCRWTP & NCRWTP). This will enhance the utilization and life cycle expectancy of the SCRWTP and NCRWTP by maintaining the Plants in satisfactory operating condition by providing systematic inspection, detection, and correction of incipient failures either before they occur or before they develop into major defects. Planned FY19 projects include preventive maintenance inspections of both Water Plant assets, roof replacements and LED lighting at both Water Plants. Method: Fixed term services contracts and/or competitive construction bids. End State: An enhanced and fully compliant SCRWTP and NCRWTP that will ensure safety for employees, and extend the life cycle of the Plants and its vertical assets.

Line No.	Project No.	Project Name	Description
19	70121	Utility Billing Customer Serv Software	Purpose: Purchase a new billing and customer service software system for water/sewer/IQ base and usage charges, pretreatment monthly and application fees, miscellaneous billing for meter tapping, miscellaneous billing for damage to CCWSD assets, capital special assessment for water/sewer and miscellaneous billing for financed impact fees. This software system will replace the legacy Harris ICIS water/sewer billing system, the SAP miscellaneous billing system, and the current capital module within the legacy Special Assessment System. Method: Through RFP and competitive procurement and fixed term contracts. End State: Comprehensive integrated GIS based billing system across all product lines.
20	70123	Naples Park Water Main Replacement	Purpose: A multi-year program (FY2017-22) that provides replacement of water distribution asbestos-cement (AC) pipe in Naples Park that has reached the end of its useful life. The program installs fire hydrants, water mains and other appurtenances that improve fire protection and water quality. Replacement rate is approximately 2 miles per year. Method: Utilize RFPs for design and competitive bidding for installation. End State: Sustain compliance and meet demand with reliability through continued proactive maintenance and replacement of the water distribution system assets.
21	70131	Large Meters Renewal & Replacement	Purpose: Remove and replace 20 large meters as part of a multi-year program to replace water meters that have reached the end of their useful life. There are approximately 600 large meters in the system that record water usage, and are thus the source of revenue for the utility. All meters three inch and larger are tested and calibrated annually with replacements scheduled on a rotating basis. In general, this project replaces large water meters that have reached the end of their useful life, and meters that have been identified during the meter audit program as being non-compliant. Method: Fixed term contracts for purchases and replacements with a portion of installation by staff. End State: Remain in compliance with Florida Administrative Code 62-555, Ordinance 201-73, and sustain an accurate measurement of customer water usage for accurate billing.
22	70135	SCRWTP Reactor #4	Purpose: Design and permit new reactor #4 for the lime softening treatment process at the South County Regional Water Treatment Plant utilizing technology improvements that have occurred since the initial plant design in the early 1980's. Method: Through Fixed-term contracts. End State: Meet demand and remain in compliance, achieve energy efficiencies, and maintain reliability.
23	70136	SCRWTP Capital TSP	Purpose: Provide annual Technical Support Program (TSP) funding for safety related projects, repairs and modifications needed to meet demand and to remain in compliance at the South County Regional Water Treatment Plant (SCRWTP). This facility has been producing over 5 billion gallons of treated water annually. The major pieces of equipment needed to be kept operational are: 8 cartridge filters, 5 transfer/blend pumps, 10 high service pumps, 10 treatment skids, 8 degasification towers, 4 odor control trains, 6 generator sets, 3 lime reactors, 6 media filters, sludge thickener and belt press. This is a multi-year program that addresses ongoing prioritized needs. Method: Fixed-term contracts and competitive bids. End State: Meet demand, maintain reliability, ensure safety of plant staff, and remain in compliance.
24	70167	PUD Operations/Collection Center	Purpose: To locate, design, and permit a centrally located, industrial or commercial zoned, replacement facility for the Water & Wastewater Division Operations groups. Method: The new facility will contain administrative offices, repair workshops, generator storage/testing facilities, SCADA operations center, SCADA Tower facility, employee common areas (locker rooms, break rooms, work spaces), equipment storage, employee and county vehicle parking. End State: To meet current compliance and vertical standards.
25	70179	Orangetree HSP & Chloramine Systems	Purpose: A multi-year Capital Project Program that provides for replacement of aging high service pump systems that have reached the end of their useful life in the former Orangetree Utility. Method: Utilize existing fixed-term underground and electrical contracts or competitive bidding for installation and fixed-term engineering services contracts for design.
27	70189	Cyber Security SCADA	Purpose: Implement heightened security measures on stand-alone SCADA systems to prevent accidental or malicious loss through cyber threats such as network intrusion and hacking that could directly impact operations. Evaluate and prioritize mitigation to resolve risk and exposure to maintain compliance with Department of Homeland Security requirements for public water supply systems and sustainability of existing levels of service. Method: Fixed-term contracts. End State: Compliant and secure infrastructure.
28	70196	Tamiami Wellfield-Two Wells	Purpose: Construct two new Tamiami raw water wells, piping electrical and all appurtenances. Several of the existing Tamiami wells have decreased yield and need to be replaced to meet demand and remain in compliance. Method: Fixed-term contracts. End State: Meet demand and remain in compliance, maintain production capabilities and reliability.
29	70197	Old Lely AC Pipe Replacement	Purpose: A multi-year program (FY2023-24) that provides replacement of water distribution asbestos-cement (AC) pipe in Old Lely that has reached the end of its useful life. The program installs fire hydrants, water mains and other appurtenances that improve fire protection and water quality. Method: Utilize RFPs for design and competitive bidding for installation. End State: Sustain compliance and meet demand with reliability through continued proactive maintenance and replacement of the water distribution system assets.
30	70202	Collier County Utility Standards	Purpose: Utilize design consultants to provide independent peer review of specific Collier County Water-Sewer District infrastructure detail drawings based on input and feedback from County staff and specific advisory committees. The Board of County Commissioners annually approves the Utility Standards Manual update. Method: Meet with the Utilities Discussion Group and Public Utilities Operating Divisions to update the Utility Standards Manual. End State: That the Utility Standards Manual, as the Public Utilities principal technical guidance document, ensures that all utility-related construction meets county standards, that consistency is maintained, and that the utility continues to stay compliant with all state and federal regulations.
31	71009	Water Security Systems	Purpose: Multi-year program to provide both physical and virtual protection of assets of our critical infrastructure that are imbedded in critical compliance-driven operations, including physical access points such as gates, fences, card access and recording devices, as well as cyber threats such as network intrusion and cyber hacking that could directly impact operations. Evaluate and prioritize mitigation to resolve risk and exposure to maintain compliance with Department of Homeland Security requirements for public water supply systems and sustainability of existing levels of service. Planned FY19 projects include replacement and addition of cameras, perimeter fencing improvements and card access in critical infrastructure throughout the Water Division. In addition, the current PELCO Endura CCTV is coming up on its end of life along with the JCI P2000 access control platform. With the development of Converged Security Information Management (CSIM) the aging end of life platforms can in fact be integrated allowing better overall security for real-time feedback and situational awareness. Method: Internal resources and through fixed-term contracts. End State: Compliant and secure infrastructure.

Line No.	Project No.	Project Name	Description
32	71010	Distribution System TSP	Purpose: A multi-year Technical Support Program (TSP) that provides repair of aging water distribution system assets that have failed throughout the installed based of approximately 960 miles of water piping. Method: Utilize existing fixed-term underground contracts or competitive bidding for installation and fixed-term engineering services contracts for design. End State: Sustain compliance and meet demand with reliability through continued proactive maintenance and replacement of the water distribution system assets.
34	71055	NCRWTP SCADA Support Operating	Purpose: Restore and rehabilitate the supervisory control and data acquisition (SCADA) systems for the North County Regional Water Treatment Plant (NCRWTP) through a multi-year Technical Support Program (TSP). This program eliminates obsolescence of existing programmable logic controllers (PLCs), and various instrumentation used to monitor and control plant processes and communicate throughout the plant. Includes the modernization of existing instrumentation to utilize standard protocols in support of asset management initiatives, as well as enhancing communication networks and related hardware. Primary focus of the instrumentation and communications enhancements will be on critical treatment processes. Method: Through fixed-term contracts and competitive bids. End State: Maintain compliance and reliable operation of the treatment process.
35	71056	SCADA Compliance Assurance Program- Water	Purpose: Multi-year program to acquire, manage and maintain 7 software applications, 4 licenses and 2 support agreements for Supervisory Control and Data Acquisition (SCADA) systems used throughout the Water Division. Method: Through fixed-term contracts and competitive bids. End State: All critical control systems are maintained, compliant and secure to facilitate continued production of quality products.
36	71057	Membrane Treatment	Purpose: Increase the efficiency and the recovery rate of the Water Treatment Plant Reverse Osmosis (RO) and Nanofiltration (Nano) treatment units, replace membranes that are beyond their useful life, and maintain existing piping components. The project includes a coordinated design of membrane filters that are optimized with piping and pump redesign as needed to remain in regulatory compliance and improve the recovery rate of the treatment process. Method: Utilize existing fixed-term contracts for design, plant staff for membrane replacement, and contract out construction through competitive procurements. End State: Optimized RO and Nano treatment processes that achieve energy efficiencies and stay within water quality compliance parameters.
37	71058	General Legal Services	Purpose: Obtain expert legal counsel for water, wastewater, and reuse issues. Provide appropriate legal representation for various complex or specialized water and wastewater related matters to stay in compliance. Method: Issue work orders under a competitive agreement for legal services for complex or specialized legal tasks. End State: Provide appropriate legal representation for various complex or specialized water and wastewater related matters to stay in compliance.
38	71063	Variable Frequency Drives Replacement	Purpose: Systematically replace obsolete variable frequency drives (VFDs) at the Water Plants and secondary stations. For FY19, the fourth of four phases of VFD replacements at the South County Regional Water Treatment Plant will take place. Method: Through fixed-term contracts and competitive bids. End State: Meet demand and remain in compliance, achieve energy efficiencies, and maintain reliability.
39	71065	SCRWTP Operating TSP	Purpose: Provide annual Technical Support Program (TSP) funding for safety related projects, repairs and modifications needed to meet demand and to remain in compliance at the South County Regional Water Treatment Plant (SCRWTP). This facility has been producing approximately 5 billion gallons of treated water annually. The major pieces of equipment needed to be kept operational are: 8 cartridge filters, 5 transfer/blend pumps, 10 high service pumps, 10 treatment skids, 8 degasification towers, 4 odor control trains, 6 generator sets, 3 lime reactors, 6 media filters, sludge thickener and belt press. Projects planned for FY19 include the replacement of chemical feed lines and components, check valves, valves, pumps and piping appurtenances, conduits and wiring, waterproofing of various chemical storage tanks and impoundment areas, repair and/or replacement of odor control pumps and components, site improvements repair, and safety-driven projects. This is a multi-year program that addresses ongoing prioritized needs. Method: Fixed-term contracts and competitive bids. End State: Meet demand, maintain reliability, ensure safety of plant staff, and remain in compliance.
40	71066	NCRWTP Operating TSP	Purpose: This is a multi-year program that addresses prioritized needs. It provides annual Technical Support Program funding for safety related projects, repairs and modifications needed to meet demand and to remain in compliance at the North County Regional Water Treatment Plant. This facility has been producing approximately 4 billion gallons of treated water annually. The major pieces of equipment needed to be kept operational are: 8 cartridge filters, 6 transfer pumps, 6 high service pumps, 10 treatment skids, 3 concentrate wet well pumps, 4 degasification and odor control trains, and 4 generator sets. Projects in FY19 include the replacement of various piping elements, valves, meters, pumps and other components, chemical process replacement, weatherproofing, rust proofing, corrosion control and coatings, material storage areas, and safety-driven projects. Method: Fixed-term contracts and competitive bids. End State: Meet demand, maintain reliability, ensure safety of plant staff, and remain in compliance.
41	71067	Distribution Repump Station TSP	Purpose: This is a multi-year program that addresses prioritized needs. It provides annual Technical Support Program funding for repairs and modifications to the secondary water distribution stations to meet demand and to remain in compliance. These stations include the following booster stations and storage tanks: Carica, Manatee, Isles of Capri, RWBPS, Goodland and Vanderbilt. FY19 projects include Carica pumps & pump appurtenances rehab or possible replacement, Manatee pumps & pump appurtenances replacement and Carica VFD replacements. Method: Fixed-term contracts and competitive bids. End State: Meet demand, remain in compliance and maintain reliability and safety.
42	74310	State Revolving Loan Funding	Purpose: Administer the loan contracts with Florida Department of Environmental Protection (FDEP) for the lowest cost source of external funding - State Revolving Fund (SRF) loans. Method: Work with external loan administrator to assess the availability, administration, and closeout of SRF loans. End State: A financially viable utility through prudent administration of external funding.
43	75005	Wellfield Program	Purpose: This is a multi-year program that will be needed throughout the life of the wells which provides consultant engineering support to assist in the monitoring of the aquifer conditions in the existing wellfields (the Tamiami, the North Reverse Osmosis, and the South Reverse Osmosis, with a total of 102 production wells and 24 monitoring wells in the system), and planning for future wellfields. This program provides assistance with review of regulatory changes to water withdrawal permits, regulatory reporting, permit modification and renewal, and hydrogeological expertise and support. The Wellfield Management Program also provides engineering design for necessary repairs and rehab projects to maintain a reliable and sustainable raw water supply. Method: Through the existing wellfield contract. End State: Ensure sustainable aquifer yield while planning for future system demand.

Line No.	Project No.	Project Name	Description
44	75017	PUD Hydraulic Modeling	Purpose: Provide hydraulic evaluation and analysis of all water, wastewater and irrigation quality water infrastructure. Hydraulic models are used to verify availability for Planned Unit Developments, concurrency, and master planning. Models are also used by operations to predict pressures, flow rates, and water quality under varying conditions. These data points are essential for determining the appropriate emergency response in the event of pipe breakage. Flows can be modeled and redirected with minimum disruption to the community. Hydraulic analysis will identify opportunities for cost-savings resulting from pump station operations, diurnal curve management, pressure management, and pipe sizing. For FY19 the plan is to update the model, synchronize the model to GIS, evaluate scenarios and develop operating criteria and strategies based on system growth. Method: Fixed-term contracts. End State: Maintained compliance and operations through this current year execution of a multi-year program.
45	75018	Financial Services	Purpose: Utilize outside consultants to prepare feasibility reports, perform rate studies, asset valuations, and acquisitions. Method: Utilize a financial consultant to perform these required studies. The external consultants are utilized in situations where an independent perspective is required or specialized financial analysis is needed. End State: Provide independent financial assessments to aid in business decision-making.
46	75019	GM Comprehensive Planning Technical Support	Purpose: Utilize consultants to assist in addressing changes to key documents and data used to prepare the following: the Utilities portion of the Annual Update and Inventory Report (AUIR), updates to the Growth Management Plan (GMP), Evaluation and Appraisal Report (EAR) of the Growth Management Plan, and updates to the Land Development Code (LDC) to ensure sustained compliance within the CCWSD. Method: Engage consultants to provide professional services. End State: The Annual Update and Inventory Report, Evaluation and Appraisal Report of the Growth Management Plan, and updates to the Land Development Code and Growth Management Plan will be forwarded to Growth Management Division's Comprehensive Planning Section for coordination of the approval process through the Board of County Commissioners.
47	70174	Distribution Capital Projects (To be identified)	Purpose: This is a multi-year program (FY2019-27) that addresses future prioritized needs generated by unforeseen conditions. Provides funding for the replacement of water distribution system assets that have reached the end of their useful life and the installation of fire hydrants and water mains that improve fire protection and water quality. Out of the 960 miles of water piping, this program focuses on asbestos-concrete pipe, iron water mains identified as having excessive corrosion, and PVC piping with excessive breaks. Method: Fixed-term contracts and competitive bids. End State: Meet demand, remain in compliance and maintain reliability and safety.
48	70192	Palm River AC Pipe Replacement	Purpose: A multi-year program starting in FY2027 that provides replacement of water distribution asbestos-cement (AC) pipe in Palm River that has reached the end of its useful life. The program installs fire hydrants, water mains and other appurtenances that improve fire protection and water quality. Method: Utilize RFPs for design and competitive bidding for installation. End State: Sustain compliance and meet demand with reliability through continued proactive maintenance and replacement of the water distribution system assets.
49	70222	Golden Gate City Utility Compliance	Purpose: This is a multi-year program that restores, rehabilitates and replaces potable water mains within the newly acquired Golden Gate City Utility service area to maintain compliance and to meet operational needs. Program goals include replacement of asbestos-cement pipe and fire hydrants on a prioritized basis. Method: Fixed-term contracts and competitive bids. End State: Maintain compliance and meet operational demands throughout the gravity system.
New 412 Water Projects			
14	70104	Water Plant Compliance Assurance	Purpose: This Compliance Assurance Project (CAP) provides needed process improvements at both the SCRWTP and the NCRWTP required to remain in compliance with local, state or federal regulations. For FY19 the plan is to develop 30 % conceptual design for a variable TDS treatment system for the NCRWTP and make necessary modifications for the back-up generators at the SCRWTP and the NCRWTP in order to meet RICE NESHAP compliance. Method: Utilize fixed-term contracts or RFP for design and study services for the various projects. Bid for construction in conformance with County Purchasing Policy. End State: Maintain compliance and meeting demand throughout the water system.
50	70129	VBR WM Replacement-Apt. to US41	
26	70185	YMCA Road AC WM Replacement	Purpose: This project is part of a multiyear program that addresses the abandonment and/or removal of asbestos cement (AC) pipe in the County's distribution system. This project will partially abandon and partially remove the existing AC pipe feeding the YMCA facility in the vicinity of Airport Pulling Road and Pine Ridge Road and replace it with PVC pipe. Method: Fixed-term contracts and competitive bids. End State: Meet demand, remain in compliance and maintain reliability and safety.
51	70104	Variable TDS Treatment Bridge-the-Gap	Purpose: Modify the existing low pressure reverse osmosis treatment process as required to treat variable TDS from 3,000 to 20,000 mg/l. Method: Develop a 30% design as basis for a future design-build contract with timing dictated by wellfield conditions. End State: Maintain production capabilities and meet customer demand.
52	WNEW	SCRWTP Odor Control	Purpose: Construct a new odor control system at the South County Regional Water Treatment Plant (SCRWTP). The foul air stream that is removed from the raw water in the degasifiers is sent to the odor control system where hydrogen sulphide is removed before the air stream is discharged to the atmosphere. Method: Fixed-term contracts and competitive bids. End State: Meet demand, maintain reliability, ensure safety of plant staff, and remain in compliance.
53	WNEW	Equip NRO Well 118	Purpose: To equip an existing drilled well with the piping, electrical and control infrastructure necessary to result in a fully operating well. Method: Fixed-term contract. End State: A fully functional well that will offer redundancy to the wellfield's ability to meet customer demand and plant production capability.
54	WNEW	Equip NRO Well 120	Purpose: To equip an existing drilled well with the piping, electrical and control infrastructure necessary to result in a fully operating well. Method: Fixed-term contract. End State: A fully functional well that will offer redundancy to the wellfield's ability to meet customer demand and plant production capability.
55	WNEW	Rehabilitate Two Tamiami Wells	Purpose: Provide annual Technical Support Program (TSP) funding for repairs and modifications of two wells in the Tamiami well field needed to meet demand and to remain in compliance. Projects include ongoing restoration and rehab to maintain water production capabilities. Rehab may include well pump replacement, casing and tubing replacement, metering, electrical and mechanical rehab. Method: Fixed-term contracts and competitive bids. End State: Meet demand and remain in compliance, maintain production capabilities and reliability.
56	WNEW	NCRWTP Generators 1 & 4	Purpose: Replace Generators 1 & 4 which will have reached the end of their useful life. Method: Fixed-term contract. End State: Continued reliable plant emergency power supply and compliance.

Line No.	Project No.	Project Name	Description
57	WNEW	Interim NE Potable Water Pump Station*	Purpose: Construct a potable water pump station with chemical treatment to distribute water from the regional system to Hyde Park, Rural Lands West, Immokalee Road Rural Village and Hogan Island Village to be online in 2020. Method: Design-Build RFP starting in FY2019. End State: Sufficient potable water treatment capacity to reliably meet projected demand.

TABLE 8-2
COLLIER COUNTY GOVERNMENT
PUBLIC UTILITIES ENGINEERING AND PROJECT MANAGEMENT DIVISION
2019 WATER 10-YEAR CIP PLAN UPDATE

CAPITAL IMPROVEMENT PROJECTS FY 2019-2023
POTABLE WATER

Line No.	Project No.	Project Name	Op/ Cap	Type	FY 2019 Proposed	FY 2020	FY 2021	FY 2022	FY 2023	Summary FY 2019-2023
Existing 411 Water Projects										
1	31411	Fund 411 Operating Project - Imp. Fee Refunds	Op	Fin Ops	$ 50,000	$ -	$ -	$ -	$ -	$ 50,000
2	70194	NERWTP First Phase (5 MGD) online by 2028	Cap	Treat	$ -	$ -	$ -	$ -	$ -	$ -
New 411 Water Projects										
3	WNEW	NE Water Storage Tank and Potable Water Transmission Mains*	Cap	In-Gnd	$ 39,122,000	$ -	$ -	$ -	$ -	$ 39,122,000
4	WNEW	Golden Gate City Utility Phase 2 (Expand Distrib)	Cap	In-Gnd	$ -	$ -	$ 5,000,000	$ -	$ 5,000,000	$ 10,000,000
TOTAL FUND 411 WATER Projects					**$ 39,172,000**	**$ -**	**$ 5,000,000**	**$ -**	**$ 5,000,000**	**$ 49,172,000**
Existing 412 Water Projects										
1	50105	Integrated Asset Management Program	Op	Plan	$ 604,700	$ 700,000	$ 500,000	$ 500,000	$ 500,000	$ 2,804,700
2	70010	Water Meter Renewal and Replacement Program	Op	In-Gnd	$ 1,500,700	$ 400,000	$ 300,000	$ 300,000	$ 300,000	$ 2,800,700
3	70014	Real Property/Infrastructure Audit	Op	Plan	$ 50,000	$ 50,000	$ 50,000	$ 50,000	$ 50,000	$ 250,000
4	70019	Cross Connections Program	Op	In-Gnd	$ 200,000	$ 890,000	$ 285,000	$ 500,000	$ 500,000	$ 2,375,000
5	70023	Fire Hydrants Replacement	Op	In-Gnd	$ 300,000	$ 300,000	$ 300,000	$ 600,000	$ 300,000	$ 1,800,000
6	70031	Utility Master Plan	Op	Plan	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 500,000
7	70034	Water Plant Concrete Structure Rehabiliatation	Op	Treat	$ -	$ 250,000	$ 200,000	$ 225,000	$ 250,000	$ 925,000
8	70045	FDOT Utility Construction Projects - W	Op	In-Gnd	$ 50,000	$ 250,000	$ 1,500,000	$ 150,000	$ 1,500,000	$ 3,450,000
9	70071	Countywide Utility Projects - Water	Op	In-Gnd	$ 50,000	$ 250,000	$ 150,000	$ 150,000	$ 150,000	$ 750,000
10	70084	Wellfield SCADA Support Operating	Op	SCADA	$ 150,000	$ 250,000	$ 300,000	$ 300,000	$ 300,000	$ 1,300,000
11	70085	Wellfield/Raw Water Booster Station Op TSP	Op	In-Gnd	$ 200,000	$ 1,000,000	$ 1,000,000	$ 3,000,000	$ 1,000,000	$ 6,200,000
12	70088	SCRWTP Deep Injection Well	Op	Treat	$ -	$ 100,000	$ -	$ 100,000	$ -	$ 200,000
13	70102	SCRWTP SCADA Support Operating	Op	SCADA	$ 175,000	$ 300,000	$ 250,000	$ 300,000	$ 300,000	$ 1,325,000
14	70104	Water Plant Compliance Assurance	Cap	Treat	$ 1,000,000	$ -	$ -	$ -	$ -	$ 1,000,000
15	70109	Lime Treatment TSP	Op	Treat	$ 100,000	$ 500,000	$ 100,000	$ 3,000,000	$ 200,000	$ 3,900,000
16	70113	Fac Infrastructure Main Water	Op	SHW	$ 400,000	$ 425,000	$ 465,000	$ 440,000	$ 420,000	$ 2,150,000
17	70114	Infrastructure TSP Field Ops-Water	Op	SHW	$ 250,000	$ 250,000	$ 250,000	$ 260,000	$ 240,000	$ 1,250,000
18	70118	Infrastructure TSP -Water Plants	Op	SHW	$ 500,000	$ 500,000	$ 500,000	$ 490,000	$ 470,000	$ 2,460,000
19	70121	Utility Billing Customer Serv Software	Op	Fin Ops	$ -	$ -	$ -	$ -	$ -	$ -
20	70123	Naples Park Water Main Replacement	Cap	In-Gnd	$ -	$ 8,000,000	$ 4,000,000	$ 4,000,000	$ -	$ 16,000,000
21	70131	Large Meters Renewal & Replacement	Cap	In-Gnd	$ 200,000	$ 200,000	$ 200,000	$ 200,000	$ 200,000	$ 1,000,000
22	70135	SCRWTP Reactor #4	Cap	Treat	-	$ 2,500,000	$ -	$ -	$ -	$ 2,500,000
23	70136	SCRWTP Capital TSP	Cap	Treat	$ 300,000	$ -	$ -	$ -	$ -	$ 300,000
24	70167	PUD Operations/Collection Center	Cap	SHW	$ 2,000,000	$ -	$ -	$ -	$ -	$ 2,000,000
25	70179	Orangetree HSP & Chloramine Systems	Cap	Treat	$ 600,000	$ 900,000	$ -	$ -	$ -	$ 1,500,000
26	70185	YMCA Road AC WM Replacement	Cap	In-Gnd	$ 500,000	$ -	$ -	$ -	$ -	$ 500,000
27	70189	Cyber Security SCADA	Op	SCADA	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 500,000
28	70196	Tamiami Wellfield-Two Wells	Cap	In-Gnd	$ 1,500,000	$ 1,600,000		$ -	$ -	$ 3,100,000
29	70197	Old Lely AC Pipe Replacement	Cap	In-Gnd	$ 1,500,000	$ 2,500,000	$ 2,000,000	$ 2,000,000	$ -	$ 8,000,000
30	70202	Collier County Utility Standards	Op	Plan	$ 20,000	$ 20,000	$ 20,000	$ 20,000	$ 20,000	$ 100,000

Line No.	Project No.	Project Name	Op/ Cap	Type	FY 2019 Proposed	FY 2020	FY 2021	FY 2022	FY 2023	Summary FY 2019-2023
31	71009	Water Security Systems	Op	SEC	$ 300,000	$ 700,000	$ 500,000	$ 500,000	$ 500,000	$ 2,500,000
32	71010	Distribution System TSP	Op	In-Gnd	$ 200,000	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 4,200,000
33	71047	10 Year Water Supply Plan	Op	Plan	$ -	$ 100,000	$ -	$ -	$ -	$ 100,000
34	71055	NCRWTP SCADA Support Operating	Op	SCADA	$ 200,000	$ 300,000	$ 300,000	$ 315,000	$ 315,000	$ 1,430,000
35	71056	SCADA Compliance Assurance Program- Water	Op	SCADA	$ 45,000	$ 85,000	$ 90,000	$ 95,000	$ 100,000	$ 415,000
36	71057	Membrane Treatment	Op	Treat	$ -	$ 100,000	$ -	$ 1,000,000	$ -	$ 1,100,000
37	71058	General Legal Services	Op	Plan	$ 100,000	$ 50,000	$ 50,000	$ 50,000	$ 50,000	$ 300,000
38	71063	Variable Frequency Drives Replacement	Op	Treat	$ 200,000	$ 250,000	$ 500,000	$ 250,000	$ 500,000	$ 1,700,000
39	71065	SCRWTP Operating TSP	Op	Treat	$ 200,000	$ 700,000	$ 500,000	$ 500,000	$ 500,000	$ 2,400,000
40	71066	NCRWTP Operating TSP	Op	Treat	$ 200,000	$ 500,000	$ 500,000	$ 500,000	$ 500,000	$ 2,200,000
41	71067	Distribution Repump Station TSP	Op	In-Gnd	$ 300,000	$ 300,000	$ 500,000	$ 500,000	$ 500,000	$ 2,100,000
42	74310	State Revolving Loan Funding	Op	Fin Ops	$ -	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 40,000
43	75005	Wellfield Program	Op	In-Gnd	$ 150,000	$ 150,000	$ 150,000	$ 150,000	$ 150,000	$ 750,000
44	75017	PUD Hydraulic Modeling	Op	Plan	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 500,000
45	75018	Financial Services	Op	Fin Ops	$ 100,000	$ 30,000	$ 30,000	$ 30,000	$ 100,000	$ 290,000
46	75019	GM Comprehensive Planning Technical Support	Op	Plan	$ 25,000	$ 50,000	$ 25,000	$ 25,000	$ 25,000	$ 150,000
47	70174	Distribution Capital Projects (To be identified)	Cap	In-Gnd	$ -	$ 4,000,000	$ 4,400,000	$ 1,600,000	$ 1,730,000	$ 11,730,000
48	70192	Palm River AC Pipe Replacement	Cap	In-Gnd	$ -	$ -	$ -	$ -	$ 4,400,000	$ 4,400,000
49	70222	Golden Gate City Utility Compliance	Ops	In-Gnd	$ 200,000	$ 275,000	$ 100,000	$ 100,000	$ 100,000	$ 775,000
										$ -
										$ -
New 412 Water Projects										$ -
50	70129	VBR WM Replacement-Apt. to US41	Cap	In-Gnd	-	$ 2,000,000	$ -	$ -	$ -	$ 2,000,000
51	70104	Variable TDS Treatment Bridge-the-Gap	Cap	Treat	$ -	$ -	$ -	$ -	$ 3,000,000	$ 3,000,000
52	WNEW	SCRWTP Odor Control	Cap	Treat	$ -	$ -	$ -	$ -	$ -	$ -
53	WNEW	Equip NRO Well 118	Cap	In-Gnd	$ -	$ -	$ -	$ -	$ -	$ -
54	WNEW	Equip NRO Well 120	Cap	In-Gnd	$ -	$ 750,000	$ -	$ -	$ -	$ 750,000
55	WNEW	Rehabilitate Two Tamiami Wells	Op	In-Gnd	$ -	$ -	$ -	$ -	$ -	$ -
56	WNEW	NCRWTP Generators 1 & 4	Cap	Treat	$ -	$ -	$ -	$ -	$ 1,500,000	$ 1,500,000
57	WNEW	Interim NE Potable Water Pump Station*	Cap	In-Gnd	$ 1,984,000					$ 1,984,000
TOTAL FUND 412 WATER Projects					**$ 16,654,400**	**$ 33,785,000**	**$ 21,325,000**	**$ 23,510,000**	**$ 21,980,000**	**$ 117,254,400**
TOTAL WATER PROJECTS (411 & 412)					**$ 55,826,400**	**$ 33,785,000**	**$ 26,325,000**	**$ 23,510,000**	**$ 26,980,000**	**$ 166,426,400**

Notes: Budget developed using 2019 dollars
*Not included in the FY 2019 Board-approved budget.

TABLE 8-3
COLLIER COUNTY GOVERNMENT
PUBLIC UTILITIES ENGINEERING AND PROJECT MANAGEMENT DIVISION
2019 WATER 10-YEAR CIP PLAN UPDATE

CAPITAL IMPROVEMENT PROJECTS FY 2023-2028
POTABLE WATER

Line No.	Project No.	Project Name	Op/ Cap	Type	FY 2019-2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2024-2028	Summary FY 2019-2028
Existing 411 Water Projects												
1	31411	Fund 411 Operating Project - Imp. Fee Refunds	Op	Fin Ops	$ 50,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 50,000
2	70194	NERWTP First Phase (5 MGD) online by 2028	Cap	Treat	$ -	$ -	$ 43,756,000	$ -	$ -	$ -	$ 43,756,000	$ 43,756,000
New 411 Water Projects												
3	WNEW	NE Water Storage Tank and Potable Water Transmission Mains*	Cap	In-Gnd	$ 39,122,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 39,122,000
4	WNEW	Golden Gate City Utility Phase 2 (Expand Distrib)	Cap	In-Gnd	$ 10,000,000	$ -	$ 5,000,000	$ -	$ 5,000,000	$ -	$ 10,000,000	$ 20,000,000
TOTAL FUND 411 WATER Projects					$ 49,172,000	$ -	$ 48,756,000	$ -	$ 5,000,000	$ -	$ 53,756,000	$ 102,928,000
Existing 412 Water Projects												
1	50105	Integrated Asset Management Program	Op	Plan	$ 2,804,700	$ 500,000	$ 500,000	$ 500,000	$ 500,000	$ 500,000	$ 2,500,000	$ 5,304,700
2	70010	Water Meter Renewal and Replacement Program	Op	In-Gnd	$ 2,800,700	$ 300,000	$ 300,000	$ 300,000	$ 300,000	$ 300,000	$ 1,500,000	$ 4,300,700
3	70014	Real Property/Infrastructure Audit	Op	Plan	$ 250,000	$ 50,000	$ 50,000	$ 50,000	$ 50,000	$ 50,000	$ 250,000	$ 500,000
4	70019	Cross Connections Program	Op	In-Gnd	$ 2,375,000	$ 500,000	$ 500,000	$ 500,000	$ 1,500,000	$ 1,500,000	$ 4,500,000	$ 6,875,000
5	70023	Fire Hydrants Replacement	Op	In-Gnd	$ 1,800,000	$ 300,000	$ 300,000	$ 300,000	$ 300,000	$ 300,000	$ 1,500,000	$ 3,300,000
6	70031	Utility Master Plan	Op	Plan	$ 500,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 500,000	$ 1,000,000
7	70034	Water Plant Concrete Structure Rehabiliatation	Op	Treat	$ 925,000	$ 250,000	$ 250,000	$ 250,000	$ 250,000	$ 250,000	$ 1,250,000	$ 2,175,000
8	70045	FDOT Utility Construction Projects - W	Op	In-Gnd	$ 3,450,000	$ 150,000	$ 150,000	$ 150,000	$ 150,000	$ 150,000	$ 750,000	$ 4,200,000
9	70071	Countywide Utility Projects - Water	Op	In-Gnd	$ 750,000	$ 150,000	$ 150,000	$ 150,000	$ 150,000	$ 150,000	$ 750,000	$ 1,500,000
10	70084	Wellfield SCADA Support Operating	Op	SCADA	$ 1,300,000	$ 300,000	$ 300,000	$ 300,000	$ 300,000	$ 300,000	$ 1,500,000	$ 2,800,000
11	70085	Wellfield/Raw Water Booster Station Op TSP	Op	In-Gnd	$ 6,200,000	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 5,000,000	$ 11,200,000
12	70088	SCRWTP Deep Injection Well	Op	Treat	$ 200,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 200,000
13	70102	SCRWTP SCADA Support Operating	Op	SCADA	$ 1,325,000	$ 300,000	$ 300,000	$ 300,000	$ 300,000	$ 300,000	$ 1,500,000	$ 2,825,000
14	70104	Water Plant Compliance Assurance			$ 1,000,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,000,000
15	70109	Lime Treatment TSP	Op	Treat	$ 3,900,000	$ 200,000	$ 200,000	$ 200,000	$ 200,000	$ 200,000	$ 1,000,000	$ 4,900,000
16	70113	Fac Infrastructure Main Water	Op	SHW	$ 2,150,000	$ 400,000	$ 380,000	$ 360,000	$ 340,000	$ 340,000	$ 1,820,000	$ 3,970,000
17	70114	Infrastructure TSP Field Ops-Water	Op	SHW	$ 1,250,000	$ 220,000	$ 220,000	$ 200,000	$ 200,000	$ 200,000	$ 1,040,000	$ 2,290,000
18	70118	Infrastructure TSP -Water Plants	Op	SHW	$ 2,460,000	$ 450,000	$ 420,000	$ 400,000	$ 400,000	$ 400,000	$ 2,070,000	$ 4,530,000
19	70121	Utility Billing Customer Serv Software	Op	Fin Ops	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
20	70123	Naples Park Water Main Replacement	Cap	In-Gnd	$ 16,000,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 16,000,000
21	70131	Large Meters Renewal & Replacement	Cap	In-Gnd	$ 1,000,000	$ 200,000	$ 200,000	$ 200,000	$ 200,000	$ 200,000	$ 1,000,000	$ 2,000,000
22	70135	SCRWTP Reactor #4	Cap	Treat	$ 2,500,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 2,500,000
23	70136	SCRWTP Capital TSP	Cap	Treat	$ 300,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 300,000
24	70167	PUD Operations/Collection Center	Cap	SHW	$ 2,000,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 2,000,000
25	70179	Orangetree HSP & Chloramine Systems	Cap	Treat	$ 1,500,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,500,000
26	70185	YMCA Road AC WM Replacement			$ 500,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 500,000
27	70189	Cyber Security SCADA	Op	SCADA	$ 500,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 500,000	$ 1,000,000
28	70196	Tamiami Wellfield-Two Wells	Cap	In-Gnd	$ 3,100,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 3,100,000
29	70197	Old Lely AC Pipe Replacement	Cap	In-Gnd	$ 8,000,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 8,000,000
30	70202	Collier County Utility Standards	Op	Plan	$ 100,000	$ 20,000	$ 20,000	$ 20,000	$ 20,000	$ 20,000	$ 100,000	$ 200,000

Line No.	Project No.	Project Name	Op/ Cap	Type	FY 2019-2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2024-2028	Summary FY 2019-2028
31	71009	Water Security Systems	Op	SEC	$ 2,500,000	$ 500,000	$ 500,000	$ 500,000	$ 500,000	$ 500,000	$ 2,500,000	$ 5,000,000
32	71010	Distribution System TSP	Op	In-Gnd	$ 4,200,000	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 5,000,000	$ 9,200,000
33	71047	10 Year Water Supply Plan	Op	Plan	$ 100,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 100,000
34	71055	NCRWTP SCADA Support Operating	Op	SCADA	$ 1,430,000	$ 315,000	$ 315,000	$ 315,000	$ 315,000	$ 315,000	$ 1,575,000	$ 3,005,000
35	71056	SCADA Compliance Assurance Program- Water	Op	SCADA	$ 415,000	$ 105,000	$ 105,000	$ 105,000	$ 105,000	$ 105,000	$ 525,000	$ 940,000
36	71057	Membrane Treatment	Op	Treat	$ 1,100,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,100,000
37	71058	General Legal Services	Op	Plan	$ 300,000	$ 50,000	$ 50,000	$ 50,000	$ 50,000	$ 50,000	$ 250,000	$ 550,000
38	71063	Variable Frequency Drives Replacement	Op	Treat	$ 1,700,000	$ 250,000	$ 250,000	$ 250,000	$ 250,000	$ 250,000	$ 1,250,000	$ 2,950,000
39	71065	SCRWTP Operating TSP	Op	Treat	$ 2,400,000	$ 500,000	$ 500,000	$ 500,000	$ 500,000	$ 500,000	$ 2,500,000	$ 4,900,000
40	71066	NCRWTP Operating TSP	Op	Treat	$ 2,200,000	$ 500,000	$ 500,000	$ 500,000	$ 500,000	$ 500,000	$ 2,500,000	$ 4,700,000
41	71067	Distribution Repump Station TSP	Op	In-Gnd	$ 2,100,000	$ 500,000	$ 500,000	$ 500,000	$ 500,000	$ 500,000	$ 2,500,000	$ 4,600,000
42	74310	State Revolving Loan Funding	Op	Fin Ops	$ 40,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 50,000	$ 90,000
43	75005	Wellfield Program	Op	In-Gnd	$ 750,000	$ 150,000	$ 150,000	$ 150,000	$ 150,000	$ 150,000	$ 750,000	$ 1,500,000
44	75017	PUD Hydraulic Modeling	Op	Plan	$ 500,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 500,000	$ 1,000,000
45	75018	Financial Services	Op	Fin Ops	$ 290,000	$ 30,000	$ 30,000	$ 30,000	$ 30,000	$ 30,000	$ 150,000	$ 440,000
46	75019	GM Comprehensive Planning Technical Support	Op	Plan	$ 150,000	$ 25,000	$ 25,000	$ 25,000	$ 25,000	$ 25,000	$ 125,000	$ 275,000
47	70174	Distribution Capital Projects (To be identified)	Cap	In-Gnd	$ 11,730,000	$ 2,300,000	$ 3,180,000	$ 3,300,000	$ 7,000,000	$ 13,000,000	$ 28,780,000	$ 40,510,000
48	70192	Palm River AC Pipe Replacement	Cap	In-Gnd	$ 4,400,000	$ 4,700,000	$ -	$ -	$ 6,000,000	$ -	$ 10,700,000	$ 15,100,000
49	70222	Golden Gate City Utility Compliance	Ops	In-Gnd	$ 775,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 500,000	$ 1,275,000
					$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
					$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
New 412 Water Projects					$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
50	70129	VBR WM Replacement-Apt. to US41			$ 2,000,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 2,000,000
51	70104	Variable TDS Treatment Bridge-the-Gap	Cap	Treat	$ 3,000,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 3,000,000
52	WNEW	SCRWTP Odor Control	Cap	Treat	$ -	$ 5,000,000	$ 5,000,000	$ 5,000,000	$ -	$ -	$ 15,000,000	$ 15,000,000
53	WNEW	Equip NRO Well 118	Cap	In-Gnd	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
54	WNEW	Equip NRO Well 120	Cap	In-Gnd	$ 750,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 750,000
55	WNEW	Rehabilitate Two Tamiami Wells	Op	In-Gnd	$ -	$ 750,000	$ -	$ -	$ -	$ -	$ 750,000	$ 750,000
56	WNEW	NCRWTP Generators 1 & 4	Cap	Treat	$ 1,500,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,500,000
57	WNEW	Interim NE Potable Water Pump Station*	Cap	In-Gnd	$ 1,984,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,984,000
TOTAL FUND 412 WATER Projects					**$ 117,254,400**	**$ 22,375,000**	**$ 17,755,000**	**$ 17,815,000**	**$ 23,495,000**	**$ 23,495,000**	**$ 104,935,000**	**$ 222,189,400**
TOTAL WATER PROJECTS (411 & 412)					**$ 166,426,400**	**$ 22,375,000**	**$ 66,511,000**	**$ 17,815,000**	**$ 28,495,000**	**$ 23,495,000**	**$ 158,691,000**	**$ 325,117,400**

Notes:

TABLE 8-1
COLLIER COUNTY GOVERNMENT
PUBLIC UTILITY ENGINEERING AND PROJECT MANAGEMENT DIVISION
2019 WASTEWATER 10-YEAR CIP PLAN UPDATE

CAPITAL IMPROVEMENT PROJECTS 2019-2023
WASTEWATER (NON-IQ) AND IRRIGATION QUALITY (IQ) WATER

Line No.	Project No.	Project Name	Description
Existing 413 Wastewater Projects			
1	31411	Fund 413 Operating Project - Imp. Fee Refunds	NA
2	70194	NEWRF First Phase (4 MGD) online by 2025	Purpose: Update design for technology and construct the first phase (4 MGD) of the NEWRF to accommodate population increase to be online by 2025. Method: CMAR starting in FY2022. End State: Sufficient wastewater treatment capacity to reliably meet projected demand.
New 413 Wastewater Projects			
3	WWNEW	NE Wastewater Transmission Mains	Purpose: Construct wastewater transmission mains to NE developments to facilitate connection to the interim NE WWTP to be online in 2020. Method: Design-Build RFP starting in FY2019. End State: Sufficient wastewater treatment capacity to reliably meet projected demand.
Existing 413 Irrigation Quality Water Projects			
4	WWNEW	Placeholder	NA
New 413 Irrigation Quality Water Projects			
5	WWNEW	IQ Expansion/Business Plan	Purpose: Design and construct expanded distribution of irrigation quality (IQ) water given the additional capacity afforded by the ASR being fully on-line and additional suplemental well capacity to accomodate demand. Method: Permitting and design through RFP and construction through a competitive bidding process. End State: Sufficient wastewater treatment capacity to reliably meet projected demand.
Existing 414 Wastewater (Non-IQ) Projects			
1	50105	Integrated Asset Management	Purpose: Implement an Enterprise-wide Integrated Asset Management Program within the Public Utilities Department (PUD) to more cost-effectively manage PUD assets. This multiyear program has three phases. Phase One (PUD pilot) is complete. Phase Two (RFP solicitation and vendor selection) is complete. Phase Three is in progress and is focused on implementation and integration of the selected Cityworks software application with existing Agency wide systems of GIS, SAP, SCADA and many interdivisional processes including procurement and finance spanning five full scale implementation projects (FSIP) . Cityworks go-live occurred in May 2016 for FSIP 1, 2, & 3, and FSIP 5 went live in June 2017. Technical Support is anticipated to continue into FY19. Method: Through competitive Request for Proposal process. End State: A tangible GIS-based asset and work management system to guide predictive and preventative maintenance and consistent sustainable work practices that occur in a systematic manner, at less cost, and with less operational impact versus catastrophic failure.
2	50110	Biosolids Reuse Facility	Purpose: Plan, design and construct facilities to include processing, treatment, and reuse of biosolids from regional wastewater treatment plants in a beneficial and cost-effective way. Potential options include: bio-reactor; bio-gas to energy production; drying and pelletizing. FY18 focus will be on construction of the access road and utilities to service the facility. Method: Fixed term contracts, RFP and competitive bids. End State: Maintain compliance and improve program performance in the management, disposition and use of biosolids, consistent with the no-odor policy in a cost-effective manner.
3	70014	Real Property/Infrastructure Audit	Purpose: Ensure that all Collier County Water-Sewer District assets are located within County Utility Easements. Where this is not the case, the County does not have the legal right to construct projects or perform maintenance required to remain in compliance and to serve the District's customers. Method: Coordinate with appropriate divisions to verify asset locations in existing geographical information system (GIS) layers. Coordinate with Real Property Management to locate easement interest documents, upload into the document management system (DMS), and plot locations in GIS. Compare easement interests with asset locations on GIS to determine if additional easements are required. End State: Confirm all assets reside within appropriate easements, and obtain additional easements where needed.
4	70031	Utilities Master Plan	Purpose: Utilize consultants to assist with updates to the Utilities Master Plan, including coordination with the rate study program, and the annual CIP update aimed at responsible system growth, maintenance and preservation. Method: Utilization of RFP and existing fixed term contracts; retain a qualified consultant to prepare and update master plans, rate study collaboration and CIP validation. End State: The Master Plans, CIP and rate study will remain concurrent with the latest population trends concurrent with GMD Comprehensive Planning guidance and the needs of all Public Utilities Operating Divisions.
5	70043	Gravity Sewers TSP CAP	Purpose: This is a multi-year program that restores, rehabilitates and replaces aging wastewater gravity sewers within the Collier County Water-Sewer District network of more than 685 miles of pipe and approximately 16,400 manholes through a Technical Support Program (TSP) to maintain compliance and to meet operational needs. Program goals include the minimization of infiltration and inflow of storm and ground water into the wastewater collections system by restoring or replacing manholes and lining or replacing underground pipes and service laterals, including the renewal of pipe and manholes per year on a prioritized basis. Wastewater Basin Analyses are performed to evaluate existing conditions, assess condition of wastewater assets, identify system deficiencies, and recommend collection system improvements on a bundled basis. Method: Fixed-term contracts and competitive bids. End State: Maintain compliance and meet operational demands throughout the gravity system.
6	70044	Force Main Improvements Cap	Purpose: This is a multi-year program that restores, rehabilitates or replaces aging wastewater force mains and install new force mains within the Collier County Water-Sewer District network consisting of 409 miles of pipe and more than 1,200 air release valves through a Technical Support Program (TSP) to maintain compliance and meet operational needs. Wastewater air-release valves are being rehabilitated to reduce the potential for sanitary sewer overflows (SSOs), to eliminate confined space access issues, to decrease maintenance costs and to provide a safe working environment for wastewater collections maintenance staff. The renewal of piping and air release valves are on a prioritized basis. Method: Fixed-term contracts and competitive bids. End State: Maintain compliance and meet operational demands throughout the force main system.

Line No.	Project No.	Project Name	Description
7	70046	Wastewater Pump Station TSP	Purpose: Capital restoration, rehabilitation, installation and/or relocation of high-priority pump stations and community pump stations within the installed-base of more than 800 locations. This is a multi-year Technical Support Program (TSP) that includes the renewal of multiple pump stations each year, including mechanical, electrical, and structural components such as pumps, motors, pipes, valves, wet wells, odor control, electrical controls, containment, structures, lighting, and fencing. Method: Fixed-term contracts and competitive bids. End State: Maintain compliance and meet operational demands of wastewater pump stations.
8	70050	Master Pump Stations TSP Cap	Purpose: Capital restoration, rehabilitation, installation and/or relocation of high-priority wastewater master pump stations within the installed-base of 22 locations through a Technical Support Program (TSP) to maintain compliance and meet operational needs. FY18 focus is on MPS 301. Rehabilitations include mechanical, electrical, and structural components such as pumps, motors, pipes, wet wells, odor control, containment, structures, lighting, and fencing. Method: Fixed-term contracts and competitive bids. End State: Maintain compliance and meet operational demands of wastewater master pump stations.
9	70051	Wastewater Collection Power System Cap	Purpose: Restore and rehabilitate electrical power systems through a Technical Support Program (TSP) for more than 800 pump stations to maintain compliance for routine operations and meet operational needs. Strategically placed generators and/or diesel engine pumps at approximately 80 additional locations are required to maintain compliance and provide service during storm events and power failures to critical facilities and near environmentally sensitive regions. These critical facilities provide service to hospitals, nursing homes, and shelters. Method: Utilize fixed-term engineering design and fixed term construction contracts and competitive bids. End State: Maintain compliance and meet operational demands. Ensure reliable operations and compliance during power outages.
10	70053	NCWRF Power System TSP	Purpose: This is a multi-year Capital Technical Support Program (TSP) to replace electrical power systems that have reached the end of their useful life at the North County Water Reclamation Facility (NCWRF). This program will support and maintain the Modified Ludzack-Ettinger (MLE) and Orbal treatment processes where there are 15 motor control centers (MCCs), 350 circuit breakers, 21 transformers, 30 motors, 30 variable frequency drives (VFDs) and soft-starters, 17 distribution panels and 6 generator sets with automatic transfer switches. FY18 projects include replacing or rehabilitating VFDs, replacing worn circuit breakers, rebuilding generator sets and renovating generator enclosures. Method: Fixed-term contracts and competitive bids. End State: Maintain compliance, meet demand, achieve energy efficiencies, and sustainability.
11	70055	SCWRF Power System Cap	Purpose: This is a multi-year program that will replace the electrical power systems that have reached the end of their useful life at the South County Water Reclamation Facility (SCWRF) through a Capital Technical Support Program (TSP) to maintain compliance and meet operational needs. There are 14 Motor Control Centers (MCCs), 100 breakers, 10 transformers, 20 motors, 20 VFDs and soft-starters, 6 distribution panels, and 4 generator sets with automatic transfer switches. FY18 plans include the upgrade of the IQ pump station, automation of critical process control valves, clarifier motor upgrades, rehabilitation of generators and replacement of the associated 12 year old switch gear. Method: Fixed-term contracts and competitive bids. End State: Maintain compliance, meet demand, achieve energy efficiencies, and sustainability.
12	70060	NCWRF SCADA Support Operating	Purpose: This is a multi-year program to restore and rehabilitate the Supervisory Control and Data Acquisition (SCADA) systems for the North County Water Reclamation Facility (NCWRF) through a Technical Support Program (TSP) to eliminate obsolescence of existing programmable logic controllers (PLCs) and various instrumentation used to constantly monitor and control the treatment process. This program will increase reliability, sustainability, and operational efficiency. Method: Fixed-term contracts and competitive bids. End State: Maintain compliance and reliability throughout the NCWRF SCADA system.
13	70061	SCWRF SCADA Support Operating	Purpose: This is a multi-year program to restore and rehabilitate the Supervisory Control and Data Acquisition (SCADA) systems for the South County Water Reclamation Facility (SCWRF) through a Technical Support Program (TSP) to eliminate obsolescence of existing programmable logic controllers (PLCs) and various instrumentation used to constantly monitor and control the treatment process. This program will increase reliability, sustainability, and operational efficiency. Method: Fixed-term contracts and competitive bids. End State: Maintain compliance and reliability throughout the SCWRF SCADA system.
14	70103	NE Service Area-Twin Eagles Community Pump Station & Force Main	Purpose: This one-year project will provide funding for capital addition of a wastewater force main in order to enable the efficient conveyance of wastewater from Twin Eagles to the new Heritage Bay Master Pump Station. The main focus of the current FY18 budget is to add a new wastewater force main to be generally located along 8th Street NW from the existing Community pump station at Twin Eagles to the exiting wastewater force main along Immokalee Road. Twin Eagles force main ties into 16" force main on Immokalee Road which flow to the Hermitage Bay master pump station, which will flow to the Immokalee RD/Logan Blvd force main. This will flow to either MPS 107 or the NCWRF. Method: Fixed-term contracts and competitive bids. End State: Maintain compliance and meet operational demands of wastewater transmission system.
15	70117	WW Remote Sites MSP	Purpose: To optimize the operating efficiency and increase the safety of PUD Wastewater structures by completing projects relating to rehabilitation, replacement, and optimizations of HVAC Systems, roofs, electrical and fire systems, and other vertical assets existing in the Collections, Irrigation Quality and Master Pump Station Facilities (IQ/MPS) . Also, to implement a program to enhance the utilization and life cycle expectancy of the IQ/MPS by maintaining facilities in satisfactory operating condition by providing systematic inspection, detection, and correction of incipient failures either before they occur or before they develop into major defects. Planned FY19 projects include preventive maintenance inspections of IQ and MPS assets and HVAC replacement and roof replacements at Master pump stations. Method: Fixed term services contracts and/or competitive construction bids. End State: An enhanced and fully compliant IQ/MPS that will ensure safety for employees, and extend the life cycle of the facility and its vertical assets.
16	70119	WW Treatment Plants MSP	Purpose: Operational and preventative maintenance program which performs regular preventative maintenance on wastewater facilities including inspections of roofs, gates, garage doors, fences, HVAC, site and fire sprinklers. Method: Fixed term services contracts and/or competitive construction bids. End State: An enhanced and fully compliant waste water department that will extend the life cycle of the facility and its vertical assets.
17	70120	Naples Park Gravity Sewer Replacement	Purpose: A multi-year program (FY2017-22) that provides replacement of wastewater clay pipe in Naples Park that has reached the end of its useful life. The program anticipates a replacement rate of approximately 2 miles per year depending on budget availability. Method: Utilize RFPs for design and and competitive bidding for installation. End State: Sustain compliance and meet demand with reliability through continued proactive maintenance and replacement of the water distribution system assets.
18	70141	Basin 305 Program Capital	Purpose: This is a multi-year program that restores, rehabilitates and replaces aging wastewater collection system within the Glades, Lakewood, Gateway Triangle, Flamingo Estates and Naples Industrial Park area of the Collier County Water-Sewer District to maintain compliance and to meet operational needs. Program goals include the renewal of 50 pump stations, the upgrade of mater pump stations (MPS), the new Western Interconnect Master Pump Station and the construction of MPS 308 force main. Wastewater basin design analyses were performed to evaluate existing conditions, assess condition of wastewater assets, identify system deficiencies, and recommend collection system improvements on a bundled basis. The FY19 budget provides for services associated with the relocation of MPS 308 and partial rehabilitation of ten pump stations. Method: Fixed-term contracts and competitive bids. End State: Maintain compliance and meet operational demands throughout the gravity system.

Line No.	Project No.	Project Name	Description
18.1	70141	MPS 305 Group 1 Pump Stations	Purpose: This is a multi-year program that restores, rehabilitates and replaces aging wastewater collection system within the Glades, Lakewood, Gateway Triangle, Flamingo Estates and Naples Industrial Park area of the Collier County Water-Sewer District to maintain compliance and to meet operational needs. Program goals include the renewal of 50 pump stations, the upgrade of mater pump stations (MPS), the new Western Interconnect Master Pump Station and the construction of MPS 308 force main. Wastewater basin design analyses were performed to evaluate existing conditions, assess condition of wastewater assets, identify system deficiencies, and recommend collection system improvements on a bundled basis. The FY19 budget provides for services associated with the relocation of MPS 308 and partial rehabilitation of ten pump stations. Method: Fixed-term contracts and competitive bids. End State: Maintain compliance and meet operational demands throughout the gravity system.
18.2	70141	CPS 309.09	See above 70141 general.
19	70142	Basin 306 Program Capital	Purpose: This is a multi-year program that restores, rehabilitates and replaces aging wastewater collection system within the Bayshore Drive/Thomason Boulevard area of the Collier County Water-Sewer District to maintain compliance and to meet operational needs. Wastewater basin design analyses were performed to evaluate existing conditions, assess condition of wastewater assets, identify system deficiencies, and recommend collection system improvements on a bundled basis. The FY17 budget focus is 20 pump station partial rehabilitations. Method: Fixed-term contracts and competitive bids. End State: Maintain compliance and meet operational demands throughout the gravity system.
20	70143	Gravity Transmission Systems TSP	Purpose: This is a multi-year program that restores, rehabilitates and replaces aging or damaged wastewater gravity sewers and service laterals within the Collier County Water-Sewer District network of more than 685 miles of pipe and approximately 16,400 manholes through a Technical Support Program (TSP) to maintain compliance and to meet operational needs. Program goals include the minimization of infiltration and inflow of storm and ground water into the wastewater collections system by restoring or replacing manholes and lining or replacing underground pipes and service laterals, including the renewal of pipe and manholes per year on a prioritized basis. Method: Fixed-term contracts and competitive bids. End State: Maintain compliance and meet operational demands throughout the gravity system.
21	70144	Force Main Transmission Systems TSP	Purpose: This is a multi-year program that restores, rehabilitates or replaces aging wastewater force mains within the Collier County Water-Sewer District network consisting of 409 miles of pipe and more than 1,200 air release valves through a Technical Support Program (TSP) to maintain compliance and meet operational needs. Wastewater air-release valves are being rehabilitated to reduce the potential for sanitary sewer overflows (SSOs), to eliminate confined space access issues, to decrease maintenance costs and to provide a safe working environment for wastewater collections maintenance staff. The renewal of piping and air release valves are on a prioritized basis. Method: Fixed-term contracts and competitive bids. End State: Maintain compliance and meet operational demands throughout the force main system.
22	70145	WW Pump Station TSP	Purpose: Restore and/or rehabilitate wastewater pump stations and community pump stations within the installed-base of more than 800 locations. This is a multi-year Technical Support Program (TSP) that includes the renewal of multiple pump stations each year, including mechanical, electrical, and structural components such as pumps, motors, pipes, valves, wet wells, odor control, electrical controls, containment, structures, lighting, and fencing. Method: Fixed-term contracts and competitive bids. End State: Maintain compliance and meet operational demands of wastewater pump stations.
23	70146	Master PS TSP Op	Purpose: Restore and/or rehabilitate high-priority wastewater master pump stations within the installed-base of 22 locations through a Technical Support Program (TSP) to maintain compliance and meet operational needs. Rehabilitations include mechanical, electrical, and structural components such as pumps, motors, pipes, wet wells, odor control, containment, structures, lighting, and fencing. End State: Maintain compliance and meet operational demands of wastewater master pump stations.
24	70147	Collections Power System TSP	Purpose: Restore and rehabilitate electrical power systems through a Technical Support Program (TSP) for more than 800 pump stations to maintain compliance for routine operations and meet operational needs. Strategically placed generators and/or diesel engine pumps at approximately 80 additional locations are required to maintain compliance and provide service during storm events and power failures to critical facilities and near environmentally sensitive regions. These critical facilities provide service to hospitals, nursing homes, and shelters. In FY19 backup generators and diesel pumps will be purchased. Backup power or backup pumping is planned for the communities of Village Walk, Island Walk, Vineyards and Naples Boulevard. Method: Utilize fixed-term engineering design and fixed term construction contracts and competitive bids. End State: Maintain compliance and meet operational demands. Ensure reliable operations and compliance during power outages.
25	70148	Water Reclamation Facilities TSP	Purpose: This is a multi-year Technical Support Program to (TSP) to provide planned repairs and modifications needed to meet demand and remain in compliance at the North and South County Water Reclamation Facilities. These facilities are densely packed on their respective sites and treat approximately 6 billion gallons of wastewater per year. The various treatment processes (MLE and Orbal) produce high quality Irrigation Quality (IQ) water. The major pieces of equipment that need to be kept operational include the pretreatment structure with bar screens, grit removal mechanisms and influent channels, MLE aeration basins, orbal oxidation ditches, clarifiers, effluent filters, and disinfection chambers. There are also mechanical screens and grit chambers, odor control units, blowers, pumps, valves, flow meters, chemical analyzers, chemical storage/distribution systems, IQ water storage ponds, sludge belt presses, and sludge holding tanks. Project needs identified in FY19 include the restoration and rehabilitation of effluent filters, grit removal system, treatment plant structures, return and waste activated sludge pumps and variable frequency drive replacements, meter, valve and sludge holding tank renovations. Method: Fixed-term contracts and competitive bids. End State: Maintain compliance, meet demand, achieve energy efficiencies, and maintain sustainability.
26	70149	NCWRF Headwork & IQ Pump Station	Purpose: Replace existing head works and IQ pump station that are approximately 30 years old and have reached the end of their useful life's. The project will also include installation of structures, screens, grit removal equipment, flow splitting chambers, Irrigation Quality (IQ) Water pumps, electrical controls and a new electrical service. Method: Due to the critical nature of the needed facilities, issue a Request for Proposal (RFP) for a progressive design/build contract for both engineering and construction services. End State: Sustain compliance and meet demand with reliability through the upgrading of critical wastewater treatment components.
27	70159	NCWRF SCADA TSP	Purpose: Rehabilitate the Supervisory Control And Data Acquisition systems (SCADA) for the North County Water Reclamation Facility (NCWRF) through Technical Support Projects (TSP) that are needed to eliminate obsolescence of existing 25 programmable logic controllers (PLCs) and various instrumentation used to constantly monitor and control the treatment process. This program will increase reliability, sustainability, and operational efficiency related to hardware, communications and functionality. These instrumentation and hardware additions, including communications improvements support Asset Management in data availability related to equipment condition, criticality and functionality, associated with automated collection methods. Method: Fixed-term contracts and competitive bids. End State: Maintain compliance and reliability throughout the NCWRF SCADA system.

Line No.	Project No.	Project Name	Description
28	70162	SCWRF SCADA TSP	Purpose: Rehabilitate the Supervisory Control And Data Acquisition systems (SCADA) for the South County Water Reclamation Facility (SCWRF) through Technical Support Projects (TSP) designed to eliminate obsolescence of existing 17 programmable logic controllers (PLCs) and various instrumentation used to constantly monitor and control the treatment process. This program will increase reliability, sustainability, and operational efficiency related to hardware, communications and functionality. These instrumentation and hardware additions, including communications improvements support Asset Management in data availability related to equipment condition, criticality and functionality, associated with automated collection methods. Method: Fixed-term contracts and competitive bids. End State: Maintain compliance and reliability throughout the SCWRF SCADA system.
29	70164	WW Collections SCADA Telemetry	Purpose: Restore and rehabilitate the Supervisory Control and Data Acquisition (SCADA) systems for the Collections System through a Technical Support Program (TSP) to ensure compliance and provide operational control. SCADA upgrades are being implemented to control VFDs within the wastewater collection system. The program includes repair and replacement of SCADA equipment including transmitter control units (TCUs) and antennas at more than 800 pump stations, and storm-hardening of the central SCADA systems at the Wastewater Collections office on Shirley Street, and providing a resilient mission critical system that maintains compliance of the entire county's wastewater infrastructure. FY17 includes replacing approximately 5 of the 800 TCUs. Method: Fixed-term contracts and competitive bids. End State: Maintain compliance and reliability throughout the Collections SCADA system.
30	70167	PUD Operations/Collection Center	Purpose: To locate, design, and permit a centrally located, industrial or commercial zoned, replacement facility for the Water & Wastewater Division Operations groups. Method: The new facility will contain administrative offices, repair workshops, generator storage/testing facilities, SCADA operations center, SCADA Tower facility, employee common areas (locker rooms, break rooms, work spaces), equipment storage, employee and county vehicle parking. End State: To meet current compliance and vertical standards.
31	70173	Orange Tree Plant TSP (op)	Purpose: A multi-year Technical Support Program (TSP) that provides repair of aging wastewater system assets that have failed throughout the former Orangetree Utility service area. Method: Utilize existing fixed-term underground contracts or competitive bidding for installation and fixed-term engineering services contracts for design. End State: Sustain compliance and meet demand with reliability through continued proactive maintenance and replacement of the wastewater system assets.
32	70189	Cyber Security SCADA	Purpose: Implement heightened security measures on stand-alone SCADA systems to prevent accidental or malicious loss through cyber threats such as network intrusion and hacking that could directly impact operations. Evaluate and prioritize mitigation to resolve risk and exposure to maintain compliance with Department of Homeland Security requirements for wastewater and irrigation quality (IQ) systems and sustainability of existing levels of service. Method: Fixed-term contracts. End State: Maintain a compliant and secure infrastructure.
33	70191	Orange Tree Waste Water Treatment Plant Exp.	Purpose: Add 0.375 MGD of transitional capacity to the Orange Tree NE Sub-regional Wastewater Plant to be on line in 2020. Method: Design-Build request for proposals (RFP) starting in FY2019. End State: Sufficient wastewater treatment capacity to reliably meet projected demand.
34	70199	Immokalee Rd FM (951 to Logan Blvd Phase)	Purpose: To locate, design, permit and construct a wastewater force main along Immokalee Road between Collier Boulevard and Logan Boulevard. This project is a portion of the Eastern Interconnect force main that will continue to be constructed along Logan Boulevard as an essential wastewater path to the NCWRF from the Northeast County Service Area in order to provide system reliability, to avert a potential adverse environmental event and to allow for maintenance of the County's aging force main system. Method: Fixed-term contracts and competitive bids. End State: Maintain compliance and meet operational demands throughout the force main system.
35	70202	County Utility Standards	Purpose: Utilize design consultants to provide independent peer review of specific Collier County Water-Sewer District infrastructure detail drawings based on input and feedback from County staff and advisory committees. The Board of County Commissioners annually approves the Utility Standards Manual update. Method: Meet with the Utilities Discussion Group and Public Utilities Operating Divisions to update the Utility Standards Manual. End State: That the Utility Standards Manual, as the Public Utilities principal technical guidance document, ensures that all utility-related construction meets county standards, that consistency is maintained, and that the utility continues to stay compliant with all state and federal regulations.
36	70215	MPS 302 Reconfiguration	Purpose: Reconfigure Master Pump Station (MPS) 302 site and piping to enable flow transfer to MPS 306 in the event that the force main leaving MPS 302 requires maintenance and/or replacement. Traffic safety will also be improved by adding an access off Santa Barbara Boulevard. A privacy wall will be installed for visual isolation and security. In the process, rehabilitation will occur to mechanical, electrical, and structural components to maintain compliance and meet operational needs. End State: Maintain compliance and meet operational demands of wastewater master pump stations.
37	70218	MPS 308 Replacement (Shadowlawn-Linwood)	Purpose: Replace/relocate aging wastewater Master Pump Station 308 to maintain compliance and meet operational needs. Design analyses were performed to evaluate existing conditions, assess condition of wastewater assets, identify system deficiencies, and recommend collection system improvements. The new MPS 300 will include new controls, new pumps, piping and major site improvements. Method: Construction contracts based on competitive bids. End State: Maintain compliance and meet operational demands throughout the wastewater basin.
38	70222	Golden Gate City CAP	Purpose: This is a multi-year program that restores, rehabilitates and replaces aging wastewater gravity sewers and fore mains within the newly acquired Golden Gate City Utility service area to maintain compliance and to meet operational needs. Program goals include the minimization of infiltration and inflow of storm and ground water into the wastewater collections system by restoring or replacing manholes and lining or replacing underground pipes and service laterals, including the renewal of pipe and manholes per year on a prioritized basis. Method: Fixed-term contracts and competitive bids. End State: Maintain compliance and meet operational demands throughout the wastewater system.
39	70233	Logan Blvd FM (Immokalee Rd to VBR)	Purpose: To locate, design, permit and construct a wastewater force main along Logan Boulevard between Immokalee Road and and Vanderbilt Beach Road. This project is a portion of the Eastern Interconnect force main that will continue to be constructed along Logan Boulevard as an essential wastewater path to the NCWRF from the Northeast County Service Area in order to provide system reliability, to avert a potential adverse environmental event and to allow for maintenance of the County's aging force main system. Additionally, the development of this project will allow the flexibility to divert wastewater flows to various wastewater treatment plants including the recently acquired Golden Gate Wastewater Treatment Plant and the South County Water Reclamation Facility. Method: Fixed-term contracts and competitive bids. End State: Maintain compliance and meet operational demands throughout the force main system.
40	70234	Eliminate NPDES Monitoring	Purpose: Eliminate monitoring associated with National Pollutant Discharge Elimination System (NPDES) requirements by directly providing pressurized Irrigation Quality (IQ) water instead of supplying indirectly to customers' ponds and add ground water wells for IQ water source. Method: Fixed-term contracts and competitive bids. End State: Maintain compliance and meet operational demands throughout the IQ system without restricting water reclamation facility permits.
41	70235	Golden Gate MBR Addition Study	Purpose: Investigate the potential to add membrane treatment technology to maintain compliance and to meet operational needs. The project's goals includes 1) increasing capacity, 2) provide irrigation quality water and 3) optimizing treatment technologies. Method: Fixed-term contracts and competitive bids. End State: Maintain compliance and meet operational demands throughout the Golden Gate Treatment Plant.

Line No.	Project No.	Project Name	Description
42	70236	SCWRF Reject Storage Tank Conversion	Purpose: The reclaimed water storage tank has a total of 7 million gallons of storage. Half of the tank is used for reclaimed water storage and half is used for storage of reject water--water that does not meet discharge standards. It is rare that effluent does not meet discharge standards, and on these infrequent occasions it may only be for a short time, i.e. 15 minutes.
43	71058	General Legal Services	Purpose: Obtain expert legal counsel for water, wastewater, and reuse issues. Provide appropriate legal representation for various complex or specialized water and wastewater related matters to stay in compliance. Method: Issue work orders under a competitive agreement for legal services for complex or specialized legal tasks. End State: Provide appropriate legal representation for various complex or specialized water and wastewater related matters to stay in compliance.
46	72505	Livingston Rd FM Phase 7	Purpose: A western interconnect is needed to manage growth in the south service area and to allow for the maintenance of existing force mains. The SCWRF does not have space for capacity expansion given current technologies. A series of force mains (FM) and pump station improvements are therefore needed to move wastewater flows from the south service area to the north service area where there is available capacity. Phase 7 consists of approximately 2 miles of FM between Pine Ridge Road to Vanderbilt Beach Road. Method: Fixed-term contracts and competitive bids. End State: The ability to reliably shift wastewater flows from the south service area to the north service area while remaining in compliance and meeting demand.
45	72013	Facility Infrastructure Maint Wastewater	Purpose: To optimize the operating efficiency and increase the safety of the Wastewater Plants by completing maintenance service projects (MSP) relating to rehabilitation, replacements, and optimizations of HVAC Systems, roofs, electrical and fire systems, and other vertical assets existing at the South and North County Regional Water Treatment Plant (SCWRF and NCWRF). This will enhance the utilization and life cycle expectancy of the SCWRF and NCWRF by maintaining the Plants in satisfactory operating condition by providing systematic inspection, detection, and correction of incipient failures either before they occur or before they develop into major defects. Planned FY19 projects include preventive maintenance inspections of both Wastewater Plant assets and HVAC replacement, roof replacements and LED lighting at both Wastewater Plants. Method: Fixed term services contracts and/or competitive construction bids. End State: An enhanced and fully compliant SCWRF and NCWRF that will ensure safety for employees, and extend the life cycle of the Plants and its vertical assets.
46	72505	WW Security Systems	Purpose: This is a multi-year program to provide both physical and virtual assessments of assets of our critical infrastructure that are imbedded in critical compliance-driven operations, including physical access points such as gates, fences, card access and recording devices, as well as cyber threats such as network intrusion and cyber hacking that could directly impact operations. Evaluate and prioritize mitigation to resolve risk and exposure to maintain compliance with Department of Homeland Security requirements and sustainability of existing levels of service. Planned FY19 projects include replacement and addition of cameras, perimeter fencing improvements and card access in critical infrastructure throughout the Wastewater Division. Method: Internal resources and through fixed-term contracts. End State: Compliant and secure infrastructure.
47	72541	SCADA Compliance Assurance Program-Wastewater	Purpose: This is a multi-year program to acquire, manage and maintain 7 software applications, 4 licenses and 2 support agreements for Supervisory Control and Data Acquisition (SCADA) systems used throughout the Wastewater Department. Method: Through fixed-term contracts and competitive bids. End State: All critical control systems are maintained, compliant and secure to facilitate continued production of quality products.
48	73045	FDOT Utility Construction Projects - WW	Purpose: Plan, design, and construct Collier County Water-Sewer District infrastructure driven by Florida Department of Transportation (FDOT) construction projects. Projects in FY17 requiring engineering review, plan development or minor construction include: various intersection improvements, lighting improvements, traffic signal upgrades and installations throughout our service area. Method: Fixed-term contracts and competitive bids or Joint Project Agreements with the FDOT. End State: Coordinated utility construction to maintain compliance and provide reliable services.
49	73065	CW Util Proj-WW	Purpose: Plan, design, and construct Collier County Water-Sewer District infrastructure driven by intra-county divisions. Upcoming projects include utility relocations driven by transportation improvements to intersections and roadway systems. Method: Fixed-term contracts and competitive bids or Joint Project Agreements with the Growth Management Division. End State: Interdivisional coordination with utility construction projects to maintain compliance and provide reliable services with minimal impact to the community.
50	73922	WW Collection SCADA Telemetry	Purpose: Restore and rehabilitate the Supervisory Control and Data Acquisition (SCADA) systems for the Collections System through a Technical Support Program (TSP) to ensure compliance and provide operational control. SCADA upgrades are being implemented to control VFDs within the wastewater collection system. The program includes repair and replacement of SCADA equipment including transmitter control units (TCUs) and antennas at more than 800 pump stations, and storm-hardening of the central SCADA systems at the Wastewater Collections office on Shirley Street, and providing a resilient mission critical system that maintains compliance of the entire county's wastewater infrastructure. Method: Fixed-term contracts and competitive bids. End State: Maintain compliance and reliability throughout the Collections SCADA system.
51	73968	NCWRF Technical Support Program	Purpose: This is a multi-year Capital Technical Support Program to (TSP) to provide asset replacement needed to meet demand and remain in compliance at the North County Water Reclamation Facility (NCWRF). This facility is densely packed on 76-acres and treats approximately 3 billion gallons of wastewater per year. Two separate treatment processes (MLE and Orbal) each produce high quality Irrigation Quality (IQ) water. The major pieces of equipment that need to be kept operational include the pretreatment structure with 4 screens, 4 grit removal mechanisms and 5 influent channels, 12 MLE aeration basins, 3 orbal oxidation ditches, 9 clarifiers, 20 filters, and 10 disinfection chambers. There are 4 mechanical screens and grit chambers, 7 odor control units, 7 blowers, 200 pumps, 150 valves, 40 flow meters, 32 analyzers, 8 chemical storage/distribution systems, 5 IQ water storage ponds, 5 belt presses, and 4 holding tanks. Project needs identified in FY18 include the replacement of structural components, variable frequency drives, and sludge holding tank lining replacement. Method: Fixed-term contracts and competitive bids. End State: Maintain compliance, meet demand, achieve energy efficiencies, and maintain sustainability.
52	73969	SCWRF Technical Support Program	Purpose: This is a multi-year Capital Technical Support Program (TS) to provide asset replacement needed to meet demand and to remain in compliance at the South County Water Reclamation Facility (SCWRF). This facility is located on 48-acres in a residential area, and treats approximately 2.6 billion gallons of wastewater per year. The major pieces of equipment that need to be kept operational include a pretreatment structure with 5 channels, 14 MLE aeration basins, 4 clarifiers, 8 filters, and 4 disinfection chambers. This facility also includes 3 mechanical screens, 4 grit chambers, 4 odor control units, 8 blowers, 60 pumps, 120 valves, 25 flow meters, 25 analyzers, 5 chemical storage/distribution systems, 1 IQ water storage pond, 5 belt presses, and 2 holding tanks. FY18 needs include IQ pump replacement, internal process water system expansion, and energy-efficient turbo blower installation. Method: Fixed-term contracts and competitive bids. End State: Maintain compliance and meet demand.
53	74310	State Revolving Loan Funding	Purpose: Administer the loan contracts with Florida Department of Environmental Protection (FDEP) for the lowest cost source of external funding - State Revolving Fund (SRF) loans. Method: Work with external loan administrator to assess the availability, administration, and closeout of SRF loans. End State: A financially viable utility through prudent administration of external funding.

Line No.	Project No.	Project Name	Description
54	75017	PUD Hydraulic Modeling	Purpose: Provide hydraulic evaluation and analysis of wastewater and irrigation quality water infrastructure. Hydraulic models are used to verify availability for Planned Unit Developments, concurrency, and master planning. Models are also used by operations to predict pressures, flow rates, and water quality under varying conditions. They are essential for determining the appropriate emergency response in the event of pipe breakage. Flows can be modeled and redirected with minimum disruption to the community. Hydraulic analysis will identify opportunities for cost-savings resulting from pump station operations, diurnal curve management, pressure management, and pipe sizing. Method: Fixed-term contracts. End State: Maintained compliance and operations through this current year execution of a multi-year program.
55	75018	Financial Services	Purpose: Utilize outside consultants to prepare feasibility reports, perform rate studies, asset valuations, and acquisitions. Method: Utilize a financial consultant to perform these required studies. The external consultants are utilized in situations where an independent perspective is required or specialized financial analysis is needed. End State: Provide independent financial assessments to aid in business decision-making.
56	75019	GM Comprehensive Planning Technical Support	Purpose: Utilize consultants to assist in addressing changes to key documents and data used to prepare the following: the Utilities portion of the Annual Update and Inventory Report (AUIR), updates to the Growth Management Plan (GMP), Evaluation and Appraisal Report (EAR) of the Growth Management Plan, and updates to the Land Development Code (LDC) to ensure sustained compliance within the CCWSD. Method: Engage consultants to provide professional services. End State: The Annual Update and Inventory Report, Evaluation and Appraisal Report of the Growth Management Plan, and updates to the Land Development Code and Growth Management Plan will be forwarded to Growth Management Division's Comprehensive Planning Section for coordination of the approval process through the Board of County Commissioners.
New 414 Wastewater (Non-IQ) Projects			
57	72009	Livingston Rd FM Phase 8	Purpose: A western interconnect is needed to manage growth in the south service area and to allow for the maintenance of existing force mains. The SCWRF does not have space for capacity expansion given current technologies. A series of force mains (FM) and pump station improvements are therefore needed to move wastewater flows from the south service area to the north service area where there is available capacity. Phase 8 consists of X.X miles of FM between Vanderbilt Beach Road and Immokalee Road. Method: Fixed-term contracts and competitive bids. End State: The ability to reliably shift wastewater flows from the south service area to the north service area while remaining in compliance and meeting demand.
58	72009	Livingston Rd FM Phase 9	Purpose: A western interconnect is needed to manage growth in the south service area and to allow for the maintenance of existing force mains. The SCWRF does not have space for capacity expansion given current technologies. A series of force mains (FM) and pump station improvements are therefore needed to move wastewater flows from the south service area to the north service area where there is available capacity. Phase 9 consists of X.X miles of FM between Golden Gate Canal and Radio Road. Method: Fixed-term contracts and competitive bids. End State: The ability to reliably shift wastewater flows from the south service area to the north service area while remaining in compliance and meeting demand.
59	WWNEW	MPS 104 Reconfiguration and Rehabilitation	Purpose: Reconfigure Master Pump Station (MPS) 104 to receive additional flow from the future Heritage Bay Master Pump Station. In the process, rehabilitation will occur to mechanical, electrical, and structural components such as pumps, motors, pipes, wet wells, odor control, containment, structures, lighting, and fencing to maintain compliance and meet operational needs. End State: Maintain compliance and meet operational demands of wastewater master pump stations.
60	WWNEW	MPS 310 Reconfiguration and Rehabilitation	Purpose: Reconfigure Master Pump Station (MPS) 310 to move wastewater flow to the north service area instead of the south service area, as currently configured. In the process, rehabilitation will occur to mechanical, electrical, and structural components such as pumps, motors, pipes, wet wells, odor control, containment, structures, lighting, and fencing to maintain compliance and meet operational needs. End State: Maintain compliance and meet operational demands of wastewater master pump stations.
61	WWNEW	Palm River Gravity Sewer Replacement	Purpose: Replaces aging wastewater gravity sewers and service laterals in the older portion of Palm River to maintain compliance and to meet operational needs. The project's goals include the minimization of infiltration and inflow of storm and ground water into the wastewater collections system by replacing manholes, underground pipes and service laterals. Method: Fixed-term contracts and competitive bids. End State: Maintain compliance and meet operational demands throughout the gravity system.
62	WWNEW	Interim 1.5 MGD NE wastewater treatment plant*	Purpose: Design and construct an interim 1.5 MGD NE wastewater treatment plant to be online in 2020 to serve initial development in Hyde Park, Rural Lands West, Immokalee Road Rural Village and Hogan Island Village. Method: Design-Build RFP starting in FY2019. End State: Sufficient potable water treatment capacity to reliably meet projected demand.
Existing 414 Irrigation Quality Water Projects			
63	70056	IQ Power Systems	Purpose: Restore and rehabilitate the electrical power systems, including switchgear, breakers, and motor control centers that have reached the end of their useful life, within the Irrigation Quality (IQ) water distribution system through a Technical Support Program (TSP) to maintain compliance and meet operational needs. There are six pump stations in the IQ system, each containing two to six pumps. Each pump requires electrical power systems to operate. This is a multi-year program that will repair and/or replace 10 to 20-year-old electrical control panels and switch boards as needed. Method: Fixed-term contracts and competitive bids. End State: Maintain compliance and reliable operations.
64	70062	IQ SCADA Support Operating	Purpose: This is a multiple year program to restore and rehabilitate and support enhanced telemetry communications and Supervisory Control and Data Acquisition (SCADA) systems through a Technical Support Program (TSP) to eliminate obsolescence of existing programmable logic controllers (PLCs), communication networks and protocol limitations and various pieces of instrumentation used to monitor and control the process. There are 51 PLCs in the IQ system with an average of five being replaced per year with a replacement priority based on fiber optic network availability. Method: Fixed-term contracts and competitive bids. End State: Maintain compliance and reliability throughout the IQ SCADA system.
65	70166	IQ Water System TSP	Purpose: This is a multi-year Technical Support Program (TSP) to restore, rehabilitate and maintain infrastructure of the Irrigation Quality (IQ) water system needed to meet customer demand, and contractual and regulatory compliance, including the rehabilitation of IQ pump stations, isolation valves, and air release valves, as well as meters, pumps, and motors. This program allows operations to accurately measure water sold, ensuring accurate revenue generation; delivers water to the customer per contractual agreements; and allows for system isolation for regulatory compliance. As the reclaimed water system is more than 20 years old, these projects are necessary to maintain the distribution system in working condition. FY19 projects include flow meter and valve replacement, Point of Delivery equipment installations, and Eagle Lakes pond site maintenance. Method: Fixed-term contracts and competitive bids. End State: Remain in contractual and regulatory compliance, meet customer demand, and improve system efficiency.
66	70163	IQ SCADA TSP	Purpose: Rehabilitate the Supervisory Control And Data Acquisition systems (SCADA) within the Irrigation Quality system through Technical Support Projects (TSP) designed to eliminate obsolescence of existing programmable logic controllers (PLCs), communication networks and protocol limitations and various pieces of instrumentation used to monitor and control the process. This program will increase reliability, sustainability, and operational efficiency related to hardware, communications and functionality. There are 51 PLCs in the IQ system with an average of five being replaced per year with a replacement priority based on fiber optic network availability. Functionality related to ASR integration and system operations associated with well sites and supplement sources is primary focus. Method: Fixed-term contracts and competitive bids. End State: Maintain compliance and reliability throughout the IQ SCADA system.

Line No.	Project No.	Project Name	Description
67	74030	IQ Aquifer Storage and Recovery	Purpose: Plan, design, construct and test the Aquifer Storage and Recovery (ASR) system located at the Livingston Road well field north of Immokalee Road. Construction of Well #1 and Well #2 are complete. FY19 funds will be used to support Well #1 and #2 cycle testing to determine how much IQ water can be recovered from the ASR system and to establish the initial ASR operations protocol and initiate design of Wells #3 through #5. Method: Utilize existing fixed term contracts to provide professional engineering guidance. End State: Reliable Irrigation Quality (IQ) ASR system compliant with the FDEP rules.
New 414 Irrigation Quality Water Projects			
68	WWNEW	Interim IQ pump station, IQ storage tank and all pipelines*	Purpose: Design and construct an interim IQ pump station, an IQ storage tank and all pipelines to be online in 2020 to distribute IQ water to Hyde Park, Rural Lands West, Immokalee Road Rural Village and Hogan Island Village. Method: Design-Build RFP starting in FY2019. End State: Sufficient potable water treatment capacity to reliably meet projected demand.

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CAPITAL IMPROVEMENT PROJECTS 2019-2023
WASTEWATER (NON-IQ) AND IRRIGATION QUALITY (IQ) WATER

Line No.	Project No.	Project Name	Op/ Cap	Type	FY 2019 Proposed	FY 2020	FY 2021	FY 2022	FY 2023	Summary FY 2019-2023
Existing 413 Wastewater Projects										
1	31411	Fund 413 Operating Project - Imp. Fee Refunds	Op	Fin Ops	$ -	$ -	$ -	$ -	$ -	$ -
2	70194	NEWRF First Phase (4 MGD) online by 2025	Cap	Treat	$ -	$ -	$ -	$ 104,039,000	$ -	$ 104,039,000
New 413 Wastewater Projects										
3	70194	NE Wastewater Transmission Mains	Cap	In-Gnd	$ 10,030,100	$ -	$ -	$ -	$ -	$ 10,030,100
Existing 413 Irrigation Quality Water Projects										
4	WWNEW	Placeholder	Op	Fin Ops	$ -	$ -	$ -	$ -	$ -	$ -
New 413 Irrigation Quality Water Projects										
5	WWNEW	IQ Expansion/Business Plan	Cap	In-Gnd	$ -	$ -	$ -	$ -	$ -	$ -
TOTAL FUND 413 Projects					**$ 10,030,100**	**$ -**	**$ -**	**$ 104,039,000**	**$ -**	**$ 114,069,100**
Existing 414 Wastewater (Non-IQ) Projects										
1	50105	Integrated Asset Management	Op	Plan	$ 350,000	$ 500,000	$ 500,000	$ 500,000	$ 500,000	$ 2,350,000
2	50110	Biosolids Reuse Facility	Cap	SHW	$ -	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 400,000
3	70014	Real Property/Infrastructure Audit	Op	Plan		$ 50,000	$ 50,000	$ 50,000	$ 50,000	$ 200,000
4	70031	Utilities Master Plan	Op	Plan	$ 70,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 470,000
5	70043	Gravity Sewers TSP CAP	Cap	In-Gnd	$ -	$ -	$ -	$ -	$ 3,750,000	$ 3,750,000
6	70044	Force Main Improvements Cap	Cap	In-Gnd	$ -	$ 1,000,000	$ 1,000,000	$ 2,500,000	$ 2,500,000	$ 7,000,000
7	70046	Wastewater Pump Station TSP	Cap	In-Gnd	$ -	$ 5,000,000	$ 8,000,000	$ 5,000,000	$ 4,000,000	$ 22,000,000
8	70050	Master Pump Stations TSP Cap	Cap	In-Gnd	$ -	$ 1,000,000	$ 1,000,000	$ 4,000,000	$ 2,000,000	$ 8,000,000
9	70051	Wastewater Collection Power System Cap	Cap	In-Gnd	$ -	$ -	$ -	$ 500,000	$ 550,000	$ 1,050,000
10	70053	NCWRF Power System TSP	Cap	Treat	$ -	$ 100,000	$ 100,000	$ 400,000	$ 400,000	$ 1,000,000
11	70055	SCWRF Power System Cap	Cap	Treat	$ -	$ 100,000	$ 100,000	$ 300,000	$ 300,000	$ 800,000
12	70060	NCWRF SCADA Support Operating	Op	SCADA	$ 300,000	$ 300,000	$ 300,000	$ 300,000	$ 330,000	$ 1,530,000
13	70061	SCWRF SCADA Support Operating	Op	SCADA	$ 200,000	$ 200,000	$ 200,000	$ 200,000	$ 220,000	$ 1,020,000
14	70103	NE Service Area-Twin Eagles Community Pump Station & Force Main	Cap	In-Gnd	$ -	$ -	$ -	$ -	$ -	$ -
15	70117	WW Remote Sites MSP	Op	SHW	$ 250,000	$ 250,000	$ 250,000	$ 250,000	$ 250,000	$ 1,250,000
16	70119	WW Treatment Plants MSP	Op	SHW	$ 500,000	$ 450,000	$ 450,000	$ 450,000	$ 450,000	$ 2,300,000
17	70120	Naples Park Gravity Sewer Replacement	Cap	In-Gnd	$ -	$ 7,800,000	$ 4,000,000	$ 6,500,000	$ 4,500,000	$ 22,800,000
18	**70141**	**Basin 305 Program Capital**	**Cap**	**In-Gnd**	$ -	$ -	$ -	$ -	$ -	$ -
18.1	70141	MPS 305 Group 1 Pump Stations	Cap	In-Gnd	$ -	$ 410,000	$ 410,000	$ -	$ -	$ 820,000
18.2	70141	CPS 309.09	Cap	In-Gnd	$ 620,000	$ -	$ -	$ -	$ -	$ 620,000
19	**70142**	**Basin 306 Program Capital**	**Cap**	**In-Gnd**	$ -	$ -	$ -	$ -	$ -	$ -
20	70143	Gravity Transmission Systems TSP	Op	In-Gnd	$ 250,000	$ -	$ -	$ 100,000	$ 100,000	$ 450,000

Line No.	Project No.	Project Name	Op/ Cap	Type	FY 2019 Proposed	FY 2020	FY 2021	FY 2022	FY 2023	Summary FY 2019-2023
21	70144	Force Main Transmission Systems TSP	Op	In-Gnd	$ 1,000,000	$ -	$ -	$ 2,000,000	$ 1,000,000	$ 4,000,000
22	70145	WW Pump Station TSP	Op	In-Gnd	$ 2,200,000	$ 1,000,000	$ 1,000,000	$ 100,000	$ 100,000	$ 4,400,000
23	70146	Master PS TSP Op	Op	In-Gnd	$ 1,500,000	$ 500,000	$ 500,000	$ 1,000,000	$ 1,000,000	$ 4,500,000
24	70147	Collections Power System TSP	Op	In-Gnd	$ -	$ -	$ -	$ 100,000	$ 100,000	$ 200,000
25	70148	Water Reclamation Facilities TSP	Op	Treat	$ 5,200,000	$ 5,000,000	$ 5,000,000	$ 5,000,000	$ 5,500,000	$ 25,700,000
26	70149	NCWRF Headwork & IQ Pump Station	Cap	Treat	$ -	$ 5,000,000	$ 5,000,000	$ 3,000,000	$ 1,200,000	$ 14,200,000
27	70159	NCWRF SCADA TSP	Cap	Treat	$ -	$ -	$ -	$ 100,000	$ 100,000	$ 200,000
28	70162	SCWRF SCADA TSP	Cap	Treat	$ -	$ -	$ -	$ 100,000	$ 100,000	$ 200,000
29	70164	WW Collections SCADA Telemetry	Cap	In-Gnd	$ -	$ -	$ -	$ 100,000	$ 100,000	$ 200,000
30	70167	PUD Operations/Collection Center	Op	SHW	$ -	$ -	$ -	$ -	$ -	$ -
31	70173	Orange Tree Plant TSP (op)	Op	Treat	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 5,000,000
32	70189	Cyber Security SCADA	Op	SCADA	$ 100,000	$ -	$ -	$ -	$ -	$ 100,000
33	70191	Orange Tree Waste Water Treatment Plant Exp.	Cap	Treat	$ 5,000,000		$ -	$ -	$ -	$ 5,000,000
34	70199	Immokalee Rd FM (951 to Logan Blvd Phase)	Cap	In-Gnd	$ 1,800,000	$ -	$ -	$ -	$ -	$ 1,800,000
35	70202	County Utility Standards	Op	Plan	$ 25,000	$ 25,000	$ 25,000	$ 25,000	$ 25,000	$ 125,000
36	70215	MPS 302 Reconfiguration	Cap	In-Gnd	$ 700,000	$ 2,500,000	$ -	$ -	$ -	$ 3,200,000
37	70218	MPS 308 Replacement (Shadowlawn-Linwood)	Cap	In-Gnd	$ -	$ 3,000,000	$ -	$ -	$ -	$ 3,000,000
38	70222	Golden Gate City CAP	Op	Both	$ 400,000	$ 300,000	$ 300,000	$ 300,000	$ 300,000	$ 1,600,000
39	70233	Logan Blvd FM (Immokalee Rd to VBR)	Cap	In-Gnd	$ 2,000,000	$ -	$ -	$ -	$ -	$ 2,000,000
40	70234	Eliminate NPDES Monitoring	Op	Treat	$ 500,000	$ -	$ -	$ -	$ -	$ 500,000
41	70235	Golden Gate MBR Addition Study	Cap	Treat	$ 150,000	$ -	$ -	$ -	$ -	$ 150,000
42	70236	SCWRF Reject Storage Tank Conversion	Cap	Treat	$ 1,425,000	$ -	$ -	$ -	$ -	$ 1,425,000
43	71058	General Legal Services	Op	Plan	$ 50,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 450,000
44	72009	Livingston Rd FM Phase 7	Cap	In-Gnd	$ 930,000	$ -	$ -	$ -	$ -	$ 930,000
45	72013	Facility Infrastructure Maint Wastewater	Op	SHW	$ 250,000	$ 350,000	$ 350,000	$ 350,000	$ 350,000	$ 1,650,000
46	72505	WW Security Systems	Op	SEC	$ -	$ 500,000	$ 500,000	$ 500,000	$ 500,000	$ 2,000,000
47	72541	SCADA Compliance Assurance Program-Wastewater	Op	SCADA	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 100,000	$ 400,000
48	73045	FDOT Utility Construction Projects - WW	Op	In-Gnd	$ -	$ -	$ 500,000	$ 200,000	$ 500,000	$ 1,200,000
49	73065	CW Util Proj-WW	Op	In-Gnd	$ 200,000	$ 200,000	$ 200,000	$ 200,000	$ 200,000	$ 1,000,000
50	73922	WW Collection SCADA Telemetry	Op	SCADA	$ 100,000	$ 460,000	$ 460,000	$ 460,000	$ 460,000	$ 1,940,000
51	73968	NCWRF Technical Support Program	Op	Treat	$ -	$ 500,000	$ 600,000	$ -	$ -	$ 1,100,000
52	73969	SCWRF Technical Support Program	Op	Treat	$ -	$ 500,000	$ 600,000	$ -	$ -	$ 1,100,000
53	74310	State Revolving Loan Funding	Op	Fin Ops	$ -	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 40,000
54	75017	PUD Hydraulic Modeling	Op	Plan/In-Gnd	$ 85,000	$ 25,000	$ 25,000	$ 25,000	$ 25,000	$ 185,000
55	75018	Financial Services	Op	Fin Ops	$ 70,000	$ 30,000	$ 30,000	$ 30,000	$ 100,000	$ 260,000
56	75019	GM Comprehensive Planning Technical Support	Op	Plan	$ 35,000	$ -	$ -	$ -	$ -	$ 35,000
New 414 Wastewater (Non-IQ) Projects										
57	72009	Livingston Rd FM Phase 8	Cap	In-Gnd	$ -	$ 3,000,000	$ -	$ -	$ -	$ 3,000,000
58	72009	Livingston Rd FM Phase 9	Cap	In-Gnd	$ -	$ -	$ 2,000,000	$ -	$ -	$ 2,000,000
59	WWNEW	MPS 104 Reconfiguration and Rehabilitation	Cap	In-Gnd	$ -	$ -	$ -	$ 2,000,000	$ -	$ 2,000,000
60	WWNEW	MPS 310 Reconfiguration and Rehabilitation	Cap	In-Gnd	$ -	$ -	$ -	$ 2,000,000	$ -	$ 2,000,000

Line No.	Project No.	Project Name	Op/ Cap	Type	FY 2019 Proposed	FY 2020	FY 2021	FY 2022	FY 2023	Summary FY 2019-2023
61	WWNEW	Palm River Gravity Sewer Replacement	Cap	In-Gnd	$ -	$ -	$ -	$ 500,000	$ 1,000,000	$ 1,500,000
62	WWNEW	Interim 1.5 MGD NE wastewater treatment plant*	Cap	Treat	$ 9,641,000	$ -	$ -	$ -	$ -	$ 9,641,000
TOTAL 414 WASTEWATER (NON-IQ) Projects					**$ 36,976,000**	**$ 41,435,000**	**$ 34,835,000**	**$ 40,525,000**	**$ 33,970,000**	**$ 187,741,000**
Existing 414 Irrigation Quality Water Projects										
63	70056	IQ Power Systems	Op	In-Gnd	$ -	$ -	$ -	$ -	$ -	$ -
64	70062	IQ SCADA Support Operating	Op	In-Gnd	$ 200,000	$ 200,000	$ 200,000	$ 200,000	$ 200,000	$ 1,000,000
65	70166	IQ Water System TSP	Op	In-Gnd	$ 280,000	$ 400,000	$ 400,000	$ 400,000	$ 400,000	$ 1,880,000
66	70163	IQ SCADA TSP	Op	In-Gnd	$ -	$ -	$ -	$ 100,000	$ 100,000	$ 200,000
67	74030	IQ Aquifer Storage and Recovery	Cap	In-Gnd	$ 150,000	$ 150,000	$ 250,000	$ 250,000	$ 280,000	$ 1,080,000
New 414 Irrigation Quality Water Projects										
68	WWNEW	Interim IQ pump station, IQ storage tank and all pipelines*	Op	Treat	$ 15,970,952	$ -	$ -	$ -	$ -	$ 15,970,952
TOTAL 414 IRRIGATION QUALITY WATER Projects					**$ 16,600,952**	**$ 750,000**	**$ 850,000**	**$ 950,000**	**$ 980,000**	**$ 20,130,952**
TOTAL FUND 414 Projects					**$ 53,576,952**	**$ 42,185,000**	**$ 35,685,000**	**$ 41,475,000**	**$ 34,950,000**	**$ 207,871,952**
Total Wastewater (Non-IQ) Projects (413)					**$ 10,030,100**	**$ -**	**$ -**	**$ 104,039,000**	**$ -**	**$ 114,069,100**
Total IQ Water Projects (413)					**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Total Wastewater (Non-IQ) Projects (414)					**$ 36,976,000**	**$ 41,435,000**	**$ 34,835,000**	**$ 40,525,000**	**$ 33,970,000**	**$ 187,741,000**
Total IQ Water Projects (414)					**$ 16,600,952**	**$ 750,000**	**$ 850,000**	**$ 950,000**	**$ 980,000**	**$ 20,130,952**
TOTAL WASTEWATER AND IQ PROJECTS (413 & 414)					**$ 63,607,052**	**$ 42,185,000**	**$ 35,685,000**	**$ 145,514,000**	**$ 34,950,000**	**$ 321,941,052**

Notes: Budget developed using 2019 dollars

*Not included in the FY 2019 Board-approved budget.

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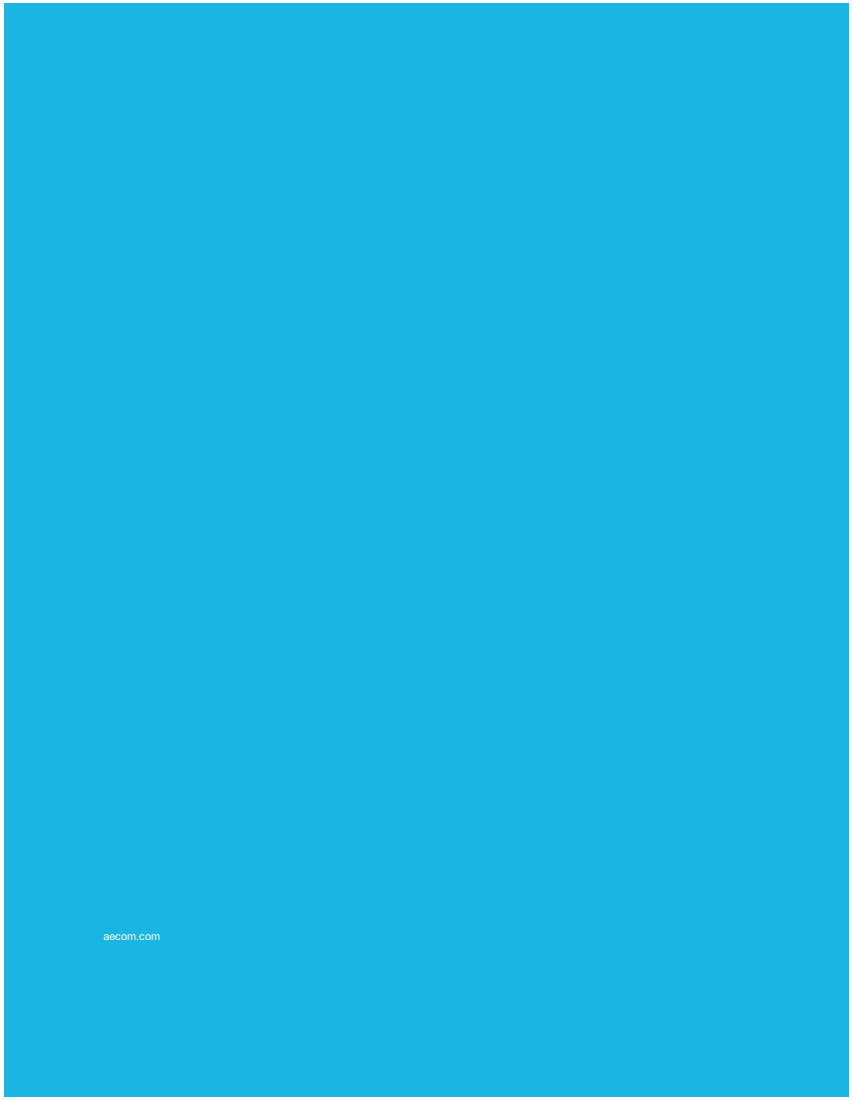
CAPITAL IMPROVEMENT PROJECTS 2024-2028
WASTEWATER (NON-IQ) AND IRRIGATION QUALITY (IQ) WATER

Line No.	Project No.	Project Name	Op/ Cap	Treat/ In-Grd	FY 2019-2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2024-2028	Summary FY 2019-2028
Existing 413 Wastewater Projects												
1		Fund 413 Operating Project - Imp. Fee Refunds	Op	Fin Ops	$ -	$ -	$ -	$ -	$ -		$ -	$ -
2		NEWRF First Phase (4 MGD) online by 2025	Cap	Treat	$ 104,039,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 104,039,000
New 413 Wastewater Projects												
3	70194	NE Wastewater Transmission Mains	Cap	In-Gnd	$ 10,030,100	$ -	$ 5,000,000	$ 5,000,000	$ 5,000,000	$ -	$ 15,000,000	$ 25,030,100
Existing 413 Irrigation Quality Water Projects												
4		Placeholder	Op	Fin Ops	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
New 413 Irrigation Quality Water Projects												
5	WWNEW	IQ Expansion/Business Plan	Cap	In-Gnd	$ -	$ -	$ 5,000,000	$ 5,000,000	$ 5,000,000	$ -	$ 15,000,000	$ 15,000,000
TOTAL FUND 413 Projects					**$ 114,069,100**	**$ -**	**$ 10,000,000**	**$ 10,000,000**	**$ 10,000,000**	**$ -**	**$ 30,000,000**	**$ 144,069,100**
Existing 414 Wastewater (Non-IQ) Projects												
1	50105	Integrated Asset Management	Op	Plan	$ 2,350,000	$ 500,000	$ 500,000	$ 500,000	$ 500,000	$ 500,000	$ 2,500,000	$ 4,850,000
2	50110	Biosolids Reuse Facility	Cap	SHW	$ 400,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 400,000
3	70014	Real Property/Infrastructure Audit	Op	Plan	$ 200,000	$ 50,000	$ 50,000	$ 50,000	$ 50,000	$ 50,000	$ 250,000	$ 450,000
4	70031	Utilities Master Plan	Op	Plan	$ 470,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 500,000	$ 970,000
5	70043	Gravity Sewers TSP CAP	Cap	In-Gnd	$ 3,750,000	$ 4,500,000	$ 4,750,000	$ 3,500,000	$ 5,000,000	$ 5,000,000	$ 22,750,000	$ 26,500,000
6	70044	Force Main Improvements Cap	Cap	In-Gnd	$ 7,000,000	$ 2,500,000	$ 2,500,000	$ 2,500,000	$ 3,000,000	$ 3,000,000	$ 13,500,000	$ 20,500,000
7	70046	Wastewater Pump Station TSP	Cap	In-Gnd	$ 22,000,000	$ 6,000,000	$ 6,500,000	$ 7,000,000	$ 7,000,000	$ 7,000,000	$ 33,500,000	$ 55,500,000
8	70050	Master Pump Stations TSP Cap	Cap	In-Gnd	$ 8,000,000	$ 2,000,000	$ 4,000,000	$ 4,000,000	$ 4,000,000	$ 4,000,000	$ 18,000,000	$ 26,000,000
9	70051	Wastewater Collection Power System Cap	Cap	In-Gnd	$ 1,050,000	$ 600,000	$ 660,000	$ 730,000	$ 800,000	$ 800,000	$ 3,590,000	$ 4,640,000
10	70053	NCWRF Power System TSP	Cap	Treat	$ 1,000,000	$ 400,000	$ 400,000	$ 400,000	$ 1,150,000	$ 1,150,000	$ 3,500,000	$ 4,500,000
11	70055	SCWRF Power System Cap	Cap	Treat	$ 800,000	$ 300,000	$ 300,000	$ 300,000	$ 1,000,000	$ 1,000,000	$ 2,900,000	$ 3,700,000
12	70060	NCWRF SCADA Support Operating	Op	SCADA	$ 1,530,000	$ 360,000	$ 390,000	$ 440,000	$ 500,000	$ 500,000	$ 2,190,000	$ 3,720,000
13	70061	SCWRF SCADA Support Operating	Op	SCADA	$ 1,020,000	$ 240,000	$ 260,000	$ 280,000	$ 300,000	$ 300,000	$ 1,380,000	$ 2,400,000
14	70103	NE Service Area-Twin Eagles Community Pump Station & Force Main	Cap	In-Gnd	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
15	70117	WW Remote Sites MSP	Op	SHW	$ 1,250,000	$ 250,000	$ 230,000	$ 220,000	$ 250,000	$ 250,000	$ 1,200,000	$ 2,450,000
16	70119	WW Treatment Plants MSP	Op	SHW	$ 2,300,000	$ 440,000	$ 420,000	$ 400,000	$ 400,000	$ 400,000	$ 2,060,000	$ 4,360,000
17	70120	Naples Park Gravity Sewer Replacement	Cap	In-Gnd	$ 22,800,000	$ 4,500,000	$ -	$ -	$ -	$ -	$ 4,500,000	$ 27,300,000
18	**70141**	**Basin 305 Program Capital**	Cap	In-Gnd	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
18.1	70141	MPS 305 Group 1 Pump Stations	Cap	In-Gnd	$ 820,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 820,000
18.2	70141	CPS 309.09	Cap	In-Gnd	$ 620,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 620,000
19	**70142**	**Basin 306 Program Capital**	Cap	In-Gnd	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
20	70143	Gravity Transmission Systems TSP	Op	In-Gnd	$ 450,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 500,000	$ 950,000
21	70144	Force Main Transmission Systems TSP	Op	In-Gnd	$ 4,000,000	$ 1,000,000	$ 500,000	$ 500,000	$ 1,000,000	$ 1,000,000	$ 4,000,000	$ 8,000,000
22	70145	WW Pump Station TSP	Op	In-Gnd	$ 4,400,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 500,000	$ 4,900,000
23	70146	Master PS TSP Op	Op	In-Gnd	$ 4,500,000	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 5,000,000	$ 9,500,000
24	70147	Collections Power System TSP	Op	In-Gnd	$ 200,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 500,000	$ 700,000
25	70148	Water Reclamation Facilities TSP	Op	Treat	$ 25,700,000	$ 6,000,000	$ 7,000,000	$ 8,000,000	$ 5,000,000	$ 5,000,000	$ 31,000,000	$ 56,700,000
26	70149	NCWRF Headwork & IQ Pump Station	Cap	Treat	$ 14,200,000	$ 1,300,000	$ 500,000	$ -	$ -	$ -	$ 1,800,000	$ 16,000,000
27	70159	NCWRF SCADA TSP	Cap	Treat	$ 200,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 500,000	$ 700,000
28	70162	SCWRF SCADA TSP	Cap	Treat	$ 200,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 500,000	$ 700,000

Line No.	Project No.	Project Name	Op/ Cap	Treat/ In-Grd	FY 2019-2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2024-2028	Summary FY 2019-2028
29	70164	WW Collections SCADA Telemetry	Cap	In-Gnd	$ 200,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 500,000	$ 700,000
30	70167	PUD Operations/Collection Center	Op	SHW	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	70173	Orange Tree Plant TSP (op)	Op	Treat	$ 5,000,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 5,000,000
32	70189	Cyber Security SCADA	Op	SCADA	$ 100,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 100,000
33	70191	Orange Tree Waste Water Treatment Plant Exp.	Cap	Treat	$ 5,000,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 5,000,000
34	70199	Immokalee Rd FM (951 to Logan Blvd Phase)	Cap	In-Gnd	$ 1,800,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,800,000
35	70202	County Utility Standards	Op	Plan	$ 125,000	$ 25,000	$ 25,000	$ 25,000	$ 25,000	$ 25,000	$ 125,000	$ 250,000
36	70215	MPS 302 Reconfiguration	Cap	In-Gnd	$ 3,200,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 3,200,000
37	70218	MPS 308 Replacement (Shadowlawn-Linwood)	Cap	In-Gnd	$ 3,000,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 3,000,000
38	70222	Golden Gate City CAP	Op	Both	$ 1,600,000	$ 200,000	$ 200,000	$ 200,000	$ 200,000	$ 200,000	$ 1,000,000	$ 2,600,000
39	70233	Logan Blvd FM (Immokalee Rd to VBR)	Cap	In-Gnd	$ 2,000,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 2,000,000
40	70234	Eliminate NPDES Monitoring	Op	Treat	$ 500,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 500,000
41	70235	Golden Gate MBR Addition Study	Cap	Treat	$ 150,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 150,000
42	70236	SCWRF Reject Storage Tank Conversion	Cap	Treat	$ 1,425,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,425,000
43	71058	General Legal Services	Op	Plan	$ 450,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 500,000	$ 950,000
44.0	72009	Livingston Rd FM Phase 7	Cap	In-Gnd	$ 930,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 930,000
45	72013	Facility Infrastructure Maint Wastewater	Op	SHW	$ 1,650,000	$ 350,000	$ 350,000	$ 360,000	$ 350,000	$ 350,000	$ 1,760,000	$ 3,410,000
46	72505	WW Security Systems	Op	SEC	$ 2,000,000	$ 500,000	$ 500,000	$ 500,000	$ 500,000	$ 500,000	$ 2,500,000	$ 4,500,000
47	72541	SCADA Compliance Assurance Program-Wastewater	Op	SCADA	$ 400,000	$ 105,000	$ 110,000	$ 115,000	$ 115,000	$ 115,000	$ 560,000	$ 960,000
48	73045	FDOT Utility Construction Projects - WW	Op	In-Gnd	$ 1,200,000	$ -	$ 1,500,000	$ -	$ 500,000	$ 500,000	$ 2,500,000	$ 3,700,000
49	73065	CW Util Proj-WW	Op	In-Gnd	$ 1,000,000	$ 200,000	$ 200,000	$ 200,000	$ 200,000	$ 200,000	$ 1,000,000	$ 2,000,000
50	73922	WW Collection SCADA Telemetry	Op	SCADA	$ 1,940,000	$ 460,000	$ 460,000	$ 460,000	$ 460,000	$ 460,000	$ 2,300,000	$ 4,240,000
51	73968	NCWRF Technical Support Program	Op	Treat	$ 1,100,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,100,000
52	73969	SCWRF Technical Support Program	Op	Treat	$ 1,100,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,100,000
53	74310	State Revolving Loan Funding	Op	Fin Ops	$ 40,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 50,000	$ 90,000
54	75017	PUD Hydraulic Modeling	Op	Plan/In-Gnd	$ 185,000	$ 25,000	$ 25,000	$ 25,000	$ 25,000	$ 25,000	$ 125,000	$ 310,000
55	75018	Financial Services	Op	Fin Ops	$ 260,000	$ 30,000	$ 30,000	$ 30,000	$ 30,000	$ 30,000	$ 150,000	$ 410,000
56	75019	GM Comprehensive Planning Technical Support	Op	Plan	$ 35,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 35,000
New 414 Wastewater (Non-IQ) Projects												
57	72009	Livingston Rd FM Phase 8	Cap	In-Gnd	$ 3,000,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 3,000,000
58	72009	Livingston Rd FM Phase 9	Cap	In-Gnd	$ 2,000,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 2,000,000
59	WWNEW	MPS 104 Reconfiguration and Rehabilitation	Cap	In-Gnd	$ 2,000,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 2,000,000
60	WWNEW	MPS 310 Reconfiguration and Rehabilitation	Cap	In-Gnd	$ 2,000,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 2,000,000
61	WWNEW	Palm River Gravity Sewer Replacement	Cap	In-Gnd	$ 1,500,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,500,000
62	WWNEW	Interim 1.5 MGD NE wastewater treatment plant*	Cap	Treat	$ 9,641,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 9,641,000
TOTAL 414 WASTEWATER (NON-IQ) Projects					**$ 187,741,000**	**$ 34,645,000**	**$ 34,170,000**	**$ 32,545,000**	**$ 34,165,000**	**$ 34,165,000**	**$ 169,690,000**	**$ 357,431,000**
Existing 414 Irrigation Quality Water Projects												
63	70056	IQ Power Systems	Op	In-Gnd	$ -	$ -	$ -	$ -	$ 240,000	$ 240,000	$ 480,000	$ 480,000
64	70062	IQ SCADA Support Operating	Op	In-Gnd	$ 1,000,000	$ 200,000	$ 200,000	$ 200,000	$ 200,000	$ 200,000	$ 1,000,000	$ 2,000,000
65	70166	IQ Water System TSP	Op	In-Gnd	$ 1,880,000	$ 400,000	$ 400,000	$ 400,000	$ 500,000	$ 500,000	$ 2,200,000	$ 4,080,000
66	70163	IQ SCADA TSP	Op	In-Gnd	$ 200,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 500,000	$ 700,000
67	74030	IQ Aquifer Storage and Recovery	Cap	In-Gnd	$ 1,080,000	$ 350,000	$ 350,000	$ 350,000	$ -	$ -	$ 1,050,000	$ 2,130,000
New 414 Irrigation Quality Water Projects												

Line No.	Project No.	Project Name	Op/ Cap	Treat/ In-Grd	FY 2019-2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2024-2028	Summary FY 2019-2028
68	WWNEW	Interim IQ pump station, IQ storage tank and all pipelines*			$ 15,970,952	$ -	$ -	$ -	$ -	$ -	$ -	$ 15,970,952
TOTAL 414 IRRIGATION QUALITY WATER Projects					**$ 20,130,952**	**$ 1,050,000**	**$ 1,050,000**	**$ 1,050,000**	**$ 1,040,000**	**$ 1,040,000**	**$ 5,230,000**	**$ 25,360,952**
TOTAL FUND 414 Projects					**$ 207,871,952**	**$ 35,695,000**	**$ 35,220,000**	**$ 33,595,000**	**$ 35,205,000**	**$ 35,205,000**	**$ 174,920,000**	**$ 382,791,952**
Total Wastewater (Non-IQ) Projects (413)					**$ 114,069,100**	**$ -**	**$ 5,000,000**	**$ 5,000,000**	**$ 5,000,000**	**$ -**	**$ 15,000,000**	**$ 129,069,100**
Total IQ Water Projects (413)					**$ -**	**$ -**	**$ 5,000,000**	**$ 5,000,000**	**$ 5,000,000**	**$ -**	**$ 15,000,000**	**$ 15,000,000**
Total Wastewater (Non-IQ) Projects (414)					**$ 187,741,000**	**$ 34,645,000**	**$ 34,170,000**	**$ 32,545,000**	**$ 34,165,000**	**$ 34,165,000**	**$ 169,690,000**	**$ 357,431,000**
Total IQ Water Projects (414)					**$ 20,130,952**	**$ 1,050,000**	**$ 1,050,000**	**$ 1,050,000**	**$ 1,040,000**	**$ 1,040,000**	**$ 5,230,000**	**$ 25,360,952**
TOTAL WASTEWATER AND IQ PROJECTS (413 & 414)					**$ 321,941,052**	**$ 35,695,000**	**$ 45,220,000**	**$ 43,595,000**	**$ 45,205,000**	**$ 35,205,000**	**$ 204,920,000**	**$ 526,861,052**

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APPENDIX E

FORM OF BOND COUNSEL OPINION

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APPENDIX E

FORM OF OPINION OF NABORS, GIBLIN & NICKERSON, P.A., WITH RESPECT TO THE SERIES 2019 BONDS

Upon delivery of the Series 2019 Bonds in definitive form, Nabors, Giblin & Nickerson, P.A., Tampa, Florida, Bond Counsel, proposes to render its opinion with respect to such Series 2019 Bonds in substantially the following form:

(Date of Delivery)

Board of County Commissioners
of Collier County, Florida,
Acting as the Ex-Officio Governing
Board of the Collier County
Water-Sewer District
Naples, Florida

Commissioners:

We have examined a record of proceedings relating to the issuance of $_____ Collier County Water-Sewer District Water and Sewer Revenue Bonds, Series 2019 (the "Bonds"). The Bonds are issued under the authority of the Laws of the State of Florida, including particularly, Chapter 2003-353, Laws of Florida, as amended and supplemented, and other applicable provisions of law, and pursuant to Resolution No. CWS-85-5 of the Collier County Water-Sewer District (the "District") adopted on July 30, 1985, as restated, amended and supplemented, particularly as supplemented by Resolution 2019-49/CWS Resolution 2019-02 of the District adopted on March 12, 2019 (collectively, the "Resolution").

The Bonds are dated and shall bear interest from their date of delivery, except as otherwise provided in the Resolution. The Bonds will mature on the dates and in the principal amounts and will bear interest at the respective rates per annum, as provided in the Resolution and set forth in the final Official Statement relating to the sale of the Bonds (the "Official Statement"). Interest on the Bonds shall be payable on each July 1 and January 1, commencing on July 1, 2019. The Bonds are subject to redemption prior to maturity in accordance with the Resolution and as set forth in the final Official Statement.

The Bonds are issued for the principal purpose of financing the acquisition, construction and equipping of various utility capital improvements within the northeast area of Collier County, as more particularly described in the Resolution.

As to questions of fact material to our opinion, we have relied upon the representations of the District contained in the Resolution and in the certified proceedings relating thereto and to the issuance of the Bonds and other certifications of public officials furnished to us in connection therewith, without undertaking to verify the same by independent investigation. Furthermore, we have assumed continuing compliance with the covenants and agreements contained in the Resolution. We have not undertaken an independent audit, examination, investigation or inspection of the matters described or contained in any agreements, documents, certificates, representations and opinions relating to the Bonds, and have relied solely on the facts, estimates and circumstances described and set forth therein. In our examination of the foregoing, we have assumed the genuineness of signatures on all documents and instruments, the authenticity of documents submitted as originals and the conformity to originals of documents submitted as copies.

Based on the foregoing, under existing law, we are of the opinion that:

1. The District is a duly created and validly existing political subdivision of the State of Florida.

2. The District has the right and power under the Constitution and Laws of the State of Florida to adopt the Resolution and the Resolution has been duly and lawfully adopted by the District, is in full force and effect in accordance with its terms and is valid and binding upon the District and enforceable in accordance with its terms and no other authorization for the Resolution is required. The Resolution creates the valid pledge which it purports to create of the Pledged Funds (as such term is defined in the Resolution), subject to the provisions of the Resolution permitting the application thereof for the purposes and on the terms and conditions set forth in the Resolution.

3. The District is duly authorized and entitled to issue the Bonds and the Bonds have been duly and validly authorized and issued by the District in accordance with the Constitution and Laws of the State of Florida and the Resolution. The Bonds constitute valid and binding obligations of the District as provided in the Resolution and are enforceable in accordance with their terms and the terms of the Resolution and are entitled

to the benefits of the Resolution and the laws pursuant to which they are issued. The Bonds shall be issued on parity under the Resolution with certain other Bonds (as defined in the Resolution) that are outstanding under the Resolution, to the extent and except as provided in the Resolution. The Bonds do not constitute a general indebtedness of the District, Collier County, Florida (the "County"), or the State of Florida or any agency, department or political subdivision thereof, or a pledge of the faith and credit of such entities, but are solely payable from the Pledged Funds in the manner and to the extent provided in the Resolution. No holder of the Bonds shall ever have the right to compel the exercise of any ad valorem taxing power of the County or the State of Florida or any political subdivision, agency or department thereof to pay the Bonds. The District has no taxing power.

4. Under existing statutes, regulations, rulings and court decisions, the interest on the Bonds (a) is excluded from gross income for federal income tax purposes and (b) is not an item of tax preference for purposes of the federal alternative minimum tax. The opinions set forth in this paragraph are subject to the condition that the District comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be (or continues to be) excluded from gross income for federal income tax purposes. Failure to comply with certain of such requirements could cause the interest on the Bonds to be so included in gross income retroactive to the date of issuance of the Bonds. The District has covenanted in the Resolution to comply with all such requirements. Ownership of the Bonds may result in collateral federal tax consequences to certain taxpayers. We express no opinion regarding such federal tax consequences arising with respect to the Bonds.

It should be noted that, except as may expressly be set forth in an opinion delivered by us to the underwriter for the Bonds (on which opinion only they may rely) on the date hereof, we have not been engaged or undertaken to review (1) the accuracy, completeness or sufficiency of the Official Statement or other offering material relating to the Bonds and we express no opinion relating thereto, or (2) the compliance with any federal or state law with regard to the sale or distribution of the Bonds and we express no opinion relating thereto.

The opinions expressed in paragraphs 2 and 3 hereof are qualified to the extent that the enforceability of the Resolution and the Bonds may be limited by any applicable bankruptcy, insolvency, moratorium, reorganization or other similar laws affecting

(Date of Delivery)

creditors' rights generally, or by the exercise of judicial discretion in accordance with general principles of equity.

The opinions set forth herein are expressly limited to, and we opine only with respect to, the laws of the State of Florida and the federal income tax laws of the United States of America. The only opinions rendered hereby shall be those expressly stated as such herein, and no opinion shall be implied or inferred as a result of anything contained herein or omitted herefrom.

This opinion is given as of the date hereof and we assume no obligation to update, revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

We have examined the form of the Bonds and, in our opinion, the form of the Bonds is regular and proper.

Respectfully submitted,

APPENDIX F

FORM OF CONTINUING DISCLOSURE CERTIFICATE

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APPENDIX F

FORM OF CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by Collier County Water-Sewer District (the "Issuer") in connection with the issuance of its $_____ Water and Sewer Revenue Bonds, Series 2019 (the "Bonds"). The Bonds are being issued pursuant to Resolution No. CWS-85-5 adopted on July 30, 1985, as amended and restated by Resolution No. CWS-85-13 adopted on December 26, 1985, as amended and supplemented, and particularly as amended by Resolution No. CWS-87-5 adopted on March 3, 1987, Resolution No. CWS-91-6 adopted on October 22, 1991 and Resolution No. CWS-2006-298 adopted on November 14, 2006, particularly as supplemented by Resolution No. 2019-49/CWS Resolution No. 2019-02 adopted on March 12, 2019 (collectively, the "Resolution").

SECTION 1. PURPOSE OF THE DISCLOSURE CERTIFICATE. This Disclosure Certificate is being executed and delivered by the Issuer for the benefit of the holders and Beneficial Owners (defined below) of the Bonds and in order to assist the Participating Underwriters in complying with the continuing disclosure requirements of the Rule (defined below).

SECTION 2. DEFINITIONS. In addition to the definitions set forth in the Resolution which apply to any capitalized term used in this Disclosure Certificate, unless otherwise defined herein, the following capitalized terms shall have the following meanings:

"Annual Report" shall mean any Annual Report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"Beneficial Owner" shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

"Dissemination Agent" shall mean the Issuer, or any successor Dissemination Agent designated in writing by the Issuer and which has filed with the Issuer a written acceptance of such designation.

"EMMA" shall mean the Electronic Municipal Market Access web portal of the MSRB, located at http://www.emma.msrb.org.

"Event of Bankruptcy" shall be considered to have occurred when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an Obligated Person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Obligated Person, or if such jurisdiction has been assumed by leaving the existing governmental body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Obligated Person.

"Financial Obligation" shall mean a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) a guarantee of (i) or (ii). The term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the Municipal Securities Rulemaking Board consistent with the Rule.

"Listed Events" shall mean any of the events listed in Section 5(a) of this Disclosure Certificate.

"MSRB" shall mean the Municipal Securities Rulemaking Board.

"Obligated Person" shall mean any person, including the Issuer, who is either generally or through an enterprise, fund, or account of such person committed by contract or other arrangement to support payment of all, or part of the obligations on the Bonds (other than providers of municipal bond insurance, letters of credit, or other liquidity or credit facilities).

"Participating Underwriters" shall mean the original underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

"Repository" shall mean each entity authorized and approved by the Securities and Exchange Commission from time to time to act as a repository for purposes of complying with the Rule. As of the date hereof, the Repository recognized by the Securities and Exchange Commission for such purpose is the MSRB, which currently accepts continuing disclosure submissions through EMMA.

"Rule" shall mean the continuing disclosure requirements of Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

"State" shall mean the State of Florida.

SECTION 3. PROVISION OF ANNUAL REPORTS.

(a) The Issuer shall, or shall cause the Dissemination Agent to, not later than each April 30th, commencing April 30, 2019 with respect to the report for the 2018 fiscal year, provide to any Repository in the electronic format as required and deemed acceptable by such Repository an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided that the audited financial statements of the Issuer may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date provided, further, in such event unaudited financial statements are required to be delivered as part of the Annual Report in accordance with Section 4(a) below. If the Issuer's fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5.

(b) If on the fifteenth (15th) day prior to the annual filing date, the Dissemination Agent has not received a copy of the Annual Report, the Dissemination Agent shall contact the Issuer by telephone and in writing (which may be by e-mail) to remind the Issuer of its undertaking to provide the Annual Report pursuant to Section 3(a). Upon such reminder, the Issuer shall either (i) provide the Dissemination Agent with an electronic copy of the Annual Report no later than two (2) business days

prior to the annual filing date, or (ii) instruct the Dissemination Agent in writing that the Issuer will not be able to file the Annual Report within the time required under this Agreement, state the date by which the Annual Report for such year will be provided and instruct the Dissemination Agent that a failure to file has occurred and to immediately send a notice to the Repository in substantially the form attached as Exhibit A, accompanied by a cover sheet completed by the Dissemination Agent in the form set forth in Exhibit B.

(c) The Dissemination Agent shall:

(i) determine each year prior to the date for providing the Annual Report the name and address of any Repository;

(ii) if the Dissemination Agent is other than the Issuer, file a report with the Issuer certifying that the Annual Report has been provided pursuant to this Disclosure Certificate, stating the date it was provided and listing any Repository to which it was provided; and

(iii) if the Dissemination Agent has not received an Annual Report by 6:00 p.m. Eastern time on the annual filing date (or, if such annual filing date falls on a Saturday, Sunday or holiday, then the first business day thereafter) for the Annual Report, a failure to file shall have occurred and the Issuer irrevocably directs the Dissemination Agent to immediately send a notice to the Repository in substantially the form attached as Exhibit A without reference to the anticipated filing date for the Annual Report, accompanied by a cover sheet completed by the Dissemination Agent in the form set forth in Exhibit B.

SECTION 4. CONTENT OF ANNUAL REPORTS. The Issuer's Annual Report shall contain or include by reference the following:

(a) the audited financial statements of the Issuer for the prior fiscal year, prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If the Issuer's audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement dated _____, 2019 (the "Official Statement"), and the audited financial statements shall be filed in the same manner as the Annual Report when they become available; and

(b) updates of the historical financial and operating data set forth in the Official Statement under the captions:

(i) Historical Sewer System and Water System Equivalent Residential Connections and Water and Sewer Accounts;
(ii) Monthly Water Rates;
(iii) Monthly Sewer Rate;
(iv) Monthly Reuse Irrigation Rates;
(v) Existing System Development Fees; and
(vi) Historical Operating Results.

The information provided under Section 4(b) may be included by specific reference to documents, including official statements of debt issues of the Issuer or related public entities, which are available to the public on the Repository's Internet Web site or filed with the Securities and Exchange Commission.

The Issuer reserves the right to modify from time to time the specific types of information provided in its Annual Report or the format of the presentation of such information, to the extent necessary or appropriate in the judgment of the Issuer; provided that the Issuer agrees that any such modification will be done in a manner consistent with the Rule.

SECTION 5. REPORTING OF SIGNIFICANT EVENTS.

(a) Pursuant to the provisions of this Section 5, the Issuer shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds. Such notice shall be given in a timely manner not in excess of ten (10) business days after the occurrence of the event, with the exception of the event described in number 15 below, which notice shall be given in a timely manner:

1. principal and interest payment delinquencies;

2. non-payment related defaults, if material;

3. unscheduled draws on debt service reserves reflecting financial difficulties;

4. unscheduled draws on credit enhancements reflecting financial difficulties;

5. substitution of credit or liquidity providers, or their failure to perform;

6. adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701 TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;

7. modifications to rights of the holders of the Bonds, if material;

8. Bond calls, if material, and tender offers;

9. defeasances;

10. release, substitution, or sale of property securing repayment of the Bonds, if material;

11. ratings changes;

12. an Event of Bankruptcy or similar event of an Obligated Person;

13. the consummation of a merger, consolidation, or acquisition involving an Obligated Person or the sale of all or substantially all of the assets of the Obligated Person, other than in the ordinary course of business, the entry into a

definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

14. appointment of a successor or additional trustee or the change of name of a trustee, if material;

15. notice of any failure on the part of the Issuer to meet the requirements of Section 3 hereof;

16. incurrence of a Financial Obligation of the Issuer or Obligated Person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Issuer or Obligated Person, any of which affect security holders, if material; and

17. default, event of acceleration, termination event, modification of terms, or other similar events under the terms of the Financial Obligation of the Issuer or Obligated Person, any of which reflect financial difficulties.

(b) The notice required to be given in paragraph 5(a) above shall be filed with any Repository, in electronic format as prescribed by such Repository.

SECTION 6. IDENTIFYING INFORMATION. In accordance with the Rule, all disclosure filings submitted pursuant to this Disclosure Certificate to any Repository must be accompanied by identifying information as prescribed by the Repository. Such information may include, but not be limited to:

(a) the category of information being provided;
(b) the period covered by any annual financial information, financial statement or other financial information or operation data;
(c) the issues or specific securities to which such documents are related (including CUSIPs, issuer name, state, issue description/securities name, dated date, maturity date, and/or coupon rate);
(d) the name of any Obligated Person other than the Issuer;
(e) the name and date of the document being submitted; and
(f) contact information for the submitter.

SECTION 7. TERMINATION OF REPORTING OBLIGATION. The Issuer's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds, so long as there is no remaining liability of the Issuer, or if the Rule is repealed or no longer in effect. If such termination occurs prior to the final maturity of the Bonds, the Issuer shall give notice of such termination in the same manner as for a Listed Event under Section 5.

SECTION 8. DISSEMINATION AGENT. The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the Issuer pursuant to this Disclosure Certificate. The initial Dissemination Agent shall be Digital Assurance Certification, L.L.C.

SECTION 9. AMENDMENT; WAIVER. Notwithstanding any other provision of this Disclosure Certificate, the Issuer may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3(a), 4, or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of the Issuer, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (i) is approved by the holders or Beneficial Owners of the Bonds in the same manner as provided in the Resolution for amendments to the Resolution with the consent of holders or Beneficial Owners, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the holders or Beneficial Owners of the Bonds.

Notwithstanding the foregoing, the Issuer shall have the right to adopt amendments to this Disclosure Certificate necessary to comply with modifications to and interpretations of the provisions of the Rule as announced by the Securities and Exchange Commission from time to time.

In the event of any amendment or waiver of a provision of this Disclosure Certificate, the Issuer shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Issuer. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 5, and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

SECTION 10. ADDITIONAL INFORMATION. Nothing in this Disclosure Certificate shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the Issuer shall have no obligation under this Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 11. DEFAULT. The continuing disclosure obligations of the Issuer set forth herein constitute a contract with the holders of the Bonds. In the event of a failure of the Issuer to comply with any provision of this Disclosure Certificate, any holder or Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by

court order, to cause the Issuer to comply with its obligations under this Disclosure Certificate; provided, however, the sole remedy under this Disclosure Certificate in the event of any failure of the Issuer to comply with the provisions of this Disclosure Certificate shall be an action to compel performance. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Resolution.

SECTION 12. DUTIES, IMMUNITIES AND LIABILITIES OF DISSEMINATION AGENT.

(a) The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate . The Dissemination Agent's obligation to deliver the information at the times and with the contents described herein shall be limited to the extent the Issuer has provided such information to the Dissemination Agent as required by this Disclosure Certificate. The Dissemination Agent shall have no duty with respect to the content of any disclosures or notice made pursuant to the terms hereof. The Dissemination Agent shall have no duty or obligation to review or verify any Information or any other information, disclosures or notices provided to it by the Issuer and shall not be deemed to be acting in any fiduciary capacity for the Issuer, the Holders of the Bonds or any other party. The Dissemination Agent shall have no responsibility for the Issuer's failure to report to the Dissemination Agent a Notice Event or a duty to determine the materiality thereof. The Dissemination Agent shall have no duty to determine, or liability for failing to determine, whether the Issuer has complied with this Disclosure Certificate. The Dissemination Agent may conclusively rely upon Certifications of the Issuer at all times.

The obligations of the Issuer under this Section shall survive resignation or removal of the Dissemination Agent and defeasance, redemption or payment of the Bonds.

(b) The Dissemination Agent may, from time to time, consult with legal counsel (either in-house or external) of its own choosing in the event of any disagreement or controversy, or question or doubt as to the construction of any of the provisions hereof or its respective duties hereunder, and shall not incur any liability and shall be fully protected in acting in good faith upon the advice of such legal counsel. The reasonable fees and expenses of such counsel shall be payable by the Issuer.

(c) All documents, reports, notices, statements, information and other materials provided to the MSRB under this Agreement shall be provided in an electronic format and accompanied by identifying information as prescribed by the MSRB.

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SECTION 13. BENEFICIARIES. This Disclosure Certificate shall inure solely to the benefit of the Issuer, the Dissemination Agent, the Participating Underwriters and holders and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Dated as of April 17, 2019

COLLIER COUNTY WATER-SEWER DISTRICT

By:_____
Name: W. L. McDaniel, Jr.
Title: Chairman

Approved as to Form and Legal Sufficiency:

By:_____
Name: Jeffrey A. Klatzkow
Title: County Attorney

ACKNOWLEDGED BY:

DIGITAL ASSURANCE CERTIFICATION L.L.C.,
as Dissemination Agent

By:_____
Name:_____
Title:_____

EXHIBIT A

NOTICE TO REPOSITORY OF FAILURE TO FILE ANNUAL REPORT

Issuer: _____

Obligated Person: _____

Name(s) of Bond Issue(s): _____

Date(s) of Issuance: _____

Date(s) of Disclosure Agreement: _____

CUSIP Number: _____

NOTICE IS HEREBY GIVEN that the Issuer has not provided an Annual Report with respect to the above-named Bonds as required by the Continuing Disclosure Certificate between the Issuer and Digital Assurance Certification, L.L.C., as Dissemination Agent. [The Issuer has notified the Dissemination Agent that it anticipates that the Annual Report will be filed by_____].

Dated:_____

Digital Assurance Certification, L.L.C., as Dissemination Agent, on behalf of the Issuer

_____

cc:

EXHIBIT B
EVENT NOTICE COVER SHEET

This cover sheet and accompanying "event notice" will be sent to the MSRB, pursuant to Securities and Exchange Commission Rule 15c2-12(b)(5)(i)(C) and (D).

Issuer's and/or Other Obligated Person's Name:

_____

Issuer's Six-Digit CUSIP Number:

_____

_____

or Nine-Digit CUSIP Number(s) of the bonds to which this event notice relates:

_____

Number of pages attached: _____

____ Description of Notice Events (Check One):

1._____"Principal and interest payment delinquencies;"
2._____"Non-Payment related defaults, if material;"
3._____"Unscheduled draws on debt service reserves reflecting financial difficulties;"
4._____"Unscheduled draws on credit enhancements reflecting financial difficulties;"
5._____"Substitution of credit or liquidity providers, or their failure to perform;"
6._____"Adverse tax opinions, IRS notices or events affecting the tax status of the security;"
7._____"Modifications to rights of securities holders, if material;"
8._____"Bond calls, if material;"
9._____"Defeasances;"
10._____"Release, substitution, or sale of property securing repayment of the securities, if material;"
11._____"Rating changes;"
12._____"Tender offers;"
13._____"Bankruptcy, insolvency, receivership or similar event of the obligated person;"
14._____"Merger, consolidation, or acquisition of the obligated person, if material;" and
15._____"Appointment of a successor or additional trustee, or the change of name of a trustee, if material."
16._____"Incurrence of a Financial Obligation of the Issuer or Obligated Person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Issuer or Obligated Person, any of which affect security holders, if material;" and
17._____"Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of the Financial Obligation of the Issuer or Obligated Person, any of which reflect financial difficulties."

____ Failure to provide annual financial information as required.

I hereby represent that I am authorized by the issuer or its agent to distribute this information publicly:

Signature:

_____

Name: _____Title: _____

Digital Assurance Certification, L.L.C.
315 E. Robinson Street, Suite 300
Orlando, FL 32801
407-515-1100

Date:

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COLLIER COUNTY WATER-SEWER DISTRICT (FLORIDA) • WATER AND SEWER REVENUE BONDS, SERIES 2019

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