Comprehensive Annual Financial Report

Lee County, Florida

Fiscal Year Ended September 30, 2014

Lee County, Florida

Comprehensive Annual Financial Report

For the
Fiscal Year Ended September 30, 2014

Prepared by:
General Accounting Office, Finance & Records Department

Clerk to Board of County Commissioners

Linda Doggett

Lee County, Florida

PRINCIPAL OFFICIALS

As of September 30, 2014

Elected Officials

Board of County Commissioners, Port Commissioners:

Commissioner, District 1	John Manning	
Commissioner, District 2	Cecil Pendergrass	
Commissioner, District 3	Larry Kiker	* **
Commissioner, District 4	Brian Hamman	
Commissioner, District 5	Frank Mann	

Appointed Officials

County Manager	Roger Desjarlais
County Attorney	Richard Wm. Wesch
Executive Director, Port Authority	Robert Ball
Hearing Examiner(s)	Donna Marie Collins Laura Belflower

* Chairman for Board of County Commissioners

** Chairman for Board of Port Commissioners

Photographs provided by Ed Clement Photographic Services, Inc., Lee County Public Resources, Lee County Visitor & Convention Bureau, Lee County Port Authority, Lee County Water & Wastewater System, Lee County Solid Waste System, Lee County Transportation Facilities, and Lee County Transit.

Lee County, Florida

COMPREHENSIVE ANNUAL FINANCIAL REPORT

September 30, 2014

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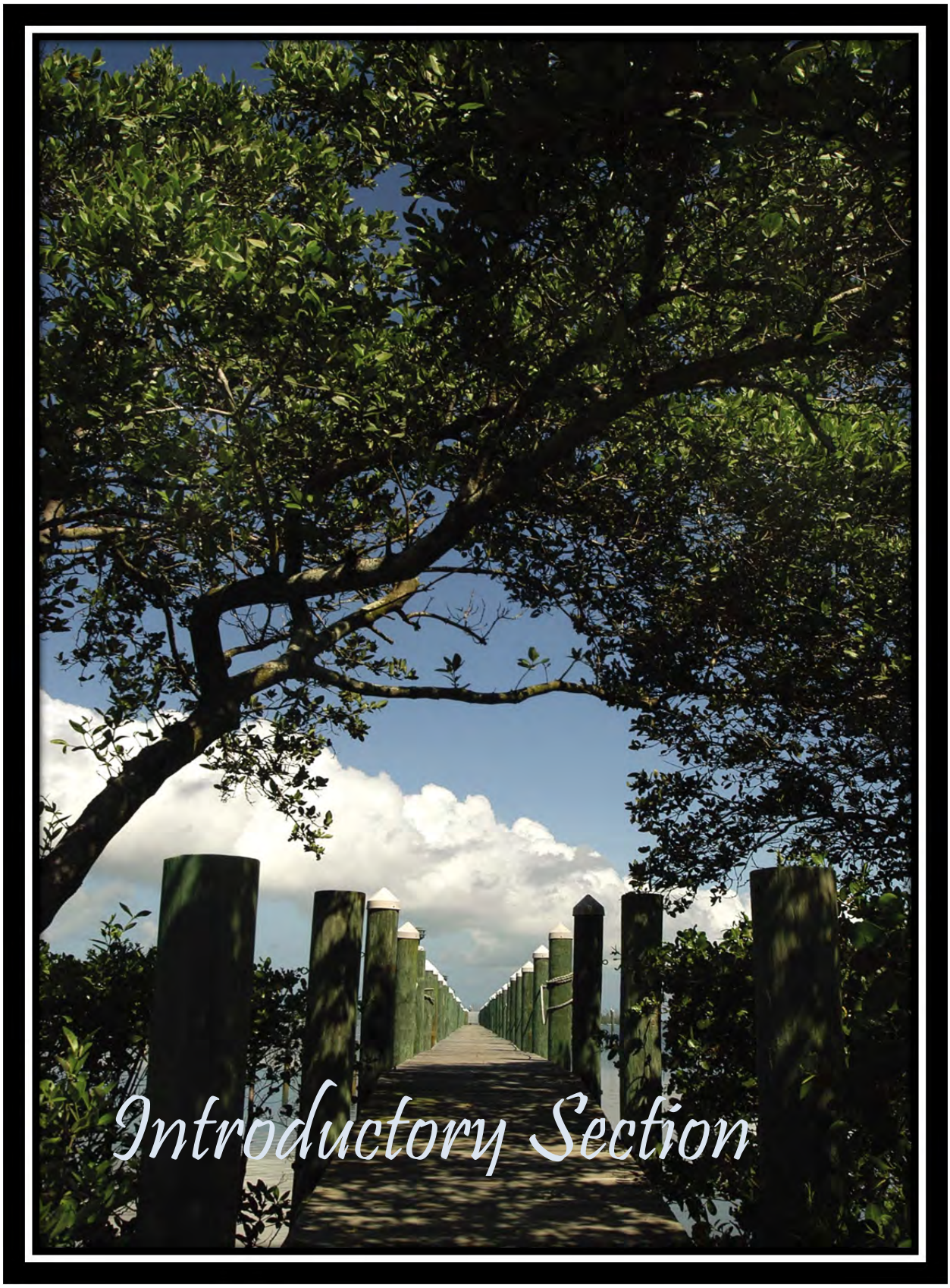
Introductory Section

February 13, 2015

To the Citizens of Lee County:

We are pleased to present to you the accompanying Comprehensive Annual Financial Report of Lee County (the County) for the fiscal year ended September 30, 2014. State law requires that a complete set of financial statements, presented in conformance with generally accepted accounting principles (GAAP), audited by licensed independent certified public accountants be released to the public within nine months of the fiscal year end. This report is being issued in fulfillment of these statutory requirements.

Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the Clerk of Circuit Court as Chief Financial Officer of the County. We believe the data, as presented, is accurate in all material respects, that it is presented in a manner designed to fairly set forth the financial position and the results of operations of the County, and that all disclosures necessary to enable the reader to obtain a comprehensive understanding of the County's financial activity have been included.

Internal Controls

The County has established a comprehensive internal control framework that is designed to provide reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and ensure that the financial records for preparing financial statements and maintaining accountability for assets are reliable. The concept of reasonable assurance recognizes that the cost of control should not exceed the benefits likely to be derived and that the evaluation of costs and benefits requires estimates and judgments by management. All internal control evaluations occur within the above framework. We believe that the County's internal controls adequately safeguard assets and provide reasonable assurance of properly recorded financial transactions.

Independent Audit

In compliance with the laws of the State of Florida the County's financial statements have been audited by CliftonLarsonAllen LLP, a firm of licensed independent certified public accountants. The audit was performed to provide reasonable assurance that the financial statements for the fiscal year ended September 30, 2014, are free of material misstatement. The audit involved performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements; evaluating the appropriateness of accounting principles used and the reasonableness of significant accounting estimates made by management; as well as evaluating the overall financial statement presentation. The independent auditor issued an unmodified opinion on the County's financial statements for the fiscal year ended September 30, 2014. The Independent Auditors' Report is presented in the Financial Section of this report. Governmental accounting and auditing principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). The Management's Discussion & Analysis (pages 17-27) can be found in the Financial Section immediately following the independent auditors' report and should be read in conjunction with this transmittal letter.

PO Box 9366, Fort Myers, FL 33902-9366
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County Structure and Services

Lee County was founded in 1887 and named in honor of General Robert E. Lee. The County is located on the Gulf of Mexico in the southwestern portion of Florida and encompasses approximately 811 square miles, including several small islands in the Gulf of Mexico. Three incorporated municipalities are located on the mainland: Fort Myers (one of two county seats), Bonita Springs, and Cape Coral (second county seat). The Town of Fort Myers Beach is located on Estero Island and the City of Sanibel is situated on Sanibel Island. The unincorporated communities include Lehigh Acres, Estero, North Fort Myers, Tice, Alva, Matlacha, Bokeelia, St. James City, and Captiva Island. Lee County's climate can be classified as subtropical with temperatures averaging from 66 degrees (F) in winter to 83 degrees (F) in summer.

Lee County experienced significant growth between 2000 and 2014 increasing its population by approximately 46 percent to an estimated 643,367. Lee County continues to grow and the projected population for 2020 is 840,600. With almost 24 percent of its residents age 65 and older, the County is well known as a retirement destination and therefore growth is projected to continue through the next decade, although at a slower rate than originally anticipated.

County Services and Reporting Entity

The County provides its citizens with a wide range of services that include law enforcement, human and community assistance-related services, civil and criminal justice system services, road and bridge maintenance, park operation, library services, economic and physical environment, as well as other general and administrative support services. In addition, airport facilities, transit system, water and wastewater system, toll bridge facilities, and a waste-to-energy facility are provided under an enterprise concept with user charges set by the Board of County Commissioners.

The Board of County Commissioners (the Board) is the legislative body for the County, having the responsibility of budgeting and providing all the funding used by the various County departments and the separate Constitutional Officers, with the exception of fees collected by the Clerk of Circuit Court, Property Appraiser, and Tax Collector. Under the direction of the Clerk of Circuit Court, the Finance & Records Department maintains the accounting system for the Board's operations. The other Constitutional Officers maintain their own accounting systems. For purposes of this report the operations of the County as a whole, including all Constitutional Officers, have been presented.

In addition to the divisions of the Board and the Constitutional Officers, the Lee County Port Authority, a blended component unit, is included in the Comprehensive Annual Financial Report.

Budgetary Controls

The adopted budget is controlled in accordance with Chapter 129, *Florida Statutes*, and a formal budget policy which is incorporated into the County's Administrative Code. The Assistant County Manager, on behalf of the County Manager, is responsible for the preparation of the Board's budget. The legally adopted total appropriation for a fund may only be changed by resolution of the Board. Full authority to transfer budgetary amounts other than these instances is delegated to the County Manager

or the Assistant County Manager. When the Board adopts the program budget it is integrated into the reporting system for management reporting purposes. Budget-to-actual comparisons are provided in the report for each fund for which an appropriated annual budget has been adopted. Original and final budgets for major governmental funds are also provided. The Constitutional Officers' budget control is retained at the fund level; the budgets of the Property Appraiser and Tax Collector are approved by the Florida Department of Revenue and those of the Clerk of the Circuit Court (excluding fees and court-related budgets), Sheriff, and Supervisor of Elections are approved by the Board. The court-related portion of the Clerk of Circuit Court's budget is determined by the State of Florida's legislature.

Financial Condition of the County

Local Economy

Lee County has long been a popular vacation and retirement spot with more than 50 miles of sandy beaches that span from Gasparilla Island State Recreation Area to Barefoot Beach on Little Hickory Island. There are 18 miles of public parks on the beachfront and more than 100 public beach access points. Lee County contains more than 100 parks, beaches, wildlife refuges, including J.N. "Ding" Darling National Refuge on Sanibel Island; Lover's Key/Black Island State Park; Lakes Park; and Six Mile Cypress Slough. Lee County contains more than 90 golf courses and ranks fifth in the nation for hole-per-person ratio. Lee County is also home to the Boston Red Sox and Minnesota Twins spring training. Although Lee County experiences year-round tourism, the number of tourists increases in winter as does the retiree population.

The figures provided by Lee County's Visitor and Convention Bureau for fiscal year 2014, show an increase in total tourist visits as compared to the prior fiscal year. The total number of visits is comprised of paid accommodations, and stays with friends or relatives. For fiscal year 2014, as compared to fiscal year 2013, the number of paid accommodations increased 10.5 percent, whereas the number of stays with friends or relatives decreased 5.3 percent, resulting in an overall increase of 3.5 percent. Passenger traffic at Southwest Florida International Airport ("SWFIA") reflected a 3.7 percent increase from the previous fiscal year. Southwest Florida International Airport has served more than five million passengers each year since 2000 and continues to rank among the 50 busiest airports in the nation, according to the U.S. Department of Transportation.

Lee County has numerous favorable rankings nationwide. To name a few: ***Expansion Management*** named us America's Top Mid-Sized Economic Development Hot Spot and listed us among America's Top 100 Leaders in growth. ***Inc. Magazine*** called Lee County one of the Best Business Climates in the U.S., while ***Tax Foundation*** ranked us the 5th Best Business Tax Climate in the nation.

Employment

Over the years, Lee County has seen tremendous growth in their labor force. According to the United States Department of Labor, Bureau of Labor Statistics, the labor force has increased 48 percent from 2000 to 2014 and continues to see steady growth with an increase of 5 percent year over year. The labor force at September 30, 2014, 2013, and 2012

was 300,690, 286,133, and 280,949, respectively. Employment in the County as of September 30, 2014, is estimated at 282,491.

Lee County's economy continues to show indications of recovery. The unemployment rate declined in Lee County this past year from 7.2 percent in 2013 to 6.1 percent in 2014. The County's unemployment levels approximate Florida's rate of 6.1 percent and the national rate of 5.7 percent.

According to the United States Department of Labor, Bureau of Labor Statistics, the non-agricultural employment for the Lee County Metropolitan Area was comprised of 21.1 percent in Trade, Transportation and Utilities, 17.9 percent in Government (Federal, State and Local), 14.6 percent in Leisure and Hospitality, 13.1 percent in Professional and Business Services, 11.7 percent in Education and Health Services, 10.6 percent in Mining, Logging, Construction and Manufacturing, and 11 percent in all other.

Economic Conditions

The mainstays of the County's economy are tourism and retirement, and their associated services, such as health, trade, and other service-orientated industries. The County also has real estate development, agribusiness, high-tech manufacturing, corporate and regional headquarters, warehousing and distribution, and financial service industries.

Foreclosures filed in the County decreased significantly this fiscal year to 2,627, which is a 49.5 percent decrease from prior year. According to the Florida Realtors, the median sales price of an existing single-family home for the Fort Myers-Cape Coral metropolitan area in September 2014 and 2013 was $175,000 and $168,450, respectively, which represents a 3.9 percent increase. The median price for existing condominiums in September 2014 and 2013 was $170,500 and $155,000, respectively, which represents a 10 percent increase. Short sales of single-family homes have decreased significantly by 57.6 percent year over year. In September, single-family homes spent only 38 median days on the market, a decrease of 9.5 percent year-over-year and active listings decreased 12.1 percent year-over-year, indicating a healthier housing market and that Lee County is a seller's market.

Current and Long-Term Capital Initiatives

The County's Capital Improvement Program (CIP) consists of capital projects which reflect the County's infrastructure needs over a five-year time frame and include assets with long-term value such as buildings, roads, bridges, and parks.

Significant capital projects and other initiatives completed in fiscal year 2014 include:

- Constructed a two story library in Fort Myers for a cost of $19 million.
- Design and construction of approximately 175,000 square yards of apron and taxiway pavement at SWFIA for a cost of $39.4 million.
- Design, improvements, and relocation of the rental car facility at SWFIA for a cost of $4.8 million.
- Remediation of Hazardous Wildlife at SWFIA for a total cost of $3.9 million.
- Business 41 waterline upgrade (Littleton Road to Shell Factory) for a total cost of $1 million.
- Interchange water and sewer relocation (SR 80 and I-75) for a total cost of $1.4 million.
- Phase 2B of the North Lee County RO well field expansion for a cost of $6 million.
- Suncoast Roads Phase I and II Paving for a total cost of $1.3 million.
- Constructed the Admiral Lehigh Trailhead Park for a total cost of $1.7 million.
- Phase IV improvements to Veterans Park Lehigh for a total cost of $2 million.

Projects currently in progress include the following:

- Ongoing conceptual design of a new 9,100 foot parallel runway, and FP&L relocation at SWFIA for a projected total cost of $381 million.
- Recapitalization and optimization of the Baggage Handling System (BHS), required upgrades, technical advances, and replacement of the explosive detection system (EDS) in the BHS system for a total projected cost of $7.7 million.
- SWFIA Closed Circuit Television (CCTV) System upgrade, installation of 125 cameras and related infrastructure throughout the terminal and upgrades to the Airport Communication System for a total projected cost of $8.4 million.
- Replacement of the Airport's Flight Information Display System (FIDS) at SWFIA for a projected cost of $5.8 million.
- Permitting, environmental approval, roadway, drainage, utility, landscaping, and signage for Skyplex Boulevard between Daniels Parkway and Chamberlin Parkway for a total projected cost of $4.7 million.
- Expansion of the Terminal Access Road (TAR) to six lanes from Interstate 75 to Air Cargo Lane for a total estimated cost of $4.0 million.
- Continued design of a new Air Traffic Control Tower at SWFIA for a projected cost of $41.6 million.
- Continued design of the perimeter road at Page Field for a projected cost of $2.0 million.
- Construction of the new 77,300 square foot Lee Tran Administration, Operations, and Maintenance Facility for a projected cost of $44 million.
- Expansion of the landfill and compost facilities for a projected cost of $15.7 million.
- Expansion of the Green Meadows Water Treatment Plant for a projected cost of $78 million.
- Three Oaks WWTP Oxidation Ditch Improvements for a projected cost of $17.0 million.
- Water main replacement along US 41 from Alico Road to North Airport Haul Road for a projected cost of $13 million.
- Florida Gulf Coast University (FGCU) Water and Sewer Main Extensions for a projected cost of $5.8 million.
- Page Park Waterline Improvements for a projected cost of $4 million.
- Olga Water Treatment Plant Chemical System Improvements for a projected cost of $4.9 million.
- Fiesta WWTP Switchgear & Generator Replacement for projected cost of $3.2 million.
- Yacht Club Colony Distribution System Rehabilitation for a projected cost of $2.8 million.
- Pinewoods Wellfield Electrical and Controls Improvements for a projected cost of $2.8 million.
- Rehabilitation of the Gateway WWTP Davco Package Unit for a projected cost of $2.2 million.
- Restoration of the Fiesta Village WWTP headworks concrete structure for a projected cost of $2.1 million.
- Design phase of McGregor Blvd Water Main Replacement for a projected cost of $7 million.
- Palm Beach Boulevard Force Main Replacement at Orange River for a projected cost of $1 million.
- Three Oaks reuse augmentation for a total projected cost of $3.2 million.
- Design and construction of the Pine Island WWTP improvements for a projected cost of $1.3 million.
- Design phase of the Ben Hill-Alico force main for a projected cost of $5 million.
- Design of Segment One of Estero Boulevard improvements for a five year projected cost of $16.5 million.
- Design and right-of-way acquisition for Burnt Store Road widening for a five year projected cost of $29.2 million.
- Design phase of Alico Road widening project with a total projected cost of $12.6 million.
- Design and right-of-way acquisition for Homestead Road widening with a total projected cost of $21.4 million.
- Improvements to Galt Preserve to make it a passive park for a projected cost of $1.7 million.

- Expansion and renovations to the Lee County Sports Complex and Hammond Stadium for a projected cost of $48.5 million.
- In the design and permitting phase for the Nalle Grade Stormwater Park for a projected cost of $3.4 million.

Cash Management and Investments

The cash needs of the County are monitored daily and cash that is temporarily idle during the year is invested in accordance with the County's investment policy. The primary objective of the investment policy is the preservation of capital and the protection of investment principal.

Investments during the year were:

- Treasury bills and notes, government agencies and instrumentalities, and money market mutual funds whose investments consist primarily of municipals and U.S. government obligations. At fiscal year-end the maturities of the investments ranged from two days to two years and interest earned ranged from 0.10 percent to 0.70 percent.

- The State Board of Administration's ("SBA") Local Government Surplus Funds Investment Pool Trust Fund operates an investment pool for local governments. The average yield for the pool for the fiscal year was 0.16 percent.

- Repurchase agreements with primary United States broker/dealer firms, reporting daily to the New York Federal Reserve Bank. All term repurchase agreements (except those held by the County's trustees) are collateralized by 101 to 105 percent with the collateral held in the County's name by a third-party safekeeping agent. The collateral is valued weekly. The County did not enter into any repurchase agreements in fiscal year 2014.

Risk Management

The Board maintains self-insurance programs to administer insurance activities related to property and casualty, county-wide employee health and dental programs, general liability, and worker's compensation. The concept of the self-insurance programs is to allow the County to absorb losses up to a specific annual amount. Excess and other specific coverages are purchased from third-party carriers.

Funding for these programs is generated by charges to the operating departments based on management's annual estimates of claim loss funding and administration/operating costs. The Lee County Sheriff's Office does not participate in the County's insurance programs and maintains a separate self-insurance fund for their employee health and dental coverage. The Port Authority does not participate in the property and casualty self-insurance program.

Awards and Acknowledgments

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the County for its Comprehensive Annual Financial Report for the fiscal year ended September 30, 2013. This was the 29th consecutive year that the County has received this prestigious award. To be awarded a Certificate of Achievement, the County had to publish an easily readable and efficiently organized Comprehensive Annual Financial Report which satisfied both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

Acknowledgements

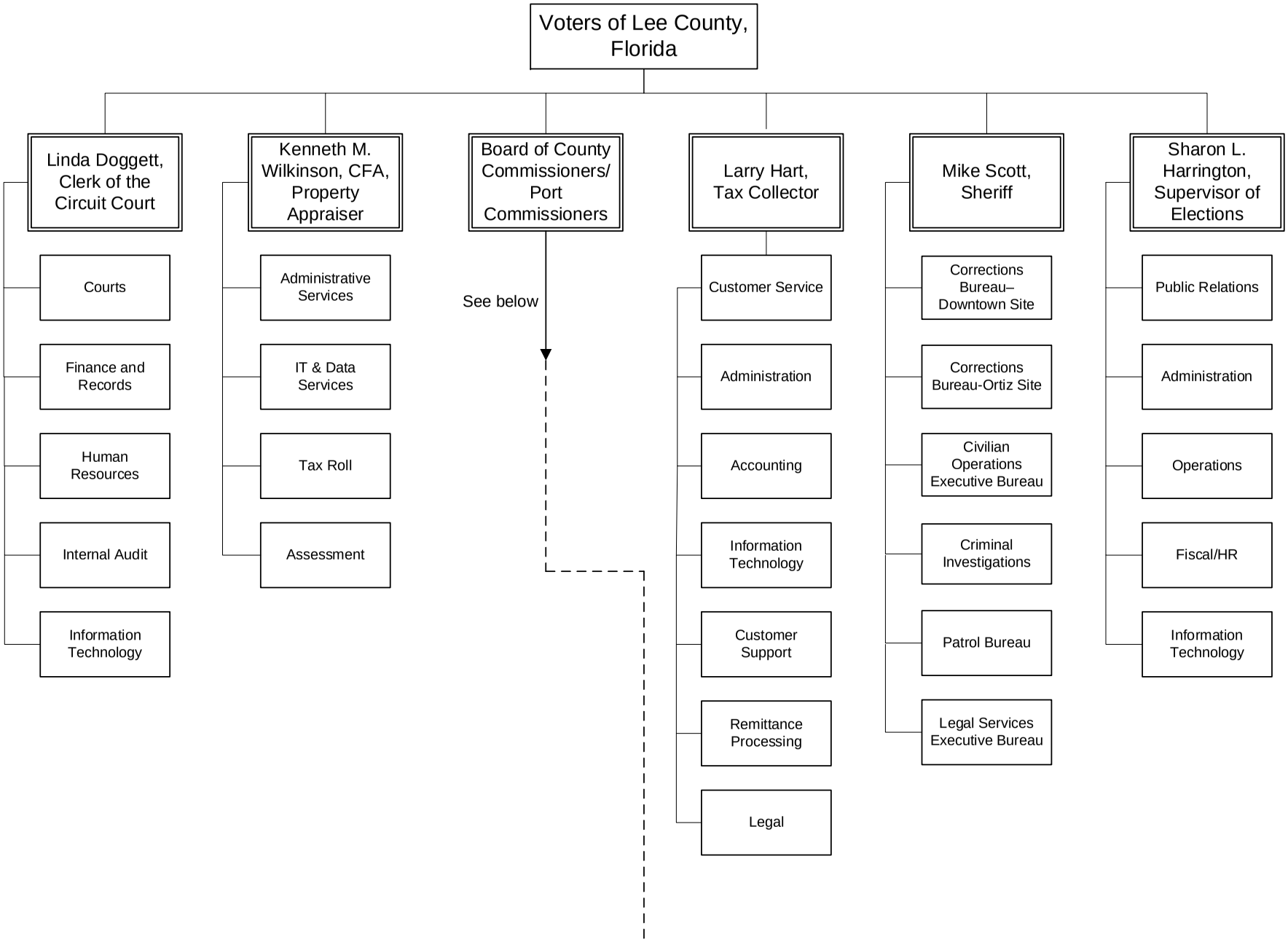
The preparation of the Comprehensive Annual Financial Report on a timely basis was made possible by the dedicated service of the entire staff of the Finance Department and the various managers and fiscal officers of the County Departments. The efforts of Finance's General Accounting staff, specifically, Tracy Schatzman, Rose Hardt, Pat Stokes, Karen Vivian, Kirk Knowles, and Angie Kershaw are especially noteworthy.

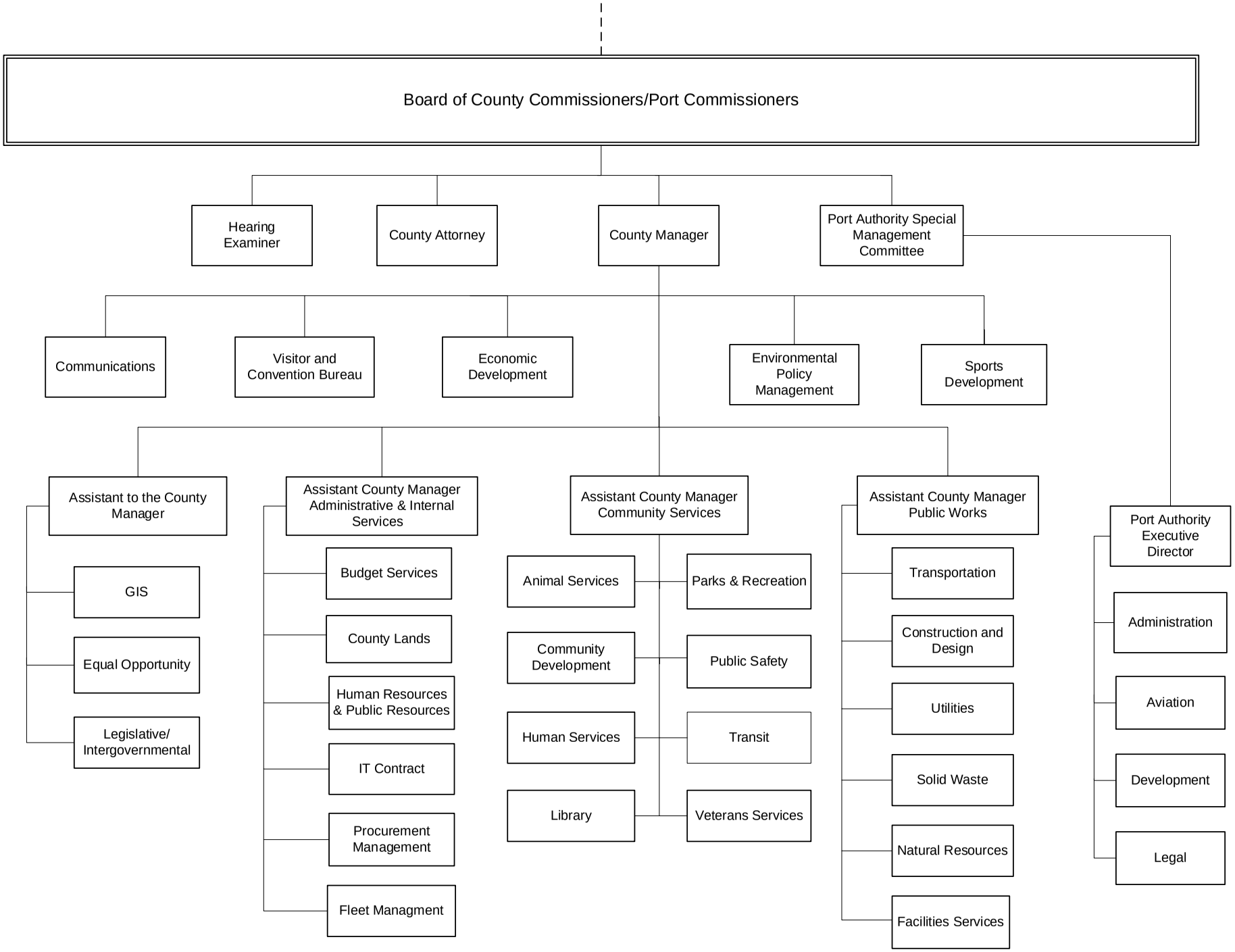
Respectfully submitted,

Linda Doggett Clerk of Circuit Court	Terry Mallow Finance and Records Director	Michele Crowell General Accounting Manager

Lee County Government

as of September 30, 2014




Board of County Commissioners/Port Commissioners
Hearing Examiner
County Attorney
County Manager
Port Authority Special Management Committee
Communications
Visitor and Convention Bureau
Economic Development
Environmental Policy Management
Sports Development
Assistant to the County Manager
GIS
Equal Opportunity
Legislative/ Intergovernmental
Assistant County Manager Administrative & Internal Services
Budget Services
County Lands
Human Resources & Public Resources
IT Contract
Procurement Management
Fleet Managment
Assistant County Manager Community Services
Animal Services
Community Development
Human Services
Library
Parks & Recreation
Public Safety
Transit
Veterans Services
Assistant County Manager Public Works
Transportation
Construction and Design
Utilities
Solid Waste
Natural Resources
Facilities Services
Port Authority Executive Director
Administration
Aviation
Development
Legal

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Lee County

Florida

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2013

Executive Director/CEO

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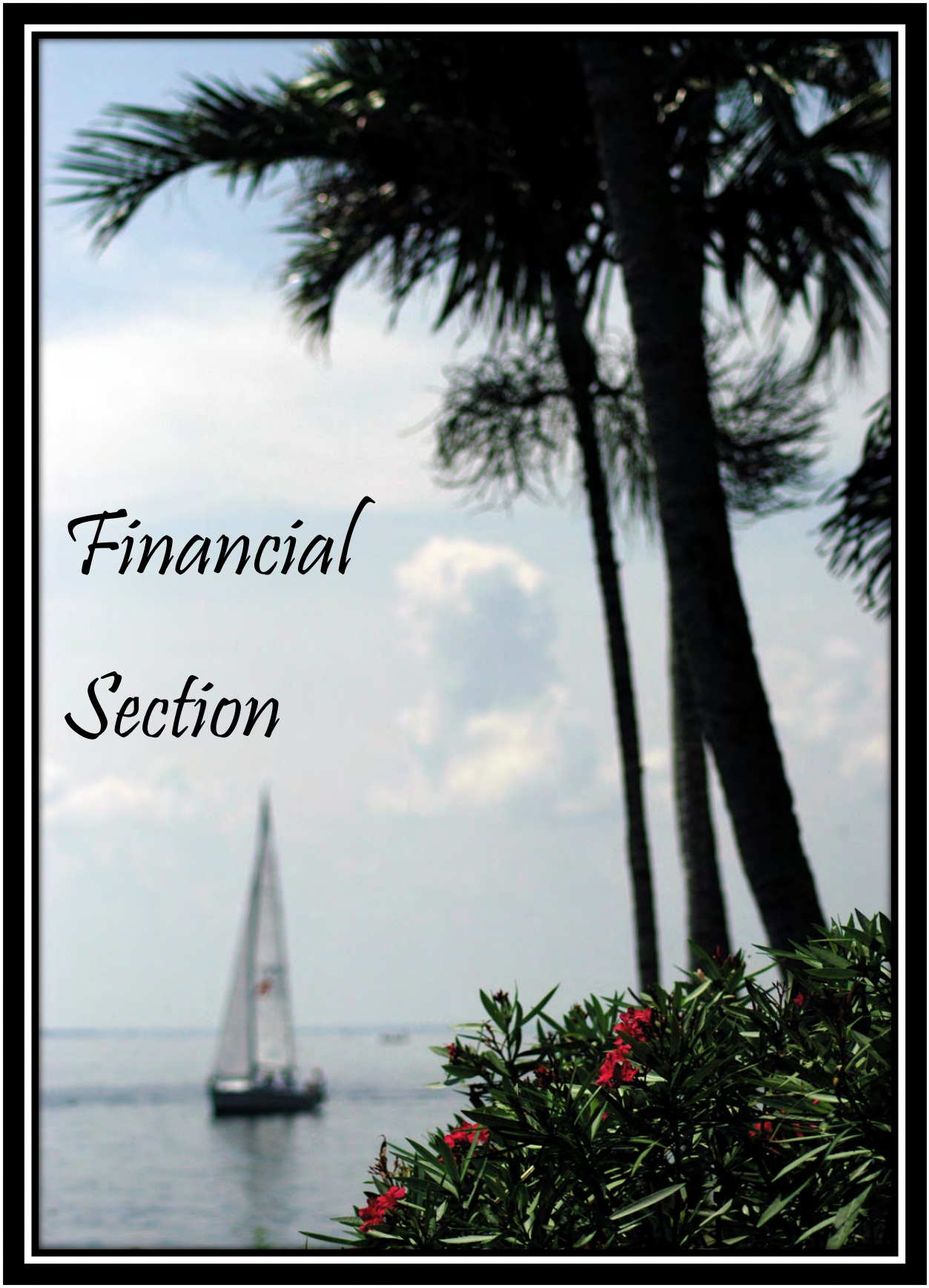

Financial
Section

CliftonLarsonAllen LLP
CLAconnect.com

INDEPENDENT AUDITORS' REPORT

Honorable Board of County Commissioners
Lee County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Lee County, Florida (County), as of and for the year ended September 30, 2014, 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 did not audit the financial statements of the Lee County Property Appraiser, the Lee County Sheriff, the Lee County Supervisor of Elections, and the Lee County Tax Collector, which represent the indicated percent of total assets, total revenues, and total net position and fund balance as presented in the table below. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it related to the amounts included for those components, is based solely on the reports of other auditors.

	Percentage Audited by Other Auditors		
	Assets	**Revenues**	**Net Position/ Fund Balance**
Governmental Activities	2%	9%	1%
General Fund	13%	4%	-
Aggregate Remaining Fund Information	7%	17%	5%

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, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County as of September 30, 2014, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparison for the General Fund, the Lee County Library Fund, the MSTU Fund, and the Tourist Development Trust Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

Correction of Error

As described in Note VIII to the financial statements, the County restated beginning balances resulting from the correction of accounting errors that occurred in the prior period. Our opinion is not modified with respect to that matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and schedule of funding progress on pages 17-27 and 100, respectively, 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 introductory section, supplemental financial information, statistical section, and other supplemental information are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplemental financial information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. 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, based upon our audit procedures performed as described above and the reports of other auditors, the supplemental financial information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section, statistical section, and other supplemental information 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 13, 2015, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the result of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Fort Myers, Florida
February 13, 2015

Management's Discussion and Analysis
(unaudited)

This discussion and analysis of Lee County's ("the County") financial statements is designed to introduce the basic financial statements and provide an analytical overview of the County's financial activities for the fiscal year ended September 30, 2014. The basic financial statements are comprised of the government-wide financial statements, fund financial statements, and footnotes to the financial statements. We hope this will assist readers in identifying significant financial issues and changes in the County's financial position.

Financial Highlights

- At the close of fiscal year 2014, the County's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources, resulting in total net position of $3,370,765,000. Of this amount, $509,140,000 represents unrestricted net position.
- Governmental and business-type portions of net position are $1,894,054,000 and $1,476,711,000, respectively.
- The County's total net position increased $5,347,000, or .2 percent, in comparison to prior year.
- Total revenues increased $48,651,000, or 5.3 percent, in comparison to prior year.
- Total expenses decreased $5,159,000, or -.5 percent, in comparison to prior year.
- The County's governmental activities reported total net position of $1,894,054,000, which is a decrease of $47,593,000, or -2.5 percent, in comparison to prior year. Approximately 10.8 percent of the total, or $205,038,000, is unrestricted, and thus available for use at the County's discretion.
- The County's business-type activities reported total net position of $1,476,711,000, which is an increase of $52,940,000, or 3.7 percent, in comparison to prior year. Approximately 20.6 percent of the total, or $304,102,000, is unrestricted, and thus available for spending at the County's discretion.

Government-wide Financial Statements

The government-wide financial statements (statement of net position and statement of activities found on pages 30-31) concentrate on the County as a whole and do not emphasize fund types but rather a governmental or a business-type classification, which are presented in separate columns. The governmental and business-type activities comprise the primary government. Fiduciary funds are not included in the government-wide financial statements.

General governmental and intergovernmental revenues support the governmental activities, whereas the business-type activities are primarily supported by user fees and charges for services. The purpose of the government-wide financial statements is to allow the user to be able to analyze the County's total financial position.

The statement of activities reflects the expenses of a given function or program, which are offset by program revenues. Program revenues are defined as charges for services, operating grants and contributions, and capital grants and contributions directly associated with a given function or program. Taxes are reported under general revenue. The County maintains an allocation program for indirect expenses and, therefore, reports this allocation in a separate column on the government-wide statement of activities.

The effect of the inter-fund activity has been removed from the government-wide financial statements. However, the inter-fund services between functions are not eliminated. The internal service fund activity has been eliminated except for the outside activity on the government-wide financial statements.

Fund Financial Statements

The accounts of the County are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity or net position, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

The County's funds are presented in separate fund financial statements. These funds are presented on a governmental fund financial statement and a proprietary fund financial statement. The County's major funds are presented in separate columns on the fund financial statements. The definition of a major fund is one that meets certain criteria set-forth in Governmental Accounting Standards Board Statement Number 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments* ("GASB 34"). The funds that do not meet the criteria of a major fund are considered non-major funds and are combined into a single column on the fund financial statements. However, a non-major fund can be designated as a major fund if the County chooses to do so.

The County adopts an annual budget for all funds except for agency funds, Sheriff's internal service and special revenue funds, and the Property Appraiser's special revenue fund. A budgetary comparison has been presented for the General Fund, Library, Municipal Service Taxing Unit ("MSTU"), and Tourist Development Trust Fund which compares not only actual results to budget but also the original adopted budget to final budget.

Governmental Fund Financial Statements

Governmental fund financial statements (found on pages 32-41) are prepared on the modified accrual basis using the current financial resources measurement focus. Under the modified accrual basis, revenues are recognized when they become measurable and available as net current assets. Although the activity of the internal service funds is reported with the governmental activities on the government-wide financial statements they are not combined on the government fund financial statements.

Five of the County's governmental funds: General, Lee County Library, MSTU, Tourist Development Trust, and Capital Improvement are classified as major funds. All other governmental funds are combined into a single column on the governmental fund financial statements. Individual fund data for the non-major funds are found in combining statements as supplemental financial data.

Proprietary Fund Financial Statements

Proprietary fund financial statements (found on pages 42-48), like government-wide financial statements, are prepared on the full accrual basis. Proprietary funds record both operating and non-operating revenues and expenses. Operating revenues are those that are obtained from the operations of the proprietary fund.

The County reports the Port Authority, Water and Wastewater, Transportation Facilities, and Solid Waste as major funds in the proprietary fund financial statements. These enterprise funds are used to present the same functions that are presented in the government-wide financial statements. The only non-major fund, Transit, is reported in a separate column. The internal service funds are presented in their entirety combined in a single column on the proprietary fund financial statements.

The internal service funds are used to account for data processing, risk management, radio communications, telecommunications, fleet management, and self-insurance for health and dental, and workers' compensation

services on a cost reimbursement basis. Individual fund data is in the combining statements as supplemental financial data.

Fiduciary Fund Financial Statements

The fiduciary fund financial statements (found on pages 49-50) are not included in the government-wide financial statements because the resources of those funds are not available to support the County's programs. The County maintains an other postemployment benefits ("OPEB") trust fund that is used to hold the plan's assets, and agency funds that are used to account for assets held by the County as an agent for individuals and other governments.

Government-Wide Financial Analysis

The government-wide financial statements were designed so that the user could determine if the County is in a better or worse financial condition from the prior year.

The following is a condensed summary of net position for the primary government for fiscal years 2014 and 2013.

Lee County, Florida
Summary of Net Position
September 30, 2014 and 2013
(amounts expressed in thousands)

	Governmental Activities		Business-type Activities		Total	
	2014	2013	2014	2013	2014	2013
Current and other assets	$644,976	$660,470	$608,728	$562,030	$1,253,704	$1,222,500
Capital assets	1,833,984	1,842,965	1,799,416	1,809,341	3,633,400	3,652,306
Total assets	2,478,960	2,503,435	2,408,144	2,371,371	4,887,104	4,874,806
Total deferred outflows of resources	179	226	18,145	20,196	18,324	20,422
Other liabilities	57,283	55,998	107,354	63,574	164,637	119,572
Non-current liabilities	527,324	505,119	842,224	904,222	1,369,548	1,409,341
Total liabilities	584,607	561,117	949,578	967,796	1,534,185	1,528,913
Total deferred inflows of resources	478	897	-	-	478	897
Net Position:						
Net investment in capital assets	1,534,250	1,568,957	1,073,096	1,061,519	2,607,346	2,630,476
Restricted	154,766	141,892	99,513	89,691	254,279	231,583
Unrestricted	205,038	230,798	304,102	272,561	509,140	503,359
Total net position	$1,894,054	$1,941,647	$1,476,711	$1,423,771	$3,370,765	$3,365,418

Note: Fiscal year 2013 balances are restated due to a prior period adjustment in the Clerk's special revenue fund. Additional information can be found in Note VIII on page 97.

Net investment in capital assets is the largest portion of the net position. This represents capital assets (land, buildings, improvements, equipment, furniture, vehicles and rolling stock, and infrastructure), net of accumulated depreciation and the outstanding related debt (less unspent proceeds) used to acquire the assets. The net investment in capital assets balance of $2,607,346,000 (77.4 percent of total net position) decreased $23,130,000, or -.9 percent, in comparison to prior year.

The restricted net position balance of $254,279,000 (7.5 percent of total net position), increased $22,696,000, or 9.8 percent, in comparison to prior year. This balance represents assets that are subject to external restrictions imposed by creditors, through bond covenants, by grantors, or by law on how they are used.

The unrestricted net position balance of $509,140,000 (15.1 percent of total net position), increased $5,781,000 or 1.1 percent, in comparison to prior year. This balance represents assets that are available for spending at the County's discretion.

The following schedule compares the revenues, expenses, and changes in net position for the primary government for the current and previous fiscal years.

Lee County, Florida

Summary of Revenues, Expenses, and Changes in Net Positions

For the Years Ended September 30, 2014 and 2013

(amounts expressed in thousands)

	Governmental Activities		Business-type Activities		Total	
	2014	2013	2014	2013	2014	2013
Revenues:						
Program revenues:						
Charges for services	$117,789	$109,850	$328,136	$314,434	$445,925	$424,284
Operating grants and contributions	32,799	43,615	6,381	5,657	39,180	49,272
Capital grants and contributions	3,327	10,943	47,612	42,245	50,939	53,188
General revenues:						
Taxes	351,952	319,103	2,222	2,238	354,174	321,341
Grants and contributions not restricted to specific programs	57,258	52,668	-	-	57,258	52,668
Other	17,309	14,791	1,744	2,334	19,053	17,125
Total revenues	580,434	550,970	386,095	366,908	966,529	917,878
Expenses:						
Program activities:						
General government	208,502	215,492			208,502	215,492
Public safety	210,274	203,878			210,274	203,878
Physical environment	21,366	16,750			21,366	16,750
Transportation	56,255	63,406			56,255	63,406
Economic environment	24,702	23,936			24,702	23,936
Human services	20,246	20,211			20,246	20,211
Culture and recreation	69,572	68,050			69,572	68,050
Interest on long-term debt	12,136	12,557			12,136	12,557
Indirect expenses	(3,422)	(3,285)	3,422	3,285	-	-
Business-type activities:						
Airport			105,306	103,588	105,306	103,588
Water and wastewater			103,932	104,457	103,932	104,457
Transit			23,503	26,438	23,503	26,438
Transportation Facilities			26,717	25,416	26,717	25,416
Solid Waste			78,671	82,162	78,671	82,162
Total expenses	619,631	620,995	341,551	345,346	961,182	966,341
Total change in net position before transfers	(39,197)	(70,025)	44,544	21,562	5,347	(48,463)
Transfers	(8,396)	(6,045)	8,396	6,045	-	-
Change in net position	(47,593)	(76,070)	52,940	27,607	5,347	(48,463)
Net position October 1 - as restated	1,941,647	2,017,717	1,423,771	1,396,164	3,365,418	3,413,881
Net position September 30	$1,894,054	$1,941,647	$1,476,711	$1,423,771	$3,370,765	$3,365,418

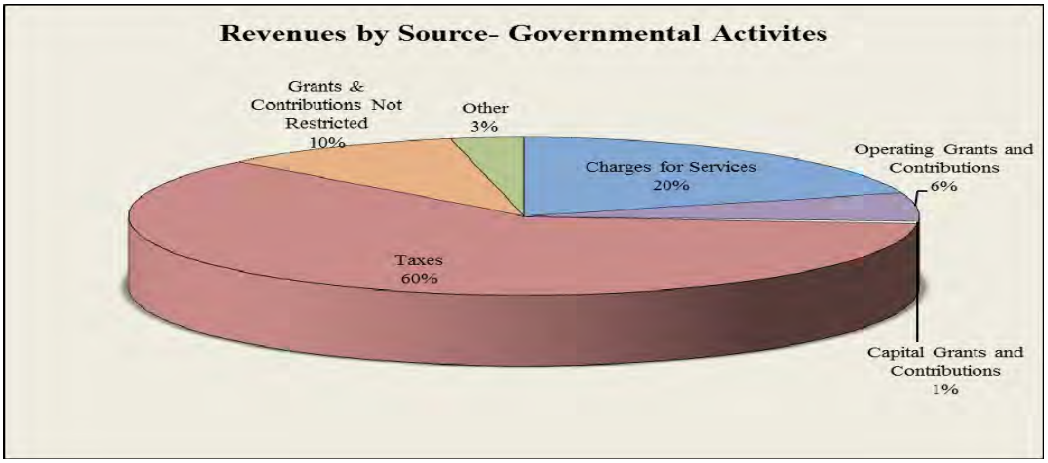
Note: Fiscal year 2013 balances are restated due to a prior period adjustment in the Clerk's special revenue fund. Additional information can be found in Note VIII on page 97.

Total revenues increased $48,651,000, or 5.3 percent, in comparison to prior year. Total expenses decreased $5,159,000, or -.5 percent, in comparison to prior year.

Governmental Activities

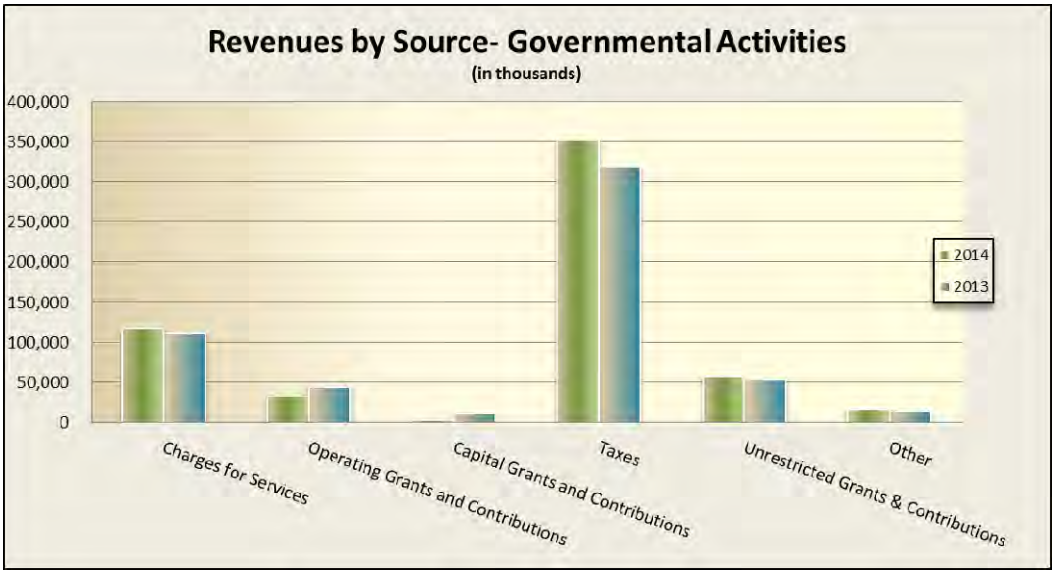
The governmental activities increased or (decreased) the County's total assets, total deferred outflows of resources, total liabilities, total deferred inflows of resources, and total net position by ($24,475,000), ($47,000), $23,490,000, ($419,000), and ($47,593,000), respectively. The decrease in the governmental activities' net investment in capital assets is $34,707,000, or -2.2 percent, in comparison to prior year.

The following is a chart of revenues by source for governmental activities by percent of total revenues for fiscal year 2014.



Total revenues for governmental activities increased $29,464,000 or 5.3 percent, in comparison to prior year.

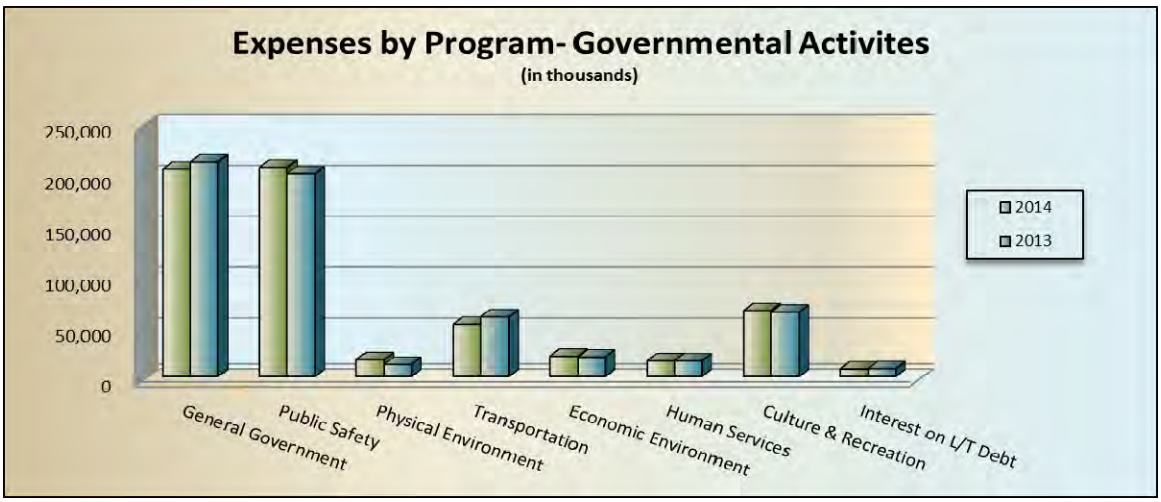
The following is a chart of revenues by source for governmental activities for fiscal years 2014 and 2013.



The main components of the change in total revenues for governmental activities were as follows:

- Charges for services increased by $7,939,000, or 7.2 percent, in comparison to prior year. The main cause for the increase is due to a legislative change effective July 1, 2013 to the court-related funding for the Clerk of Courts. Prior to July 1, 2013 the Clerk received an allotment from the state, which was switched to allow the Clerk of Courts to collect and record their revenues and remit the excess over their state-approved budget back to the state. This caused a $6,937,000 increase from prior year.
- Operating grants and contributions decreased by $10,816,000, or -24.8 percent, in comparison to prior year. The main cause for the decrease was the legislative change of the court-related funding for the Clerk of Courts from an allotment from the state to allowing the Clerk to collect and record their revenues as charges for services, which resulted in a $6,937,000 decrease. In addition, the final reimbursement was received in the prior year for the Emergency Operations grant in the amount of $1,799,000 from the US Department of Homeland Security and the Lee County Shore Protection Project in the amount of $1,479,000 from the Florida Department of Environmental Protection.
- Capital grants and contributions decreased $7,616,000 or -69.6 percent, in comparison to prior year. The decrease was primarily due to capital contributions of $3,193,000 received in the prior year for Motorola equipment, $1,120,000 SFWMD grant received in the prior year for Lakes Park, $785,000 right-of-way donation received in the prior year for Winged Foot Drive extension, and Special Assessment revenue of $860,000 recognized in the prior year for two new MSBU assessments.
- Taxes increased $32,849,000, or 10.3 percent, in comparison to prior year. There were several factors causing the increase. Ad Valorem taxes collected increased $19,541,000 as a result of an increase in the Library millage rate of .2415, an increase in the Operating millage rate of .5, and an increase in the property value base. Electric Franchise fees increased $7,976,000 due to an increase in the franchise rate of 1.5 percent and collection of LCEC franchise fees beginning in the current year. There was also an increase of $4,662,000 in Tourist tax revenue as a result of increased tourist activity in the current year.
- Grants and contributions not restricted to specific programs increased $4,590,000, or 8.7 percent, in comparison to prior year, primarily due to an increase in Local Government Half-Cent sales tax of $3,477,000 received from the State of Florida.

The following is a chart of expenses by program for governmental activities for fiscal years 2014 and 2013.



Total expenses for governmental activities decreased $1,364,000, or -.2 percent, in comparison to prior year. The main components of the change in total expenses for governmental activities were as follows:

- General government decreased $6,990,000 or -3.2 percent, due to expenditures of $2,950,000 in the previous year for Justice Center maintenance, $1,982,000 due to the internal service fund allocation related to self-insurance liability, and $2,438,000 due to a lower other post-employment benefit expenditure adjustment in the current year.
- Public safety increased $6,396,000 or 3.1 percent, in comparison to prior year. The increase is primarily due an increase in Sheriff personnel costs totaling $5,967,000.
- Physical environment increased $4,616,000, or 27.6 percent, in comparison to prior year. The increase was primarily due expenditures of $7,034,000 for beach erosion prevention on Captiva Island and $900,000 for Bonita Beach and Lover's Key renourishment in the current year offset by expenditures of $3,733,000 for Gasparilla Island rehabilitation incurred in the prior year.
- Transportation decreased $7,151,000, or -11.3 percent, in comparison to prior year primarily due to various construction in progress project write-offs in the prior year totaling $7,167,000.

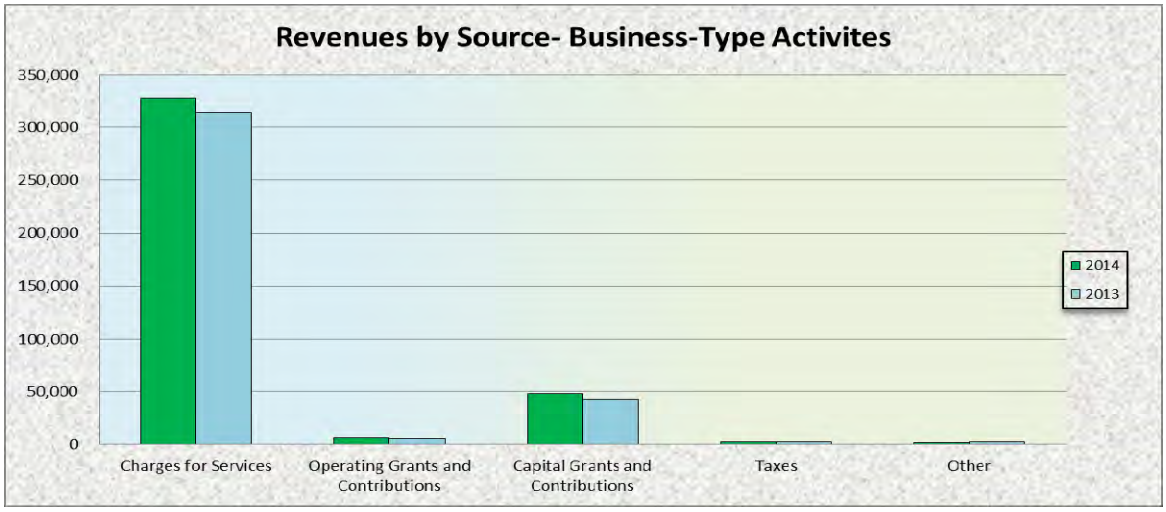
Business-Type Activities

The business-type activities increased (decreased) the County's total assets, total deferred outflows of resources, total liabilities, and total net position by $36,773,000, ($2,051,000), ($18,218,000), and $52,940,000, respectively. The increase in the business-type activities' net investment in capital assets is $11,577,000, or 1.1 percent, in comparison to prior year.

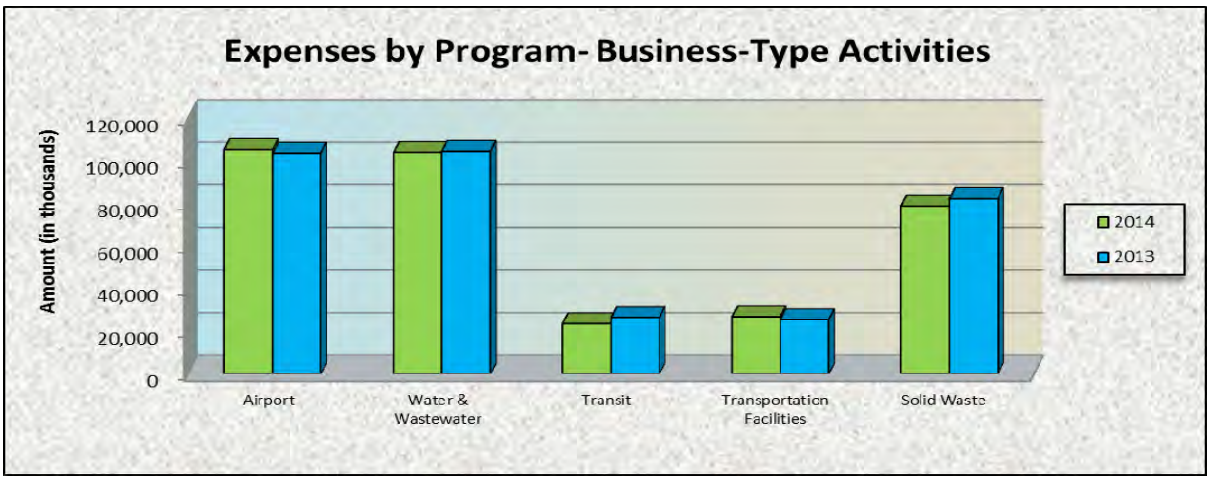
Total revenues reported in business-type activities increased $19,187,000, or 5.2 percent, in comparison to prior year. The increase is primarily due to an increase in charges for services of $13,702,000, or 4.4 percent, coupled with an increase in capital grants and contributions of $5,367,000, or 12.7 percent.

- Water and Wastewater experienced an increase in their user fees of $4,927,000 due to a rate increase effective October 1, 2013, Transportation Facilities' charges for services increased $2,323,000 due to a 4 percent increase in bridge traffic, Solid Waste experienced an increase of $4,174,000 related to electric utilities sales, and the Port Authority had a 5 percent increase in concession revenue totaling $1,899,000 for parking fees, car rental income, and rental facility charges.
- Water and Wastewater capital contributions increased $6,286,000 due to an increase in developer contributed assets and prepaid water and sewer connection fees resulting from an increase in both new residential and commercial development.

The following is a chart of revenues by source for business-type activities for fiscal years 2014 and 2013.



Total business-type expenses decreased $3,795,000, or -1.1 percent, in comparison to prior year. The following is a chart of expenses by program for business-type activities for fiscal years 2014 and 2013.



Financial Analysis of the Government's Funds

Governmental Funds

Governmental funds are comprised of the General Fund, special revenue funds, debt service funds, and capital projects funds. As noted earlier, governmental funds use the current financial resources measurement focus that focuses on near-term inflows and outflows. The General Fund is the general operating fund that is used to account for all financial resources, except those required to be accounted for in another fund.

The following are noteworthy facts and changes from prior year for major funds:

*General Fund- A*d valorem taxes increased $32,484,000, or 17.4 percent, due to the levy of conservation 2020 being moved to the General Fund and an increase in assessed property values. Franchise fees increased $7,976,000 or 95.5 percent, due to an increase in the franchise rate of 1.5 percent and collection of LCEC franchise fees beginning in the current year. Total expenditures decreased $6,722,000, or -4.8 percent, primarily due to expenditures of $2,950,000 incurred in the previous year for Justice Center renovations and work stations, $1,277,000 for defibrillators and EMS equipment in the prior year, and a $1,675,000 settlement payment for Hendry Creek Park paid in the prior year.

Lee County Library- Ad valorem taxes increased $11,672,000, or 74 percent, due to an increase in the millage rate of .2415 and an increase in assessed property values.

Municipal Service Taxing Unit (MSTU)- Ad valorem taxes increased $662,000, or 2.1 percent, due to an increase in assessed property values. Licenses and permits revenue increased $1,441,000, or 19.9 percent, due to an increase in permits issued. Charges for services also increased by $1,280,000, or 21.4 percent, due to a new abandoned/vacant property registry, an increase in lot mowing and administration fees, and an increase in development order applications.

Tourist Development Trust Fund- Tourist Tax revenue increased $4,662,000, or 16.3 percent, due to an increase in tourists visiting the area coupled with a continued collection and enforcement effort.

Capital Improvement- Ad valorem taxes decreased $25,511,000, or -99.7 percent, due to the levy of Conservation 2020 being moved to the General Fund. Intergovernmental revenues decreased $3,799,000, or -81.7 percent, due to the final Emergency Operations grant reimbursement of $1,799,000 received in the prior year from the US Department of Homeland Security and $1,479,000 received in the prior year from the Florida Department of Environmental Protection for the Lee County Shore Protection Project. In addition, miscellaneous revenue increased $3,788,000 due to a contribution from the Minnesota Twins for the player academy project. Total expenditures increased $7,233,000, or 46.1 percent, primarily due to higher costs associated with beach renourishment and erosion projects and the purchase of Conservation 2020 land on Sanibel Island.

Proprietary Funds

Proprietary funds are comprised of enterprise funds and internal service funds. An enterprise fund is used to account for activities for which a fee is charged to external users for goods and services. Internal service funds are those that provide a service, primarily within the government, and charge a recovery fee.

The following are noteworthy facts and changes from prior year for proprietary major funds:

Port Authority - Net operating revenue increased $2,667,000, or 3 percent, related to the increase in passenger activity. User fees, rental and franchise fees, and concessions increased $300,000, $248,000 and $1,890,000, respectively. Total operating costs increased $2,025,000, or 2.3 percent, in comparison to prior year primarily due to an increase in salaries and benefits and increased repair and maintenance expenses.

Water and Wastewater - User fees increased by $4,927,000, or 5.1 percent, due to the rate increase that went into effect in October combined with fewer foreclosed and abandoned homes in the service areas. Operating expenses decreased $1,089,000, or -1.1 percent. Capital contributions were $6,286,000, or 67 percent, higher compared to the prior year due to an increase in developer contributed assets and prepaid water and sewer connection fees resulting from an increase in new residential and commercial developments.

Transportation Facilities – Toll revenue increased $2,323,000, or 6.1 percent, due to a 4 percent increase in bridge traffic and funds received for transponder sales. Total operating expenses increased $485,000, or 2.7 percent, due to the purchase of transponders to replace discontinued units.

Solid Waste – User fees decreased $925,000, or -1.7 percent, due to a disposal rate decrease and lower market value on recycling commodities. Miscellaneous revenue increased $4,095,000, or 24.1 percent, due to higher electric utility sales from Seminole Electric. Total operating costs decreased $3,517,000, or -4.5 percent, primarily due to a reduction in costs associated with long term care at the Hendry County landfill.

General Fund Budgetary and Actual Highlights

The difference between the original adopted and final amended budget expenditures in the General Fund is an increase of $11,461,000. The major differences include:

- $1,000,000 increase to fund bonuses for the Sheriff's Office per ruling from the Public Employees Relations Commission.
- $1,000,000 increase for the FIRST incentive award agreement with Gartner, Inc.
- $1,432,000 increase for the Low Income Home Energy Assistance Program (LIHEAP) grant.
- $1,512,944 increase for West Coast Inland Navigation District (WCIND) pass through grant projects
- $1,668,000 increase for Supervisor of Elections related to the special election.
- $750,000 increase due to purchase of electronic precinct registers, printers, and supplies for the Supervisor of Elections.
- $622,000 increase due to grants received from the US Department of Veterans Affairs.

The remaining amendments are a combination of increases and decreases for various reasons which separately are not noteworthy.

The variance between the final amended budget and actual expenditure results for the General Fund is a favorable variance of $20,672,000. The differences are across multiple departments and are mainly due to unspent budget for various projects and conservative spending. 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.

Capital Assets

Non-depreciable capital assets include land, construction in progress, software in progress, and artwork. Depreciable assets include buildings, improvements other than buildings, machinery and equipment, software, and infrastructure.

The following is a schedule of the County's capital assets as of September 30, 2014 and 2013.

Lee County, Florida
Summary of Capital Assets
September 30, 2014 and 2013
(amounts expressed in thousands)

	Governmental Activities		Business-type Activities		Total	
	2014	2013	2014	2013	2014	2013
Artwork	$ 326	$ 329	$ 291	$ 291	$ 617	$ 620
Land	589,184	583,370	225,340	225,225	814,524	808,595
Easements & rights of way	66,659	59,520	19,203	18,988	85,862	78,508
Construction in progress	22,857	59,778	74,410	73,745	97,267	133,523
Software in progress	536	475	-	-	536	475
Buildings	581,073	533,655	538,582	531,956	1,119,655	1,065,611
Improvement other than buildings	221,391	205,965	465,988	455,431	687,379	661,396
Machinery & equipment	255,382	256,422	432,093	430,065	687,475	686,487
Software	15,446	14,755	3,949	3,815	19,395	18,570
Infrastructure	755,201	754,112	1,013,573	965,670	1,768,774	1,719,782
Total capital assets	2,508,055	2,468,381	2,773,429	2,705,186	5,281,484	5,173,567
Accumulated depreciation	(674,071)	(625,416)	(974,013)	(895,845)	(1,648,084)	(1,521,261)
Total	$ 1,833,984	$ 1,842,965	$ 1,799,416	$ 1,809,341	$ 3,633,400	$ 3,652,306

Noteworthy capital asset purchases/completed projects that took place in fiscal year 2014 were as follows:

- Constructed a two story library in Fort Myers
- Constructed the Admiral Lehigh Trailhead Park
- Purchased right-of-way for the Colonial Extension
- Constructed approximately 175,000 square yards of apron and taxiway at SWFIA
- Design, improvements, and relocation of the rental car facility at SWFIA
- Completed Phase II of the North Lee County RO well field expansion

Additional information on the County's capital assets can be found in Note V on pages 68-71.

Debt Administration

At September 30, 2014, the County had $940,133,000 of outstanding bonded debt. The revenue bonds, which are each payable from a specific revenue stream, had an outstanding balance of $940,133,000, or 100 percent of the total bonded debt. The outstanding bond balance decreased $36,885,000 or -3.8 percent, in comparison to prior year. In the current year, the County issued Five Cent Local Option Gas Tax Refunding Revenue Bond, Series 2014, through a commercial bank loan. The proceeds were used to currently refund $12,435,000 of outstanding Five Cent Local Option Gas Tax Refunding Revenue Bonds, Series 2014.

Total long-term liabilities of $1,411,807,000, which includes bonds payable (net of unamortized discounts/premiums), variable debt, notes payable, self-insurance claims payable, compensated absences, other postemployment benefits, and landfill closure and postclosure costs increased $2,466,000, or .2 percent, in comparison to prior year. The following is a schedule of outstanding bonds as of September 30, 2014 and 2013.

Lee County, Florida

Summary of Outstanding Debt

September 30, 2014 and 2013

(amounts expressed in thousands)

	Governmental Activities		Business-type Activities		Total	
	2014	2013	2014	2013	2014	2013
Revenue Bonds	$232,823	$253,208	$707,310	$723,810	$940,133	$977,018
Total	$232,823	$253,208	$707,310	$723,810	$940,133	$977,018

Standard and Poor's Rating Group suggests that debt service should not exceed 10-15 percent of appropriations. The fiscal year 2014 debt service was 4.6 percent, which is within the suggested guidelines. The decrease in debt service as a percent of appropriations in the current year from the prior year's 6 percent is primarily attributable to the several refinancing's in the prior year.

Additional information on the County's long-term debt can be found in Note V on pages 75-88.

Economic Factors and Next Year's Budget Rates

The following were factors considered when next year's budget was prepared:

- Lee County had a 6.1 percent unemployment rate as compared to the State, which had a 6.1 percent unemployment rate, and the nation which had a 5.7 percent unemployment rate, as reported by the Florida Research & Economic Database and Lee County Economic Development.
- There was a 3 percent salary increase in the County's fiscal year 2014-2015 budget.
- There was an increase in the property values from fiscal year 2014, which is used for fiscal year 2015, of 7.3 percent, based upon values determined by the Property Appraiser.

Request for information

This financial report is designed to provide the reader an overview of the County. Questions regarding any information provided in this report should be directed to: Lee County Clerk of Courts, Finance and Records Department, 2115 Second Street, 3rd Floor, Fort Myers, Florida, 33901, phone (239) 533-2100.

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Basic Financial Statements

Lee County, Florida
STATEMENT OF NET POSITION
As of September 30, 2014
(amounts expressed in thousands)

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and equity in pooled cash and investments	$ 448,084	$ 340,474	$ 788,558
Investments	-	10,000	10,000
Receivables (net)	6,573	35,212	41,785
Due from other governments	7,351	15	7,366
Internal balances	(2,583)	2,583	-
Inventory	3,651	1,577	5,228
Prepaids	3,948	1,267	5,215
Other assets	250	3	253
Restricted assets	177,702	217,597	395,299
Capital assets:			
Non-depreciable	679,562	319,244	998,806
Depreciable, net	1,154,422	1,480,172	2,634,594
Total assets	2,478,960	2,408,144	4,887,104
DEFERRED OUTFLOWS OF RESOURCES			
Loss on refunding of debt	179	18,145	18,324
LIABILITIES			
Contracts and accounts payable	13,914	28,153	42,067
Accrued liabilities	8,047	1,732	9,779
Due to other governments	9,506	1,500	11,006
Customer deposits	9,380	656	10,036
Unearned revenues	500	1,842	2,342
Refunds and rebates	-	4,427	4,427
Liabilities payable from restricted assets	15,936	69,044	84,980
Noncurrent liabilities:			
Due within one year	27,759	1,417	29,176
Due in more than one year	499,565	840,807	1,340,372
Total liabilities	584,607	949,578	1,534,185
DEFERRED INFLOWS OF RESOURCES			
Gain on refunding of debt	478	-	478
NET POSITION			
Net investment in capital assets	1,534,250	1,073,096	2,607,346
Restricted for:			
Capital projects	75,847	51,124	126,971
Debt service	12,969	30,908	43,877
Inventory for resale	2,370	-	2,370
Special revenue funds:			
Improvement districts	7,383	-	7,383
Culture & recreation	5,281	-	5,281
Economic development	13,289	-	13,289
Health, safety & welfare	21,906	-	21,906
Transportation roads	5,518	-	5,518
Court programs	2,679	-	2,679
Public records	3,317	-	3,317
Aerial maps	3	-	3
Inmate welfare	1,650	-	1,650
Driver's education	441	-	441
Law enforcement activities	2,113	-	2,113
Renewal and replacement	-	17,481	17,481
Unrestricted	205,038	304,102	509,140
Total net position	$ 1,894,054	$ 1,476,711	$ 3,370,765

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

Lee County, Florida
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2014
(amounts expressed in thousands)

Functions/Programs	Expenses	Indirect Expense Allocation	Program Revenue: Charges for Services	Program Revenue: Operating Grants and Contributions	Program Revenue: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position, Primary Government: Governmental Activities	Net (Expense) Revenue and Changes in Net Position, Primary Government: Business-type Activities	Net (Expense) Revenue and Changes in Net Position, Primary Government: Total
Primary government:								
Governmental activities:								
General government	$ 208,502	$ (7,761)	$ 65,673	$ 4,036	$ 135	$ (130,897)	$ -	$ (130,897)
Public safety	210,274	522	39,925	5,089	303	(165,479)	-	(165,479)
Physical environment	21,366	146	2,184	1,749	79	(17,500)	-	(17,500)
Transportation	56,255	846	920	8,542	2,161	(45,478)	-	(45,478)
Economic environment	24,702	346	592	8,618	-	(15,838)	-	(15,838)
Human services	20,246	235	2,099	3,371	61	(14,950)	-	(14,950)
Culture and recreation	69,572	2,244	6,396	1,394	588	(63,438)	-	(63,438)
Interest on long-term debt	12,136	-	-	-	-	(12,136)	-	(12,136)
Total governmental activities	623,053	(3,422)	117,789	32,799	3,327	(465,716)	-	(465,716)
Business-type activities:								
Airport	105,306	455	107,250	351	12,081	-	13,921	13,921
Water and Wastewater	103,932	1,537	102,740	-	15,940	-	13,211	13,211
Transit	23,503	441	3,703	6,030	19,542	-	5,331	5,331
Transportation Facilities	26,717	396	41,179	-	-	-	14,066	14,066
Solid Waste	78,671	593	73,264	-	49	-	(5,951)	(5,951)
Total business-type activities	338,129	3,422	328,136	6,381	47,612	-	40,578	40,578
Total primary government	$ 961,182	$ -	$ 445,925	$ 39,180	$ 50,939	(465,716)	40,578	(425,138)
General revenues:								
Taxes:								
Property taxes						274,203	568	274,771
Gas taxes						18,616	-	18,616
Tourist taxes						33,197	-	33,197
Communication taxes						9,606	-	9,606
Franchise fees						16,330	1,654	17,984
Grants and contributions not restricted to specific programs						57,258	-	57,258
Investment earnings						866	605	1,471
Miscellaneous						16,443	1,139	17,582
Transfers						(8,396)	8,396	-
Total general revenues and transfers						418,123	12,362	430,485
Change in net position						(47,593)	52,940	5,347
Net position - beginning - as restated						1,941,647	1,423,771	3,365,418
Net position - ending						$ 1,894,054	$ 1,476,711	$ 3,370,765

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

Lee County, Florida
BALANCE SHEET
GOVERNMENTAL FUNDS
As of September 30, 2014
(amounts expressed in thousands)

	General	Lee County Library	MSTU	Tourist Development Trust Fund
ASSETS				
Cash and equity in pooled cash and investments	$ 131,370	$ 9,739	$ 37,488	$ 13,645
Cash and cash equivalents with fiscal agent	-	-	-	-
Receivables (net)				
Accounts	4,980	-	33	-
Special assessments	-	-	-	-
Accrued interest	31	3	11	4
Due from other funds	1,754	214	484	157
Due from other governments	4,852	-	1,117	30
Inventory	2,718	-	60	-
Advances	61	-	-	-
Total assets	145,766	9,956	39,193	13,836
LIABILITIES				
Contracts and accounts payable	7,287	257	462	371
Accrued liabilities	6,467	247	426	56
Due to other funds	1,774	66	193	92
Due to other governments	3,686	113	235	28
Deposits and overbids	2,716	-	-	-
Unearned revenues	22	478	-	-
Other	36	-	-	-
Total liabilities	21,988	1,161	1,316	547
DEFERRED INFLOWS OF RESOURCES				
Accounts receivable	-	-	28	-
Special assessment receivable	-	-	-	-
Total deferred inflows of resouces	-	-	28	-
FUND BALANCES				
Nonspendable	409	-	60	-
Restricted	2,370	-	-	13,289
Committed	6	8,795	37,789	-
Assigned	12,565	-	-	-
Unassigned	108,428	-	-	-
Total fund balances	123,778	8,795	37,849	13,289
Total liabilities, deferred inflows of resouces and fund balances	$ 145,766	$ 9,956	$ 39,193	$ 13,836

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

(continued)

Lee County, Florida
BALANCE SHEET
GOVERNMENTAL FUNDS
As of September 30, 2014
(amounts expressed in thousands)

	Capital Improvement	Other Governmental Funds	Total Governmental Funds
ASSETS			
Cash and equity in pooled cash and investments	$ 146,809	$ 164,366	$ 503,417
Cash and cash equivalents with fiscal agent	-	15,585	15,585
Receivables (net)			
Accounts	-	739	5,752
Special assessments	-	4,700	4,700
Accrued interest	40	311	400
Due from other funds	49	4,621	7,279
Due from other governments	-	3,281	9,280
Inventory	-	2,876	5,654
Advances	-	-	61
Total assets	146,898	196,479	552,128
LIABILITIES			
Contracts and accounts payable	1,812	9,842	20,031
Accrued liabilities	17	977	8,190
Due to other funds	166	4,964	7,255
Due to other governments	774	4,747	9,583
Deposits and overbids	-	6,628	9,344
Unearned revenues	-	305	805
Other	-	-	36
Total liabilities	2,769	27,463	55,244
DEFERRED INFLOWS OF RESOURCES			
Accounts receivable	-	100	128
Special assessment receivable	-	4,957	4,957
Total deferred inflows of resouces	-	5,057	5,085
FUND BALANCES			
Nonspendable	-	2,876	3,345
Restricted	-	147,430	163,089
Committed	144,129	10,353	201,072
Assigned	-	3,300	15,865
Unassigned	-	-	108,428
Total fund balances	144,129	163,959	491,799
Total liabilities, deferred inflows of resouces and fund balances	$ 146,898	$ 196,479	$ 552,128

Lee County, Florida

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS

TO THE STATEMENT OF NET POSITION

As of September 30, 2014

(amounts expressed in thousands)

Fund balances - total governmental funds		$491,799
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Non-depreciable governmental capital assets	$677,630	
Depreciable governmental capital assets, net	1,142,339	1,819,969
Other assets are not available to pay for current period expenditures and are reported as deferred inflows in the funds.		5,085
Prepaid assets that are not recorded in governmental funds under the modified accrual basis of accounting are recorded in the statement of net position under full accrual accounting.		3,100
Deferred outflows of resources on the loss on refunding of debt are not recognized in the governmental funds; however, they are recorded in the statement of net position under full accrual accounting		179
Long-term liabilities, including bonds payable are not due and payable in the current period and therefore are not reported in the governmental funds.		
Governmental bonds payable	(241,017)	
Accrued interest payable	(6,261)	
Variable debt payable	(1,980)	
Notes payable	(52,778)	
Other post employment benefits	(187,038)	
Compensated absences	(22,275)	(511,349)
Deferred inflows of resources on the gain on refunding of debt are not recognized in the governmental funds however they are recorded in the statement of net position under full accrual accounting		(478)
Internal service funds are used by management to charge the cost of certain activities to the individual funds.		
Assets and liabilities of the internal service funds are reported with governmental activities.		85,749
Net position of governmental activities		$1,894,054

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

Lee County, Florida
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended September 30, 2014
(amounts expressed in thousands)

	General	Lee County Library	MSTU	Tourist Development Trust Fund
REVENUES				
Taxes	$ 235,605	$ 27,410	$ 31,821	$ 33,197
Licenses and permits	173	-	8,684	-
Intergovernmental	65,956	672	702	500
Charges for services	43,514	111	7,275	800
Fines and forfeitures	161	576	-	-
Impact fees	-	-	-	-
Special assessments	-	-	-	-
Miscellaneous	5,630	418	633	2,056
Total revenues	351,039	29,187	49,115	36,553
EXPENDITURES				
Current				
General government	89,760	690	6,993	1,179
Public safety	178,131	-	7,538	-
Physical environment	5,813	-	4,393	-
Transportation	143	-	-	-
Economic environment	5,770	-	-	16,736
Human services	13,355	-	4,385	-
Culture and recreation	15,028	24,802	12,962	-
Capital outlay				
General government	1,434	-	118	-
Public safety	1,291	-	148	-
Physical environment	21	-	16	-
Transportation	-	-	-	-
Economic environment	-	-	-	-
Human services	-	-	6	-
Culture and recreation	303	261	212	-
Debt service				
Principal retirement	-	-	-	-
Interest and fiscal charges	1	-	-	-
Bond issuance costs	-	-	-	-
Total expenditures	311,050	25,753	36,771	17,915
Excess (deficiencies) of revenues over (under) expenditures	39,989	3,434	12,344	18,638
OTHER FINANCING SOURCES AND (USES)				
Transfers in	5,113	203	1,665	3,687
Transfers out	(32,824)	-	(18,090)	(20,545)
Debt issuance	-	-	-	-
Issuance of refunding debt	-	-	-	-
Payments to refunded debt escrow agent	-	-	-	-
Total other financing sources and (uses)	(27,711)	203	(16,425)	(16,858)
Net change in fund balances	12,278	3,637	(4,081)	1,780
Fund balances - beginning - as restated	111,500	5,158	41,930	11,509
Fund balances - ending	$ 123,778	$ 8,795	$ 37,849	$ 13,289

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

(continued)

Lee County, Florida
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended September 30, 2014
(amounts expressed in thousands)

	Capital Improvement	Other Governmental Funds	Total Governmental Funds
REVENUES			
Taxes	$ 74	$ 23,845	$ 351,952
Licenses and permits	359	55	9,271
Intergovernmental	849	21,173	89,852
Charges for services	168	27,976	79,844
Fines and forfeitures	-	824	1,561
Impact fees	-	2,743	2,743
Special assessments	-	1,360	1,360
Miscellaneous	4,205	3,043	15,985
Total revenues	5,655	81,019	552,568
EXPENDITURES			
Current			
General government	145	31,561	130,328
Public safety	-	13,823	199,492
Physical environment	8,142	565	18,913
Transportation	-	32,501	32,644
Economic environment	-	2,589	25,095
Human services	-	2,404	20,144
Culture and recreation	6,502	56	59,350
Capital outlay			
General government	3,632	537	5,721
Public safety	-	1,409	2,848
Physical environment	1,180	-	1,217
Transportation	1,289	4,976	6,265
Economic environment	-	1,194	1,194
Human services	-	2	8
Culture and recreation	2,035	35,684	38,495
Debt service			
Principal retirement	-	9,741	9,741
Interest and fiscal charges	-	13,067	13,068
Bond issuance costs	-	49	49
Total expenditures	22,925	150,158	564,572
Excess (deficiencies) of revenues over (under) expenditures	(17,270)	(69,139)	(12,004)
OTHER FINANCING SOURCES AND (USES)			
Transfers in	11,243	68,739	90,650
Transfers out	(3,883)	(23,688)	(99,030)
Debt issuance	-	1,893	1,893
Issuance of refunding debt	-	12,590	12,590
Payments to refunded debt escrow agent	-	(12,518)	(12,518)
Total other financing sources and (uses)	7,360	47,016	(6,415)
Net change in fund balances	(9,910)	(22,123)	(18,419)
Fund balances - beginning - as restated	154,039	186,082	510,218
Fund balances - ending	$ 144,129	$ 163,959	$ 491,799

Lee County, Florida

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

For the Year Ended September 30, 2014

(amounts expressed in thousands)

Net change in fund balances - total governmental funds:		($18,419)
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is depreciated over their estimated useful lives.		
Expenditures for capital assets	$55,748	
Less current year depreciation	(56,636)	(888)
The net effect of various miscellaneous transactions involving capital and intangible assets (i.e., disposals, transfers, donations) is to decrease net position.		(6,410)
Prepaid expenses that are not recorded in governmental funds under the modified accrual basis of accounting are recorded in the statement of activities under full accrual accounting.		1,425
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds		(1,095)
Debt proceeds provide current financial resources for governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. Also, governmental funds report the effect of premiums and similar items when debt is first issued. These amounts are deferred and amortized in the statement of activities.		
Long- term debt proceeds	(14,483)	
Transfer to refunding escrow agent	12,518	
Principal payments	9,741	7,776
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Other post employment benefits	(29,402)	
Change in compensated absences	(996)	(30,398)
Interest on long-term debt in the statement of activities is recognized as the interest accrues, regardless of when it is due. In the governmental funds interest is recognized as an expenditure when it is due. Premiums and similar items are deferred and amortized in the statement of activities.		
Accrued interest on bonds	(108)	
Amortization of bond premiums, discounts, refunding gains and losses	1,036	928
Internal service funds are used by management to charge the costs of certain activities to individual funds.		
The net loss of the internal service funds is reported with governmental activities		(512)
Change in net position of governmental activities		($47,593)

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

Lee County, Florida
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (Non-GAAP Budgetary Basis) AND ACTUAL
GENERAL FUND
For the Year Ended September 30, 2014
(amounts expressed in thousands)

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget - Positive (Negative)
REVENUES				
Taxes	$ 224,544	$ 224,544	$ 235,605	$ 11,061
Licenses and permits	128	128	173	45
Intergovernmental	68,440	73,475	65,652	(7,823)
Charges for services	44,989	59,189	57,998	(1,191)
Fines and forfeitures	130	130	161	31
Miscellaneous	2,990	5,827	5,683	(144)
Total revenues	341,221	363,293	365,272	1,979
EXPENDITURES				
Current				
General government	106,730	110,478	102,690	7,788
Public safety	175,925	177,786	178,104	(318)
Physical environment	10,537	11,977	5,813	6,164
Transportation	149	149	143	6
Economic environment	10,055	12,091	6,288	5,803
Human services	13,908	15,169	13,355	1,814
Culture and recreation	14,802	15,268	15,028	240
Capital outlay				
General government	704	860	1,434	(574)
Public safety	712	1,206	1,291	(85)
Physical environment	-	-	21	(21)
Culture and recreation	145	144	303	(159)
Debt service				
Interest and fiscal charges	15	15	1	14
Total expenditures	333,682	345,143	324,471	20,672
Excess of revenues over expenditures	7,539	18,150	40,801	22,651
OTHER FINANCING SOURCES AND (USES)				
Transfers in	193,713	181,499	178,510	(2,989)
Transfers out	(202,294)	(204,345)	(205,795)	(1,450)
Total other financing sources and (uses)	(8,581)	(22,846)	(27,285)	(4,439)
Net change in fund balance	(1,042)	(4,696)	13,516	18,212
Fund balance - beginning	109,547	109,547	109,211	(336)
Fund balance - ending	$ 108,505	$ 104,851	$ 122,727	$ 17,876

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

Lee County, Florida
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (Non-GAAP Budgetary Basis) AND ACTUAL
LEE COUNTY LIBRARY
For the Year Ended September 30, 2014
(amounts expressed in thousands)

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget - Positive (Negative)
REVENUES				
Taxes	$ 26,934	$ 26,934	$ 27,410	$ 476
Intergovernmental	-	674	672	(2)
Charges for services	113	113	111	(2)
Fines and forfeitures	583	583	576	(7)
Miscellaneous	232	462	422	(40)
Total revenues	27,862	28,766	29,191	425
EXPENDITURES				
Current				
General government	481	481	690	(209)
Culture and recreation	25,556	26,340	24,802	1,538
Capital outlay				
Culture and recreation	309	419	261	158
Total expenditures	26,346	27,240	25,753	1,487
Excess of revenues over expenditures	1,516	1,526	3,438	1,912
OTHER FINANCING SOURCES AND (USES)				
Transfers in	130	130	203	73
Total other financing sources	130	130	203	73
Net change in fund balance	1,646	1,656	3,641	1,985
Fund balance - beginning	5,634	5,634	5,289	(345)
Fund balance - ending	$ 7,280	$ 7,290	$ 8,930	$ 1,640

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

Lee County, Florida
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (Non-GAAP Budgetary Basis) AND ACTUAL
MSTU
For the Year Ended September 30, 2014
(amounts expressed in thousands)

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget - Positive (Negative)
REVENUES				
Taxes	$ 30,993	$ 30,993	$ 31,821	$ 828
Licenses and permits	5,747	6,047	8,687	2,640
Intergovernmental	650	650	702	52
Charges for services	5,364	5,364	7,275	1,911
Miscellaneous	450	450	599	149
Total revenues	43,204	43,504	49,084	5,580
EXPENDITURES				
Current				
General government	8,120	8,119	6,993	1,126
Public safety	7,810	7,880	7,538	342
Physical environment	4,924	4,923	4,289	634
Human services	4,428	4,428	4,385	43
Culture and recreation	12,990	12,989	12,962	27
Capital outlay				
General government	-	-	118	(118)
Public safety	-	-	148	(148)
Physical environment	-	-	16	(16)
Human services	-	-	6	(6)
Culture and recreation	-	-	212	(212)
Total expenditures	38,272	38,339	36,667	1,672
Excess of revenues over expenditures	4,932	5,165	12,417	7,252
OTHER FINANCING SOURCES AND (USES)				
Transfers in	7,461	7,461	5,677	(1,784)
Transfers out	(22,491)	(22,843)	(22,102)	741
Total other financing sources and (uses)	(15,030)	(15,382)	(16,425)	(1,043)
Net change in fund balance	(10,098)	(10,217)	(4,008)	6,209
Fund balance - beginning	41,848	41,848	42,091	243
Fund balance - ending	$ 31,750	$ 31,631	$ 38,083	$ 6,452

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

Lee County, Florida
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (Non-GAAP Budgetary Basis) AND ACTUAL
TOURIST DEVELOPMENT TRUST FUND
For the Year Ended September 30, 2014
(amounts expressed in thousands)

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget - Positive (Negative)
REVENUES				
Taxes	$ 25,990	$ 32,490	$ 33,197	$ 707
Intergovernmental	-	-	500	500
Charges for services	800	800	800	-
Miscellaneous	1,906	1,907	2,065	158
Total revenues	28,696	35,197	36,562	1,365
EXPENDITURES				
Current				
General government	860	1,016	1,179	(163)
Economic environment	15,911	17,249	16,736	513
Total expenditures	16,771	18,265	17,915	350
Excess of revenues over expenditures	11,925	16,932	18,647	1,715
OTHER FINANCING SOURCES AND (USES)				
Transfers in	3,867	8,631	3,687	(4,944)
Transfers out	(19,713)	(27,676)	(20,545)	7,131
Total other financing sources and (uses)	(15,846)	(19,045)	(16,858)	2,187
Net change in fund balance	(3,921)	(2,113)	1,789	3,902
Fund balance - beginning	11,859	11,509	11,702	193
Fund balance - ending	$ 7,938	$ 9,396	$ 13,491	$ 4,095

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

Lee County, Florida

STATEMENT OF NET POSITION

PROPRIETARY FUNDS

As of September 30, 2014

(amounts expressed in thousands)

	Business-type Activities - Enterprise Funds						Governmental Activities
	Port Authority	Water and Wastewater	Transportation Facilities	Solid Waste	Other Non-Major Transit	Total Enterprise Funds	Internal Service Funds
ASSETS							
Current Assets:							
Cash and equity in pooled cash and investments	$ 109,003	$ 115,798	$ 22,247	$ 6,556	$ 2,624	$ 256,228	$ 96,356
Cash and cash equivalents with fiscal agent	-	-	-	84,246	-	84,246	130
Investments	10,000	-	-	-	-	10,000	-
Restricted assets	26,502	20,445	15,167	6,972	-	69,086	-
Receivables (net)	7,977	11,213	10	4,050	9,911	33,161	1,311
Due from other funds	-	2	11	176	54	243	1,217
Due from other governments	-	-	15	-	-	15	409
Inventories	216	1,033	328	-	-	1,577	407
Other	1,113	56	61	11	29	1,270	1,058
Total current assets	154,811	148,547	37,839	102,011	12,618	455,826	100,888
Noncurrent Assets:							
Restricted assets	47,346	85,276	1,993	13,896	-	148,511	-
Receivables (net)	-	-	-	2,051	-	2,051	-
Capital assets:							
Non-depreciable	154,212	51,433	44,486	33,654	35,459	319,244	1,932
Depreciable	759,390	942,939	312,772	393,773	45,311	2,454,185	52,485
Less accumulated depreciation	(233,412)	(444,478)	(106,087)	(171,750)	(18,286)	(974,013)	(40,402)
Total noncurrent assets	727,536	635,170	253,164	271,624	62,484	1,949,978	14,015
Total assets	882,347	783,717	291,003	373,635	75,102	2,405,804	114,903
DEFERRED OUTFLOWS OF RESOURCES							
Loss on refunding of debt	9,033	4,825	4,264	23	-	18,145	-
Total deferred outflow of resources	9,033	4,825	4,264	23	-	18,145	-

(continued)

Lee County, Florida

STATEMENT OF NET POSITION

PROPRIETARY FUNDS

As of September 30, 2014

(amounts expressed in thousands)

	Business-type Activities - Enterprise Funds						Governmental Activities
	Port Authority	Water and Wastewater	Transportation Facilities	Solid Waste	Other Non-Major Transit	Total Enterprise Funds	Internal Service Funds
LIABILITIES							
Current liabilities:							
Contracts and accounts payable	10,343	2,049	179	10,458	5,124	28,153	2,887
Accrued liabilities	832	377	86	120	317	1,732	113
Refunds and rebates	4,427	-	-	-	-	4,427	-
Due to other funds	14	215	42	13	13	297	1,145
Due to other governments	478	486	37	386	113	1,500	33
Customer deposits	643	-	-	13	-	656	-
Unearned revenues	906	936	-	-	-	1,842	-
Self-insurance claims payable	-	-	-	-	-	-	9,810
Compensated absences	1,243	82	23	25	44	1,417	20
Current liabilities payable from restricted assets:							
Contracts and accounts payable	-	427	95	-	-	522	-
Accrued liabilities	8,020	4,950	3,284	2,142	-	18,396	-
Due to other funds	-	-	42	-	-	42	-
Due to other governments	-	-	429	-	-	429	-
Customer deposits	-	5,760	-	-	-	5,760	-
Unearned revenues	-	-	1,678	-	-	1,678	-
Notes payable	9,582	3,118	5,474	-	-	18,174	-
Revenue bonds payable - current	8,900	6,190	4,165	4,830	-	24,085	-
Total current liabilities	45,388	24,590	15,534	17,987	5,611	109,110	14,008
Noncurrent liabilities:							
Self - insurance claims payable	-	-	-	-	-	-	10,012
Compensated absences	446	889	245	275	477	2,332	198
Notes payable	-	46,537	15,925	-	3,277	65,739	-
Revenue bonds payable	301,872	196,910	125,742	81,421	-	705,945	-
Landfill closure and postclosure costs	-	-	-	14,267	-	14,267	-
Advances	61	-	-	-	-	61	-
Other postemployment benefits	20,694	12,908	4,406	3,398	11,028	52,434	2,196
Other	-	90	-	-	-	90	-
Total noncurrent liabilities	323,073	257,334	146,318	99,361	14,782	840,868	12,406
Total liabilities	368,461	281,924	161,852	117,348	20,393	949,978	26,414

(continued)

Lee County, Florida

STATEMENT OF NET POSITION

PROPRIETARY FUNDS

As of September 30, 2014

(amounts expressed in thousands)

	Business-type Activities - Enterprise Funds						Governmental Activities
	Port Authority	Water and Wastewater	Transportation Facilities	Solid Waste	Other Non-Major Transit	Total Enterprise Funds	Internal Service Funds
NET POSITION							
Net investment in capital assets	389,706	353,197	104,112	169,027	57,054	1,073,096	13,910
Restricted for:							
Capital projects	30,244	20,880	-	-	-	51,124	-
Debt service	8,902	7,389	9,783	4,834	-	30,908	-
Renewal and replacement	500	13,635	1,846	1,500	-	17,481	-
Unrestricted	93,567	111,517	17,674	80,949	(2,345)	301,362	74,579
Total net position	$ 522,919	$ 506,618	$ 133,415	$ 256,310	$ 54,709	1,473,971	$ 88,489
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds						2,740	
Net position of business-type activities						$ 1,476,711	

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

Lee County, Florida

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

PROPRIETARY FUNDS

For the Year Ended September 30, 2014

(amounts expressed in thousands)

	Business-type Activities - Enterprise Funds						Governmental Activities
	Port Authority	Water and Wastewater	Transportation Facilities	Solid Waste	Other Non-Major Transit	Total Enterprise Funds	Internal Service Funds
OPERATING REVENUES							
User fees	$ 50,300	$ 100,813	$ -	$ 52,196	$ 3,676	$ 206,985	$ 117,140
Tolls	-	-	40,363	-	-	40,363	-
Rentals and franchise fees	5,536	184	-	1,654	16	7,390	-
Concessions	39,206	-	-	-	-	39,206	-
Miscellaneous	252	1,743	816	21,068	11	23,890	-
Total operating revenues	95,294	102,740	41,179	74,918	3,703	317,834	117,140
Less: Rebates	(3,815)	-	-	-	-	(3,815)	-
Net operating revenues	91,479	102,740	41,179	74,918	3,703	314,019	117,140
OPERATING EXPENSES							
Salaries and wages	20,669	13,535	3,152	4,250	9,330	50,936	2,325
Employee benefits	12,453	8,549	2,376	2,674	7,108	33,160	1,343
Contractual services, materials and supplies	25,060	19,001	2,359	50,221	3,417	100,058	18,616
Utilities	4,276	5,319	250	462	240	10,547	2,358
Repairs and maintenance	2,403	2,986	339	1,740	1,017	8,485	3,880
Insurance	1,757	739	1,016	394	635	4,541	5,283
Insurance claims	-	-	-	-	-	-	81,711
Other	1,905	4,509	666	1,016	806	8,902	615
Depreciation	20,630	39,686	8,507	13,996	1,354	84,173	2,670
Total operating expenses	89,153	94,324	18,665	74,753	23,907	300,802	118,801
Operating income (loss)	2,326	8,416	22,514	165	(20,204)	13,217	(1,661)
NON-OPERATING REVENUES (EXPENSES)							
Investment earnings	231	222	39	100	13	605	105
Taxes	-	-	-	568	-	568	-
Grants	327	274	-	(85)	5,937	6,453	(94)
Interest expense	(16,465)	(6,868)	(7,114)	(4,281)	(45)	(34,773)	-
Excess fees - City of Sanibel	-	-	(1,367)	-	-	(1,367)	-
Gain (loss) on disposal of capital assets	(356)	(113)	1	(179)	17	(630)	1,853
Passenger facility charges	15,771	-	-	-	-	15,771	-
Other revenues	4	381	747	-	7	1,139	321
Other expenses	(1)	(3,981)	(1)	(3)	(5)	(3,991)	(203)
Total non-operating revenues (expenses)	(489)	(10,085)	(7,695)	(3,880)	5,924	(16,225)	1,982

(continued)

Lee County, Florida

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

PROPRIETARY FUNDS

For the Year Ended September 30, 2014

(amounts expressed in thousands)

	Business-type Activities - Enterprise Funds						Governmental Activities
	Port Authority	Water and Wastewater	Transportation Facilities	Solid Waste	Other Non-Major Transit	Total Enterprise Funds	Internal Service Funds
Income (loss) before contributions and transfers	1,837	(1,669)	14,819	(3,715)	(14,280)	(3,008)	321
Capital contributions	12,105	15,666	-	49	19,542	47,362	-
Transfers in	-	1	-	170	10,953	11,124	34
Transfers out	-	(5)	(1,694)	(29)	(1,000)	(2,728)	(677)
Total contributions and transfers	12,105	15,662	(1,694)	190	29,495	55,758	(643)
Change in net position	13,942	13,993	13,125	(3,525)	15,215	52,750	(322)
Total net position - beginning	508,977	492,625	120,290	259,835	39,494	1,421,221	88,811
Total net position - ending	$ 522,919	$ 506,618	$ 133,415	$ 256,310	$ 54,709	$ 1,473,971	$ 88,489

Change in net position	52,750
Adjustment to reflect the consolidation of internal service fund activities to related enterprise funds	190
Change in net position of business-type activities	$ 52,940

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

Lee County, Florida

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS

For the Year Ended September 30, 2014

(amounts expressed in thousands)

	Business-Type Activities - Enterprise Funds						Governmental Activities
	Port Authority	Water and Wastewater	Transportation Facilities	Solid Waste	Other Non-Major Transit	Total Enterprise Funds	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES							
Receipts from customers and users	$ 91,535	$ 103,468	$ 41,882	$ 76,079	$ 3,698	$ 316,662	$ 14,400
Receipts from interfund services provided	-	-	-	-	-	-	104,710
Cash received from customer deposits	67	1,369	-	(6)	-	1,430	-
Cash returned from customer deposits	(367)	(1,212)	-	-	-	(1,579)	-
Payments to suppliers	(35,405)	(30,401)	(4,419)	(61,312)	(4,297)	(135,834)	(112,705)
Payments to employees	(25,026)	(16,162)	(3,757)	(4,979)	(11,349)	(61,273)	(2,789)
Payments for interfund services used	(5,004)	(7,252)	(1,394)	(1,879)	(4,939)	(20,468)	(896)
Net cash provided by (used in) operating activities	25,800	49,810	32,312	7,903	(16,887)	98,938	2,720
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES							
Non-capital grants received	376	274	-	-	4,615	5,265	-
Non-capital grants issued	-	-	(956)	(85)	-	(1,041)	(94)
Transfers in	-	-	-	118	10,953	11,071	-
Transfers out	-	-	-	-	(1,000)	(1,000)	-
Net cash provided by (used in) noncapital financing activities	376	274	(956)	33	14,568	14,295	(94)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES							
Proceeds from capital debt	-	-	-	-	3,277	3,277	-
Proceeds from special assessments	-	68	-	-	-	68	-
Transfers to other funds	-	-	(4,831)	-	-	(4,831)	-
Capital contributions	10,100	6,934	-	-	13,822	30,856	-
Proceeds from passenger facilities charges	15,889	-	-	-	-	15,889	-
Capital asset purchases	(27,354)	(13,079)	(453)	(5,642)	(19,604)	(66,132)	(2,536)
Principal paid on bonds, loans, leases, and interfund loans	(12,072)	(6,925)	(11,331)	(104)	-	(30,432)	-
Interest paid on bonds, loans, leases, and interfund loans	(16,463)	(8,941)	(6,678)	(4,285)	-	(36,367)	-
Proceeds from sale of capital assets	28	119	-	132	44	323	2,634
Net cash provided by (used in) capital and related financing activities	(29,872)	(21,824)	(23,293)	(9,899)	(2,461)	(87,349)	98
CASH FLOWS FROM INVESTING ACTIVITIES							
Proceeds from sale and maturities of investments	25,000	-	-	-	-	25,000	-
Purchase of investments	(24,990)	-	-	-	-	(24,990)	-
Interest on investments	413	302	39	101	15	870	113
Net cash provided by investing activities	423	302	39	101	15	880	113
Net increase (decrease) in cash and equity in pooled cash and investments	(3,273)	28,562	8,102	(1,862)	(4,765)	26,764	2,837
Cash and cash equivalents at beginning of year	158,962	192,942	31,305	113,531	7,389	504,129	93,649
Cash and cash equivalents at end of year	$ 155,689	$ 221,504	$ 39,407	$ 111,669	$ 2,624	$ 530,893	$ 96,486

(continued)

Lee County, Florida

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS

For the Year Ended September 30, 2014

(amounts expressed in thousands)

	Business-Type Activities - Enterprise Funds						Governmental Activities
	Port Authority	Water and Wastewater	Transportation Facilities	Solid Waste	Other Non-Major Transit	Total Enterprise Funds	Internal Service Funds
Classified as:							
Current assets							
Cash and equivalent	$ 109,003	$ 115,798	$ 22,247	$ 6,556	$ 2,624	$ 256,228	$ 96,356
Cash and equivalent with fiscal agent	-	-	-	84,246	-	84,246	130
Restricted assets	26,502	20,445	15,167	6,972	-	69,086	-
Non-current							
Restricted assets	20,184	85,261	1,993	13,895	-	121,333	-
Totals	$ 155,689	$ 221,504	$ 39,407	$ 111,669	$ 2,624	$ 530,893	$ 96,486
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES							
Contributions of capital assets	$ 225	$ 8,732	$ -	$ -	$ -	$ 8,957	$ -
Purchase of machinery, equipment and vehicles on account	5,348	1,714	17	3,493	2,153	12,725	105
Increase (decrease) in fair value of investments	(38)	(69)	(10)	(6)	4	(119)	(42)
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:							
Operating income (loss)	$ 2,326	$ 8,416	$ 22,514	$ 165	$ (20,204)	$ 13,217	$ (1,661)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:							
Depreciation	20,630	39,686	8,507	13,996	1,354	84,173	2,670
Other revenues	4	381	747	568	7	1,707	321
Other expense	-	-	-	-	(5)	(5)	(203)
(Increase) decrease in accounts receivable	560	(232)	-	591	(12)	907	629
(Increase) decrease in due from other funds	1	37	12	(11)	8	47	(191)
(Increase) in due from other governments	-	-	(15)	-	-	(15)	(145)
(Increase) in inventories	(41)	(849)	(186)	-	-	(1,076)	(138)
(Increase) decrease in other assets	(54)	(25)	(43)	(11)	6	(127)	(784)
Increase (decrease) in contracts and accounts payable	118	(464)	71	(795)	237	(833)	945
Increase (decrease) in accrued liabilities	(5)	37	6	15	36	89	(15)
(Decrease) in refunds and rebates	(703)	-	-	-	-	(703)	-
Increase (decrease) in due to other funds	(73)	59	42	(5,992)	5	(5,959)	1,086
Increase (decrease) in due to other governments	10	(288)	5	85	13	(175)	(37)
Increase (decrease) in customer deposits	(300)	157	-	(6)	-	(149)	-
Increase (decrease) in unearned revenues	196	661	(40)	-	-	817	-
Increase (decrease) in compensated absences	91	36	(12)	2	10	127	(2)
Increase in OPEB	3,040	2,198	704	553	1,658	8,153	343
(Decrease) in other liabilities	-	-	-	(1,257)	-	(1,257)	(98)
Total adjustments	23,474	41,394	9,798	7,738	3,317	85,721	4,381
Net cash provided by (used in) operating activities	$ 25,800	$ 49,810	$ 32,312	$ 7,903	$ (16,887)	$ 98,938	$ 2,720

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

Lee County, Florida
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
As of September 30, 2014
(amounts expressed in thousands)

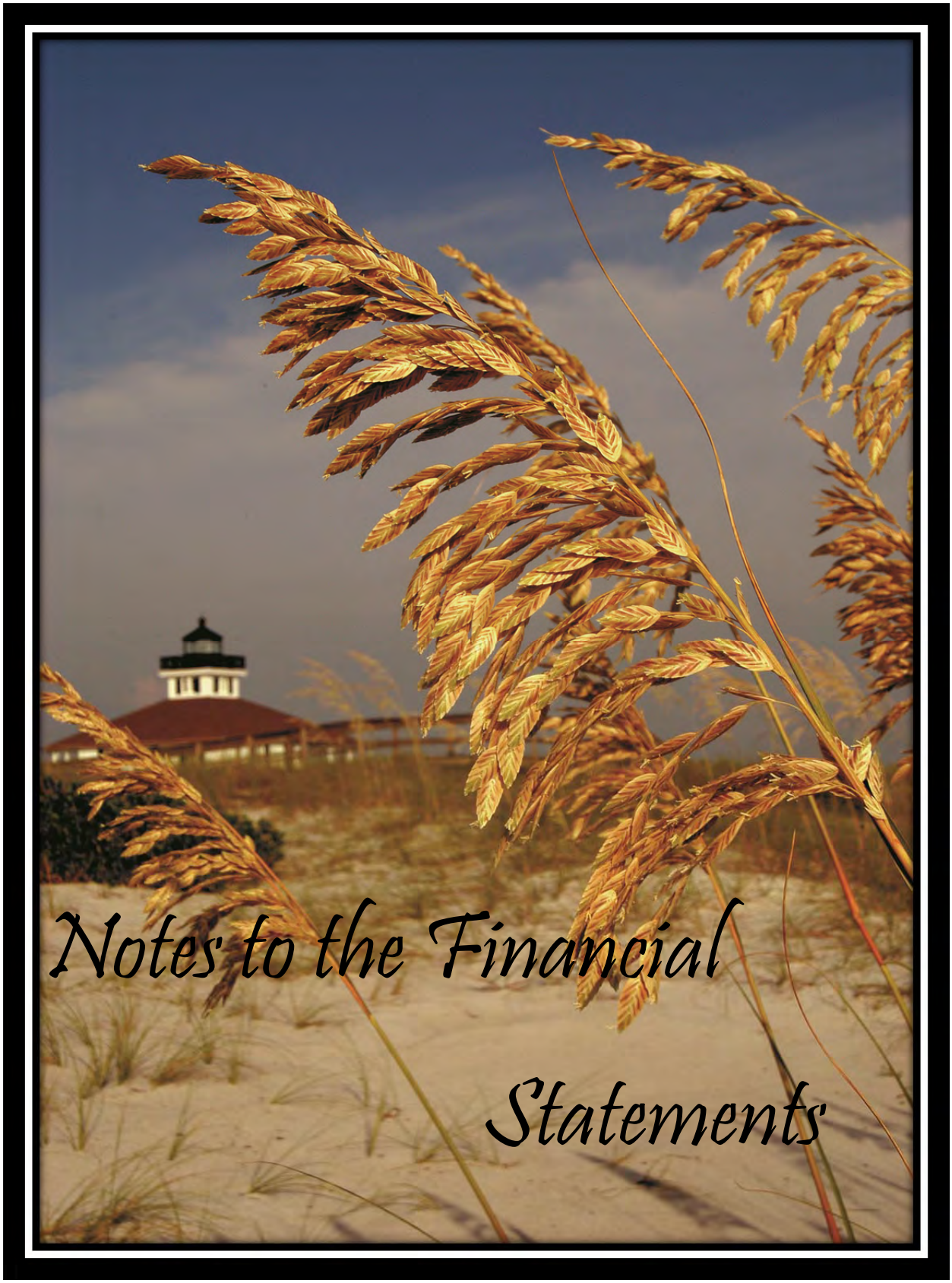
	Other Postemployment Benefits Trust Fund	Agency Funds
ASSETS		
Cash and equity in pooled cash and investments	$ -	$ 44,072
Cash and cash equivalents with fiscal agent	27,707	-
Investments	-	4,600
Accounts receivable (net)	-	9
Due from other governments	-	226
Total assets	27,707	48,907
LIABILITIES		
Contracts and accounts payable	-	587
Due to individuals	-	1,084
Due to other governments	-	15,355
Bonds and deposits	-	31,881
Total liabilities	-	$ 48,907
NET POSITION		
Held in trust for other postemployment benefits	$ 27,707	

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

Lee County, Florida
STATEMENT OF CHANGES IN PLAN NET POSITION
FIDUCIARY FUNDS
For the Year Ended September 30, 2014
(amounts expressed in thousands)

	Other Postemployment Benefits Trust Fund
ADDITIONS	
Contributions:	
Employer	$ -
Total contributions	-
Investment earnings:	-
Interest	-
Net investment earnings	-
Total additions	-
DEDUCTIONS	
Payments	
Payments for retiree benefits	6,497
Total deductions	6,497
Change in net position	(6,497)
Net position - beginning of year	34,204
Net position - end of year	$ 27,707

The notes to the financial statements are an integral part of this statement.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NOTE I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

Lee County ("the County") was founded in 1887 as a political subdivision of the State of Florida established by Article VIII, Section 1(f), *Florida Constitution*. In 1996 by adoption of Lee County Ordinance No. 96-01 the County became a charter county as allowed by Article VIII, Section 1(c), *Florida Constitution*, and Chapter 125.82, *Florida Statutes*. Pursuant to Article VIII, Section 1(g), *Florida Constitution*, as a charter county the County has all powers of self-government not inconsistent with general law, or with special law approved by vote. It also gives the County authority to enact ordinances that are not inconsistent with general law.

The County is governed by an elected Board of County Commissioners ("the Board"), which is governed by Title XI, Chapters 124-164, *Florida Statutes*, and regulations. In addition to the members of the Board, there are five elected Constitutional Officers: Clerk of Circuit Court, Property Appraiser, Sheriff, Supervisor of Elections, and Tax Collector. The Constitutional Officers maintain separate accounting records and budgets.

The accompanying financial statements present the financial position and results of operations of the entity as a whole, by major fund, and non-major funds in aggregate, that are governed by the Board and the Constitutional Officers of Lee County, Florida.

As required by generally accepted accounting principles ("GAAP"), the financial statements of the reporting entity include those of Lee County (the primary government) and its component units. A component unit is a legally separate organization for which the elected officials of the primary government are financially accountable. In addition, a component unit may be another organization for which the nature and significance of its relationship with a primary government is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The departments and divisions, of the Board and the Constitutional Officers as well as the Lee County Port Authority ("the Port Authority"), a blended component unit, are included in Lee County's *Comprehensive Annual Financial Report*.

Blended Component Unit

The Port Authority is a dependent political subdivision of the County as defined in Chapter 189, *Florida Statutes*. The Port Authority was created by Chapter 63-1541, *Laws of Florida*, and by adoption of Resolution No. PA-87-8-9. The legal authority by which the Port Authority operates is found in Chapter 63-1541, *Laws of Florida*, and Chapters 125 and 332, *Florida Statutes*. The Port Authority is included in the County's reporting entity as a blended component unit due to (1) the significance of the operational and financial relationships with the County and (2) the Board of Port Commissioners is substantively the same governing body as the Board of County Commissioners. The Port Authority is accounted for as a Board enterprise fund.

Complete financial statements of the Port Authority component unit can be obtained as follows:

Lee County Port Authority
11000 Terminal Access Road, Suite 8671
Fort Myers, Florida 33913

Government-Wide and Fund Financial Statements

The government-wide financial statements and the major-fund financial statements along with the notes to the financial statements comprise the basic financial statements. The government-wide financial statements (the statement of net position and the statement of activities) concentrate on the County as a whole and do not emphasize fund types but rather a governmental or a business-type classification, which are presented in separate columns. The governmental activities and business-type activities comprise the primary government.

Neither fiduciary funds nor component units that are fiduciary in nature are included. General governmental and inter-governmental revenues support the governmental activities, whereas the business-type activities are primarily supported by user fees and charges for services. The purpose of the government-wide financial statements is to allow the user to be able to determine if the County is in a better or worse financial position than the prior year.

The statement of activities reflects the expenses of a given function or program, which are offset by program revenues. Program revenues are defined as charges for services, operating grants and contributions, and capital grants and contributions directly associated with a given function. Taxes are reported under general revenue.

The County's major funds are presented in separate columns on the governmental fund financial statements and the proprietary fund financial statements. The definition of a major fund is one that meets certain criteria set-forth in Governmental Accounting Standards Board Statement Number 34, *Basic Financial Statements- and Management's Discussion and Analysis- for State and Local Governments* ("GASB 34"). The funds that do not meet the criteria of a major fund are considered non-major funds and are combined into a single column on the fund financial statements. However, as permitted, the County elects to present the Library and Tourist Development Trust as major funds although they do not meet the defined criteria.

The County allocates indirect expenses and therefore reports this allocation in a separate column on the government-wide statement of activities.

The effect of interfund activity has been removed from the government-wide financial statements.

Internal service fund activity is reported in full on the proprietary fund financial statements. The internal service funds are combined and thus reported in a single summary column on the proprietary fund financial statements. However, the internal service fund activity has been eliminated - except for the outside activity - and is combined with the governmental activities on the government-wide financial statements. The outside activities are premiums paid from outside entities for insurance, employee's portion of insurance, auto and equipment repair, and participating governments in the radio program for the government communications network.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The accounts of the County are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, deferred outflows/inflows of resources, fund equity or net position, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

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

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

Proprietary funds record both operating and non-operating revenues and expenses. Operating revenues are those that are obtained from the

operations of the proprietary fund that include user fees, tolls, rental and franchise fees, and concessions. Non-operating revenues are not related to the operations of the proprietary fund and include taxes, interest earnings, grants, and passenger facility charges. Operating expenses represent the cost of operations, which includes depreciation. Non-operating expenses, such as interest expense, are not related to operations.

Governmental fund financial statements are prepared on the modified accrual basis using the current financial resources measurement focus. Under the modified accrual basis, revenues are recognized when they become measurable and available as net current assets. The County considers all revenues, except grants, available if they are collected within sixty days after year-end. Grants are recorded as earned if collected within ninety days after year-end. Primary revenues, such as property taxes, special assessments, inter-governmental revenues, charges for services, sales and franchise taxes, rents, and interest are treated as susceptible to accrual under the modified accrual basis and so have been recognized as revenues. Expenditures reported in governmental fund financial statements are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. An exception to this general rule includes principal and interest on general long-term debt, which is recognized when due, and compensated absences which are accrued when matured.

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.

The County reports the following major funds in the governmental fund financial statements:

General Fund
The General Fund is the general operating fund of the County that is used to account for all financial resources, except those required to be accounted for in another fund.

Lee County Library
The Library, a special revenue fund, is used to account for ad valorem taxes and governmental grant funds designated to operate and maintain the County's public library system.

MSTU
The Municipal Service Taxing Unit ("MSTU"), a special revenue fund, is used to account for ad valorem taxes, building license and permit fees, administration fees, charges for Animal Services, and other revenues, and expenditures to be used in the unincorporated areas of the County for services rendered.

Tourist Development Trust Fund
The Tourist Development Trust Fund, a special revenue fund, is used to account for the five percent tax on rents for temporary lodgings. This tax, approved by a voter referendum in 1982, is restricted for promotion of tourism and specific projects that have been identified as encouraging tourism such as beach and shoreline improvements, the William Hammond Stadium, and JetBlue Park. The debt service and operations for the stadiums are also allowed to be paid from this tax.

Capital Improvement
Capital Improvement, a capital projects fund, is used to account for ad valorem taxes and other revenues, and expenditures to be used for the acquisition or construction of major non-transportation related capital facilities.

The County reports the following major funds in the proprietary fund financial statements:

Port Authority
The Lee County Port Authority is used to account for the activities related to the operation of the County owned aviation facilities, including Southwest Florida International Airport and Page Field General Aviation Airport.

Water and Wastewater
The Lee County Water and Wastewater System is used to account for the activities related to the operation of the County owned water and wastewater system.

Transportation Facilities
The Lee County Transportation Facilities fund is used to account for the activities related to the operation of the County owned bridges connecting Sanibel and Captiva Islands to the mainland and the Cities of Cape Coral and Fort Myers.

Solid Waste
The Lee County Solid Waste System is used to account for the provision of refuse disposal facilities to the general public.

The County reports the following other fund types:

Non-major Governmental Funds
The non-major governmental funds are a combination of special revenue, debt service, and capital projects.

Non-major Enterprise Funds
The only non-major enterprise fund is Lee County Transit. Lee County Transit is used to account for the activities related to the operation of the Lee Tran bus system, a countywide public transportation service.

Internal Service Funds
The internal service funds are used to account for data processing, risk management, health, dental and liability self-insurance, radio communications, and fleet management services on a cost reimbursement basis.

Trust Fund
The trust fund accounts for the plan assets held for the County's Other Post-Employment Benefit ("OPEB") plan.

Agency Funds
The agency funds are used to account for assets collected and held by the County as an agent for individuals, organizations, or other governments, such as fire impact fees, road impact fees for the City of Bonita Springs, school impact fees for the Lee County School Board, or license plate tag fees collected on behalf of the State of Florida.

Use of Estimates

The preparation of the financial statements requires management to make a number of estimates and assumptions relating to the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources and the disclosure of contingent assets, deferred outflows of resources, liabilities, and deferred inflows of resources at the date of the financial statements. Preparation of the financial statements also requires management to make a number of estimates and assumptions relating to the reported amounts of revenues and expenditures during the period. Actual results could differ from those estimates.

Budgetary Information

Budgets and Budgetary Accounting

Budgets have been adopted by the Board for all Board funds except for agency funds. The budgets of the Property Appraiser and the Tax Collector are approved by the Florida Department of Revenue. The Sheriff and Supervisor of Elections prepare budgets for their general funds, which are submitted to and approved by the Board. The Clerk of Circuit Court (to the extent of her function as ex-officio Clerk to the Board) prepares a budget for her general fund (noncourt-related activities), which is submitted to and approved by the Board. In addition, the Clerk prepares a portion of her noncourt-related and special revenue budgets based on anticipated fees. The Clerk also prepares a court-related budget, which is submitted to and approved by the Florida State Legislature in the General Appropriations Act. No budget is prepared for the Property Appraiser's special revenue fund, and the Sheriff's special revenue and internal service funds.
Capital projects 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 GAAP, except that capital and debt related transactions are based upon cash receipts and disbursements. Estimated beginning fund balances are considered in the budgetary process. Differences between estimated beginning fund balances and actual fund balances, if material, are submitted to the Board as budget amendments. The annual budgets serve as the legal authorization for expenditures. Expenditures cannot legally exceed the total amount budgeted for each fund. The Board must approve all budget amendments, which change the legally adopted total appropriation for a fund, or amount of a Constitutional Officers' draw. Authority to transfer budget within a fund is delegated to the County Manager or Budget Director.

If, during the fiscal year, additional revenues become available for appropriation in excess of those estimated in the budget, the Board may make supplemental appropriations by resolution for the year up to the amount of such excess. During the fiscal year the Board, in accordance with Florida Statutes, approved various supplemental appropriations. Appropriations lapse at fiscal year-end.

Assets, Liabilities, Deferred Outflows/ Inflows of Resources, and Net Position or Equity

Cash and Equity in Pooled Cash and Investments

The County considers cash and equity in pooled cash and investments to be cash on hand, demand deposits, highly liquid investments, including those held as restricted assets, with original maturities of three months or less when purchased, and those included in the internal investment pool.

For accounting and investment purposes, the County maintains a cash and investment pool that is available for use by all funds except those whose cash and investments must be segregated due to legal or other restrictions. Investments within this pool are treated as a demand deposit account by the various funds of the County that participate. Interest earned on investments in the pool is allocated to the various funds based upon each fund's equity balance in the pool during the allocation period.

For purposes of the Statements of Cash Flows, the County considers cash and equity in pooled cash and investments (restricted and unrestricted), and restricted cash and cash equivalents with fiscal agent to be cash and cash equivalents.

Investments

The County reports all investments at fair value, with the exception of: repurchase agreements, money market mutual funds, and State Board of Administration's ("SBA") Florida Local Government Surplus Trust Fund Investment Pool (Florida PRIME) that are reported at amortized cost which approximates fair value. All fair valuations are based on quoted market prices. The fair value of the position in Florida PRIME, an external 2a7-like investment pool, and the money market mutual funds are the same as the value of the pool/fund 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, 2014, Florida PRIME contained certain floating and adjustable rate securities. These investments represented 30.9 percent of Florida PRIME's portfolio at September 30, 2014.

Accounts Receivable

The trade accounts receivable of the County are recorded in the government-wide, governmental, and proprietary fund financial statements and are net of an allowance for doubtful accounts, which generally is equivalent to the receivables that are over 90 days, plus any amounts to be submitted to the Board of County Commissioners for writeoff due to known uncollectible amounts.

Special assessment receivables that are not expected to be collected in the current year are reported as Deferred Inflows - unavailable revenue in the governmental fund statements. Delinquent special assessments receivable are expected to be recovered, ultimately through liens or foreclosures.

Due From/Due To

Activity between funds during the year is recorded by transferring cash; however, after September 30 cash can no longer move between funds. Therefore, a "due from" and "due to" are used to record any activity representing current interfund loans. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide statement of net position as "internal balances."

Inventory

Inventories that consist of materials and supplies are stated at cost, which approximates fair market value. The "first-in, first-out" method of accounting is used to determine cost. Inventories that consist of homes held for resale are stated at cost. All inventories are recorded as expenditures, or expenses, as they are used (consumption method).

Prepaid Items

Some payments to vendors represent costs applicable to future accounting periods and are recorded as prepaid items in the financial statements.

Advances To/From Other Funds

County Administration Code AC-3-4 ("the Code") allows loans between funds that are approved by the County Manager or their designee to be made for a period not to exceed beyond the current fiscal year or thirty days, whichever is greater. Loans that will not be repaid by the end of the current fiscal year must be approved by the Board of County Commissioners to be carried into the next fiscal year and are considered advances. Interest is calculated monthly using either the fixed or simple interest method, which is a variable rate based on the current rate used on Board funds deposited at the SBA, although the Code does allow for interest-free loans. The Code does not specify repayment requirements. When a determination is made that the advance will not be repaid, it is treated as a transfer. At September 30, 2014, the County has outstanding advances with payment terms ranging from 1-7 years.

Capital Assets

Capital assets include artwork, property, buildings, furniture, equipment, vehicles, software, easements and rights of way, and infrastructure assets. Infrastructure assets are defined as public domain capital assets such as roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, lighting systems, and similar assets that are immovable and of value only to the government unit. Capital assets are reported in the government-wide financial statements in the applicable governmental or business-type activities column, as well as the proprietary fund financial statements. The threshold for capitalizing property, plant, and equipment is $1,000. The threshold for capitalizing software and infrastructure is $100,000. Capital assets are recorded at cost or estimated historical cost. Contributed assets are recorded at estimated fair market value at the time received. Depreciation is calculated using the straight-line method over the estimated useful lives of the related assets. The ranges of the useful lives are as follows:

Asset	Years
Buildings	30-50
Improvements other than buildings	6-50
Equipment	3-35
Computer Equipment	3-10
Furniture	4-20
Vehicles & rolling stock	3-12
Software	3-5
Infrastructure	20-50

Florida Statutes require that the Board maintain accountability for all capital assets used in operations, except those separately accounted for by the Sheriff.

Unearned Revenues

Unearned revenues represent revenues collected in advance of services performed and will be recognized when the services are rendered.

Compensated Absences

The County maintains a policy that permits employees to accumulate earned but unused vacation and sick pay benefits that will be paid to employees upon separation from County service if certain criteria are met. These benefits, plus their related tax and retirement costs are classified as compensated absences. The County's policy requires employees to bank unused sick pay benefits. Both the current and long-term portion of compensated absences are accrued and reported in the government-wide and proprietary fund financial statements. The exception to this policy is the Lee County Port Authority, which has a mandatory annual buyback of unused leave. This is accounted for pursuant to GASB Statement Number 16, *Accounting for Compensated Absences*. Payments for compensated absences are made by the respective fund.

Unamortized Bond Premiums and Discounts

Bond premiums and discounts related to long-term debt are amortized over the life of the debt, principally by the effective-interest method. Notes payable and revenue bonds payable in the government-wide and proprietary fund financial statements are shown net of unamortized discounts and premiums. Premiums and discounts related to general long-term debt in the governmental fund financial statements are recorded as expenditures or other financing sources when paid or received and, therefore, are not accounted for in subsequent periods.

Deferred Outflows of Resources

Deferred outflows of resources represents a consumption of net position that applies to future period(s) and so will not be recognized as an outflow of resources (expense or expenditure) until then. The County has only one item that qualifies for reporting in this category. It is the loss on refunding that result from the difference in the carrying value of refunded debt and its reacquisition price. This amount is amortized using the effective-interest method in the government-wide and proprietary fund financial statements over the shorter of the life of the old bonds or the life of the new bonds.

Deferred Inflows of Resources

Deferred inflows of resources represents acquisition of resources that applies to future reporting period(s) and will not be recognized as an inflow of resource (revenue) until then. In governmental funds, revenues not received within sixty days of yearend are deferred until collected as they do not meet the availability criteria. The County currently has unavailable revenue for special assessments and accounts receivables. Also included in deferred inflows are gains on refunding that result from the difference in the carrying value of refunded debt and its reacquisition price. This amount is amortized using the effective-interest method in the government-wide and proprietary fund financial statements over the shorter of the life of the old bonds or the life of the new bonds.

Net Position

In the government-wide and proprietary fund financial statements net position is categorized as net investment in capital assets, restricted and unrestricted. Restricted net position indicates amounts that have constraints on their use externally imposed by creditors, through debt covenants, by grantors, or by law. Restricted assets are being reported for: capital projects; debt service; inventory held for resale; special revenue funds; and renewal and replacement. The government-wide statement of net position reports $154,766,000 of governmental activities restricted net position, of which $130,694,000 is restricted by enabling legislation.

Fund Balances

In the governmental fund financial statements the County reports fund balances as either non-spendable or spendable. Spendable fund balances are further classified in a hierarchy based on the extent to which there are external and internal constraints.

Non-spendable balances are those that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. Criteria include items that are not expected to be converted into cash, for example inventories and prepaids. It also includes the long-term amount of loans and notes receivable, as well as property acquired for resale. However, if the use of the proceeds from the collection of those receivables or from the sale of those properties is restricted, committed, or assigned, then they should be included in the appropriate fund balance classification.

Spendable fund balances are classified as follows:

Restricted Fund Balance – Amounts that are constrained for a specific purpose imposed by creditors (such as through debt covenants), grantors, contributors, laws or regulations, or through constitutional provisions or enabling legislation.

Committed Fund Balance – Amounts constrained for a specific purpose imposed by a formal action of adopting an ordinance by the Board, the highest level of decision making authority, for the County. Once adopted, an ordinance can only be modified, rescinded, or replaced in the same manner, by another ordinance of the Board.

Assigned Fund Balance – Amounts that are intended to be used for specific purposes as determined by the Board, but that are neither restricted nor committed. Per the Board's administrative code, only the Board is authorized to assign fund balance.

Unassigned Fund Balance – Amount represents the residual fund balances for the County's General Fund that do not meet the other fund balance classification requirements.

NOTE II. DIFFERENCE BETWEEN BUDGETED AND ACTUAL RESULTS

Budgets are adopted on a basis consistent with GAAP except as follows:

- *General Fund* – Emergency Medical Services (EMS) ambulance fees are budgeted on a cash basis; the adjustment to record the remaining outstanding fees to accounts receivable for the year is not budgeted. Changes in fair market value (FMV) of investments, advances to or repayment of advances from other funds, inventory adjustments, and bad debts for EMS and other departments are not budgeted.

- *Lee County Library* – Changes in fair market value (FMV) of investments are not budgeted.

- *MSTU* – Changes in fair market value (FMV) of investments, inventory adjustments, and adjustments for unavailable revenues are not budgeted.

- *Tourist Development Trust Fund*- Changes in fair market value (FMV) of investments are not budgeted.

The following adjustments were necessary to present these funds' actual data on a budgetary basis (Non-GAAP) for the fiscal year ended September 30, 2014 (dollars in thousands):

General Fund:	
Net change in fund balance (GAAP basis)	$12,278
Basis Difference:	
EMS ambulance fees not reported on a cash basis	1,667
Miscellaneous revenue not budgeted (FMV)	53
Advances not budgeted as transfers	425
Expenditures associated with inventory	(907)
Net change in fund balance non-GAAP	$13,516

Lee County Library:	
Net change in fund balance (GAAP basis)	$3,637
Basis Difference:	
Miscellaneous revenue not budgeted- Change in FMV	4
Net change in fund balance non-GAAP	$3,641

MSTU:	
Net change in fund balance (GAAP basis)	($4,081)
Basis Difference:	
Miscellaneous revenue not budgeted- Change in FMV	23
Unavailable revenues	(54)
Expenditures associated with inventory	104
Net change in fund balance non-GAAP	($4,008)

Tourist Development Trust Fund:	
Net change in fund balance (GAAP basis)	$1,780
Basis Difference:	
Miscellaneous revenue not budgeted- Change in FMV	9
Net change in fund balance non-GAAP	$1,789

NOTE III. PROPERTY TAXES

Property taxes become due and payable on November 1 of each year and are delinquent on April 1 of the following year. Discounts on property taxes are allowed for payments made prior to the April 1 delinquent date. Tax certificates for the full amount of any unpaid taxes must be sold no later than June 1 of each year. No accrual for the property tax levy becoming due in November 2014 is included in the accompanying financial statements, since such taxes are collected to finance expenditures of the subsequent period.

Procedures for collecting delinquent taxes, including applicable tax certificate sales and tax deed sales, are provided by Florida Statutes. The enforceable lien date is approximately two years after taxes become delinquent and occurs only upon request of a holder of a delinquent tax certificate. There were no significant delinquent property tax receivables at September 30, 2014.

Important dates in the property tax cycle are as follows:

- Assessment roll certified- July 1
- Millage resolution approved- no later than 95 days following receipt of the certified preliminary assessment roll
- Beginning of fiscal year for which taxes have been levied- October 1
- Taxes due and payable (levy date)- November 1
- Property taxes payable (maximum discount of 4 percent)- 30 days after levy date
- Due date- March 31
- Taxes become delinquent (lien date)- April 1
- Tax certificate sold- prior to June 1

NOTE IV. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Compliance with Finance Related Legal and Contractual Provisions

Management believes there were no violations of finance related legal and contractual provisions.

NOTE V. DETAIL NOTES ON ALL FUNDS

Cash and Equity in Pooled Cash and Investments, and Investments

Investment Portfolio

As of September 30, 2014, the County had the following deposits, investments, and maturities (amounts in thousands):

Investment	Maturities	Fair Value	Call Date	Call Frequency	Rating
Cash on hand	N/A	$ 3,361			N/A
Cash with Fiscal Agent	N/A	49,928			N/A
Demand Deposits	N/A	245,332			N/A
SBA- Local Government Surplus Funds Trust Fund Investment Pool- Florida PRIME	39 days	268,228			AAAM
Florida Local Government Investment Trust	1.82 years	2,000			AAAf
Florida Trust Day to Day Fund	55.18 days	10			AAAm
Money Market Funds	N/A	59,355			AAAm
U.S. Treasury Note	4/30/2015	20,008			N/A
U.S. Treasury Note	3/31/2015	20,020			N/A
U.S. Treasury Note	5/31/2015	20,025			N/A
U.S. Treasury Note	9/30/2015	20,024			N/A
U.S. Treasury Note	12/31/2015	20,007			N/A
U.S. Treasury Note	3/31/2016	20,005			N/A
Federal Farm Credit	6/10/2015	20,009			AA+
Federal Farm Credit	6/4/2015	19,997			AA+
Federal Farm Credit	10/19/2015	14,999			AA+
Federal Farm Credit	10/19/2015	14,999			AA+
Federal Farm Credit	1/2/2016	19,941			AA+
Federal Farm Credit	9/9/2016	19,945			AA+
Federal Farm Credit	8/11/2016	14,961			AA+
Federal Home Loan Bank	1/16/2015	20,008			AA+
Federal Home Loan Bank	11/20/2014	20,000			AA+
Federal Home Loan Bank	12/11/2014	20,002			AA+
Federal Home Loan Bank	2/18/2015	20,005			AA+
Federal Home Loan Bank	3/1/2015	9,998			AA+
Federal Home Loan Bank	6/6/2016	14,947			AA+
Federal Home Loan Bank	9/30/2016	9,994	12/30/2014	QTR	AA+
Federal Home Loan Bank	3/20/2015	24,998			AA+
Federal Home Loan Mortgage Corp.	2/23/2015	20,014			AA+
Federal Home Loan Mortgage Corp.	7/29/2016	19,972	10/29/2014	QTR	AA+
Federal Home Loan Mortgage Corp.	9/19/2016	16,948	12/19/2014	QTR	AA+

(continued)

Cash, Equity in Pooled Cash and Investments, and Investments (continued)

Investment	Maturities	Fair Value	Call Date	Call Frequency	Rating
Federal Home Loan Mortgage Corp.	9/29/2016	19,976	12/29/2014	1X	AA+
Federal Home Loan Mortgage Corp. Discount Note	10/2/2014	20,000			N/A
Federal Home Loan Mortgage Corp. Discount Note	12/3/2014	19,999			N/A
Federal Home Loan Mortgage Corp. Discount Note	10/15/2014	20,000			N/A
Federal National Mortgage Association	8/28/2015	20,036			AA+
Federal National Mortgage Assoc. Discount Note	10/27/2014	20,000			N/A
Federal National Mortgage Assoc. Discount Note	11/24/2014	20,000			N/A
Federal National Mortgage Assoc. Discount Note	11/24/2014	20,000			N/A
Total		$ 1,230,051			

Other Postemployment Benefits Trust Fund

As of September 30, 2014, the County had the following investments in their trust portfolio (amounts in thousands):

Investment	Maturities	Fair Value	Call Date	Call Frequency	Rating
Money Market Funds	N/A	$ 27,707			AAAm

Credit Risk

The Board's Investment Policy (Policy) limits credit risk by restricting authorized investments for their investment portfolio to the following:

A.) Direct obligations of, or obligations the principal and interest of which are unconditionally guaranteed by the United States Government.

B.) U.S. Government sponsored enterprises.

C.) U.S. Government Agencies.

D.) The Florida Local Government Surplus Funds Trust Fund (SBA).

E.) Interest-bearing time deposits or savings accounts in banks organized under the laws of Florida, in national banks organized under the laws of the United States and doing business and situated in Florida. Savings and loan associations which are under federal law and supervision, provided deposits are secured by collateral as may be prescribed by law. The institution must be fully insured by Federal Deposit Insurance Corporation, or Federal Savings and Loan Insurance Corporation, and are approved by the State Treasurer as a qualified public depository.

F.) Securities of, or other interests in, any open-end or closed-end management type investment company or investment trust registered under the Investment Company Act of 1940, provided their portfolio is limited to United States Government obligations and repurchase agreements fully collateralized by such United States Government obligations.

G.) Repurchase agreements with any primary brokers/dealers that are fully collateralized by direct obligations of United States, or United States government sponsored corporation/ instrumentalities, or United States government agencies.

H.) Bonds, notes or obligations of any state of the United States, any municipality, political subdivision, agency or authority of this state which are exempt from federal income taxation, and are rated by any nationally recognized rating agency for municipal bonds in any of the two highest classifications.

I.) SEC - registered, no-load money market mutual funds whose portfolios consist of tax exempt securities and repurchase agreements, whose shares of the mutual fund must be rated in the highest category by a nationally recognized rating service.

J.) Florida Local Government Investment Trust (FLGIT).

K.) SEC registered money market mutual funds with average portfolio maturities under 120 days, whose portfolios consist of United States Government securities and repurchase agreements secured by such securities.

The Board's Policy requires that collateral for overnight and term repurchase agreements must maintain a minimum price of 101 percent on U.S. Treasuries and 102 percent on Agencies and Instrumentalities not to exceed five (5) years, and must be "marked to market" on a weekly basis. The Board's Policy also requires that the obligations of any state or municipality be rated by at least one of the nationally recognized rating agencies in any one of the two (2) highest classifications, and that investments in money market mutual funds must be rated in the highest category by a nationally recognized rating service. All credit ratings indicated in the above table are Standard & Poor's (S&P) ratings.

The Clerk does not have a formal written investment policy and thereby is required to follow Section 218.415, *Florida Statutes,* when investing surplus funds. This statute limits investing of surplus funds to the Local Government Surplus Funds Trust Fund, or any intergovernmental investment pool authorized pursuant to the Florida Interlocal

Cooperation Act of 1969, 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, or direct obligations of the U.S. Treasury. All other Constitutional Officers, except the Clerk, follow the guidance in Section 219.075, *Florida Statutes*, regarding the deposit of funds and the investment of surplus funds, in addition to Section 218.415, *Florida Statutes*.

There is no formal written policy for the other postemployment benefit trust portfolio. The County adopted an ordinance allowing the trust assets to be invested in the same investments allowed by the Florida Retirement System as described in Chapter 215, *Florida Statutes*.

Custodial Credit Risk

The Board's Policy requires that bank deposits be secured as provided by Chapter 280, *Florida Statutes,* and that the banks must be fully insured by the Federal Deposit Insurance Corporation (FDIC) or the Federal Savings and Loan Insurance Corporation (FSLIC) and approved by the State Treasurer as a public depository. At September 30, 2014, all of the County's bank deposits, including the Constitutional Officers', were in qualified public depositories.

The Board's Policy requires execution of a third-party custodial safekeeping agreement for all purchased securities and collateral, and requires that they be held in the County's name.

Interest Rate Risk

The Board's Policy requires an average minimum dollar amount equivalent to eight weeks of expenditures shall be held in a liquid investment, and securities will not be directly invested in or accepted as collateral that have a maturity date greater than five (5) years from the settlement date.

Concentration of Credit Risk

The Board's Policy establishes limitations on portfolio composition in order to control concentration of credit risk. The Board's Policy allows 100 percent of the portfolio to be invested in United States Treasuries/Agencies, 50 percent to be invested in Local Government Surplus Funds, 20 percent to be invested in repurchase agreements, 65 percent to be invested in money market mutual funds (no individual fund family can exceed 30 percent of the overall portfolio), 30 percent to be invested in Certificate of Deposits, and 5 percent to be invested in FLGIT. No more than 25 percent of the total portfolio can be invested with one investment company.

The portion of the County's portfolio invested in Federal instrumentalities is detailed as follows, at September 30, 2014:

Issuer	Percent of Portfolio
Federal Home Loan Bank	15.03%
Federal Home Loan Mortgage Corp	14.70%
Federal National Mortgage Association	8.59%
Federal Farm Credit Bank	13.40%
Total Federal Instrumentalities	51.72%

Reconciliation of cash, equity in pooled cash and investments, and investments from the schedule of deposits and investments to the basic fund financial statements (dollars in thousands):

Current:	
Cash and equity in pooled cash and investment	$856,001
Cash and cash equivalents with fiscal agent	99,961
Investments	10,000
Restricted:	
Cash and equity in pooled cash and investments	85,730
Cash and investments with fiscal agent	104,689
Investments	24,998
Agency Funds	
Cash and equity in pooled cash and investments	44,072
Investments	4,600
Total	$1,230,051

Restricted Assets and Liabilities

Restricted assets of the proprietary funds represent monies to be restricted for debt service, renewal and replacement, capital improvements and construction, and customer deposits under the terms of outstanding bond agreements, resolutions, and other contractual agreements.

Restricted assets reported on the proprietary fund statement of net positions at September 30, 2014, were as follows (dollars in thousands):

	Port Authority	Water and Wastewater	Transportation Facilities	Solid Waste	Enterprise Total
Cash and equity in pooled cash and investments	$ 29,766	$ 42,091	$ 4,550	$ 9,323	$ 85,730
Cash and cash equivalents with fiscal agent	16,920	63,615	12,609	11,545	104,689
Investments	24,998	-	-	-	24,998
Receivables (net):					
Accounts	2,164	7	-	-	2,171
Special assessments	-	1	-	-	1
Accrued interest	-	7	1	-	8
Total	$ 73,848	$ 105,721	$ 17,160	$ 20,868	$ 217,597

Assets restricted for debt service are for the payment of bond principal and interest and bond reserve requirements. Assets restricted for renewal and replacement are for the payment of unusual or extra-ordinary maintenance or repairs. Additionally, assets are restricted for capital improvements and construction. Customer deposits are advance payments held until certain conditions are met.

The assets were restricted for the following purposes at September 30, 2014, (dollars in thousands):

	Port Authority	Water and Wastewater	Transportation Facilities	Solid Waste	Enterprise Total
Debt service:					
Revenue bonds	$ 43,104	$ 58,373	$ 13,068	$ 10,046	$ 124,591
Other	-	6,914	-	-	6,914
Renewal and replacement	500	13,767	1,930	1,500	17,697
Capital improvements and construction	30,244	20,880	-	-	51,124
Deposits	-	5,787	2,162	-	7,949
Landfill closure and postclosure costs	-	-	-	9,322	9,322
Total net restricted assets	$ 73,848	$ 105,721	$ 17,160	$ 20,868	$ 217,597

Restricted assets and liabilities reported on the entity-wide Statement of Net Position, Governmental Activities column at September 30, 2014, were as follows (dollars in thousands):

	General Fund	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Governmental Activities	Total
Restricted assets:						
Cash and equity in pooled cash and investments	$ -	$ 61,935	$ 9,177	$ 80,707	$ -	$ 151,819
Cash and cash equivalents with fiscal agent	-	-	15,585	-	-	15,585
Receivables (net)						
Accounts	-	595	-	-	-	595
Special assessments	-	1,407	3,293	-	-	4,700
Accrued interest	-	295	-	19	-	314
Due from other governments	-	783	-	1,536	-	2,319
Inventory	2,370	-	-	-	-	2,370
Total	$ 2,370	$ 65,015	$ 28,055	$ 82,262	$ -	$ 177,702

Restricted Assets and Liabilities (continued)

	General Fund	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Other Governmental Activities	Total
Liabilities payable from restricted assets:						
Contracts and accounts payable	$ -	$ 838	$ -	$ 8,166	$ -	$ 9,004
Accrued liabilities	-	256	-	-	-	256
Due to other governments	-	110	-	-	-	110
Unearned revenues	-	305	-	-	-	305
Accrued interest payable	-	-	-	-	6,261	6,261
Total	$ -	$ 1,509	$ -	$ 8,166	$ 6,261	$ 15,936

Special Revenue fund assets and liabilities are restricted to comply with various grant agreements and statutes. Debt Service Fund and Governmental Activities assets and liabilities are restricted per bond covenants to pay debt service on various bonds. Capital Projects assets and liabilities are restricted due to external loan and bond agreements and statutes.

Receivables

At September 30, 2014, receivables for the County's major funds and all other funds in aggregate were as follows (dollars in thousands):

	General Fund	Lee County Library	MSTU	Tourist Development Trust Fund	Capital Improvement	Non-Major Governmental Funds	Total Governmental Funds
Accounts	$ 60,996	$ -	$ 33	$ -	$ -	$ 739	$ 61,768
Special assessments	-	-	-	-	-	4,700	4,700
Accrued interest	31	3	11	4	40	311	400
Less: allowance for bad debt	(56,016)	-	-	-	-	-	(56,016)
Total net receivables	$ 5,011	$ 3	$ 44	$ 4	$ 40	$ 5,750	$ 10,852

	Port Authority	Water and Wastewater	Transportation Facilities	Solid Waste	Non-Major Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Accounts	$ 6,054	$ 11,270	$ 4	$ 4,061	$ 13	$ 21,402	$ 1,321
Grants	4,337	-	-	-	9,898	14,235	-
Special assessments	-	319	-	2,051	-	2,370	-
Accrued interest	-	36	7	1	-	44	22
Less: allowance for bad debt	(250)	(397)	-	(12)	-	(659)	(32)
Total net receivables	$ 10,141	$ 11,228	$ 11	$ 6,101	$ 9,911	$ 37,392	$ 1,311

Capital Assets

Capital asset activity for the fiscal year ended September 30, 2014, was as follows (dollars in thousands):

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital assets not being depreciated:				
Artwork	$ 329	$ -	$ (3)	$ 326
Land	583,370	5,844	(30)	589,184
Construction in progress	59,778	47,288	(84,209)	22,857
Easements & Rights of Way	59,520	7,139	-	66,659
Software in progress	475	61	-	536
Total capital assets not being depreciated	703,472	60,332	(84,242)	679,562
Capital assets being depreciated:				
Buildings	533,655	47,445	(27)	581,073
Improvements other than buildings	205,965	15,491	(65)	221,391
Machinery and equipment	256,422	12,797	(13,837)	255,382
Software	14,755	894	(203)	15,446
Infrastructure	754,112	9,426	(8,337)	755,201
Total capital assets being depreciated	1,764,909	86,053	(22,469)	1,828,493
Less accumulated depreciation for:				
Buildings	140,216	12,065	(2)	152,279
Improvements other than buildings	66,904	13,361	(54)	80,211
Machinery and equipment	177,717	14,968	(10,599)	182,086
Software	12,040	977	-	13,017
Infrastructure	228,539	17,939	-	246,478
Total accumulated depreciation	625,416	59,310	(10,655)	674,071
Total capital assets being depreciated, net	1,139,493	26,743	(11,814)	1,154,422
Total governmental activities capital assets, net	$ 1,842,965	$ 87,075	$ (96,056)	$ 1,833,984
Business-Type Activities:				
Capital assets not being depreciated:				
Artwork				
Port Authority	$ 291	$ -	$ -	$ 291
Total Artwork	291	-	-	291
Land				
Port Authority	132,659	-	-	132,659
Water and Wastewater	26,367	115	-	26,482
Transportation Facilities	30,367	-	-	30,367
Solid Waste	27,150	-	-	27,150
Other non-major - Transit	8,682	-	-	8,682
Total land	225,225	115	-	225,340

Capital Assets (continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Business-Type Activities (continued):				
Construction in progress				
Port Authority	45,502	21,931	(46,216)	21,217
Water and Wastewater	20,860	2,945	(3,893)	19,912
Transportation Facilities	-	253	(253)	-
Solid Waste	1,494	8,150	(3,140)	6,504
Other non-major - Transit	5,889	21,834	(946)	26,777
Total construction in progress	73,745	55,113	(54,448)	74,410
Easements & rights of way				
Port Authority	45	-	-	45
Water and Wastewater	4,824	227	(12)	5,039
Transportation Facilities	14,119	-	-	14,119
Total Easements and Rights of Way	18,988	227	(12)	19,203
Total capital assets not being depreciated	318,249	55,455	(54,460)	319,244
Capital assets being depreciated:				
Buildings				
Port Authority	343,359	6,398	(1,079)	348,678
Water and Wastewater	53,034	493	-	53,527
Transportation Facilities	11,185	-	-	11,185
Solid Waste	116,542	845	-	117,387
Other non-major - Transit	7,836	-	(31)	7,805
Total buildings	531,956	7,736	(1,110)	538,582
Improvements other than buildings				
Port Authority	22,299	582	(28)	22,853
Water and Wastewater	391,514	11,003	(1,234)	401,283
Transportation Facilities	5,045	-	-	5,045
Solid Waste	34,976	-	-	34,976
Other non-major - Transit	1,597	237	(3)	1,831
Total improvements other than buildings	455,431	11,822	(1,265)	465,988
Machinery and equipment				
Port Authority	48,297	1,691	(1,268)	48,720
Water and Wastewater	123,528	3,368	(2,015)	124,881
Transportation Facilities	5,348	156	(82)	5,422
Solid Waste	216,784	1,750	(805)	217,729
Other non-major - Transit	36,108	1,609	(2,376)	35,341
Total machinery and equipment	430,065	8,574	(6,546)	432,093
Software				
Port Authority	2,999	134	-	3,133
Transportation Facilities	482	-	-	482
Other non-major - Transit	334	-	-	334
Total software	3,815	134	-	3,949

Capital Assets (continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Business-Type Activities (continued):				
Infrastructure				
Port Authority	297,495	39,925	(1,414)	336,006
Water and Wastewater	355,453	8,161	(366)	363,248
Transportation Facilities	290,385	253	-	290,638
Solid Waste	22,337	1,344	-	23,681
Total infrastructure	965,670	49,683	(1,780)	1,013,573
Total capital assets being depreciated	2,386,937	77,949	(10,701)	2,454,185
Less accumulated depreciation for:				
Buildings				
Port Authority	63,424	7,022	(25)	70,421
Water and Wastewater	14,863	1,124	-	15,987
Transportation Facilities	4,892	449	-	5,341
Solid Waste	56,167	3,512	-	59,679
Other non-major - Transit	2,264	166	(24)	2,406
Total buildings	141,610	12,273	(49)	153,834
Improvements other than buildings				
Port Authority	10,742	1,386	(24)	12,104
Water and Wastewater	174,962	19,717	(108)	194,571
Transportation Facilities	2,702	214	-	2,916
Solid Waste	11,937	1,741	-	13,678
Other non-major - Transit	438	124	(1)	561
Total improvements other than buildings	200,781	23,182	(133)	223,830
Machinery and equipment				
Port Authority	23,109	3,264	(1,082)	25,291
Water and Wastewater	53,126	7,043	(691)	59,478
Transportation Facilities	3,915	233	(78)	4,070
Solid Waste	84,452	7,930	(515)	91,867
Other non-major - Transit	16,481	996	(2,357)	15,120
Total machinery and equipment	181,083	19,466	(4,723)	195,826
Software				
Port Authority	2,967	30	-	2,997
Transportation Facilities	193	93	-	286
Other non-major - Transit	132	67	-	199
Total software	3,292	190	-	3,482
Infrastructure				
Port Authority	114,768	8,927	(1,096)	122,599
Water and Wastewater	162,642	11,800	-	174,442
Transportation Facilities	85,956	7,518	-	93,474
Solid Waste	5,713	813	-	6,526
Total infrastructure	369,079	29,058	(1,096)	397,041
Total accumulated depreciation	895,845	84,169	(6,001)	974,013
Total capital assets being depreciated, net	1,491,092	(6,220)	(4,700)	1,480,172
Total business-type activities capital assets, net	$ 1,809,341	$ 49,235	$ (59,160)	$ 1,799,416

Capital Assets (continued)

Interest costs related to construction are capitalized. Net interest expense capitalized for the year ended September 30, 2014, was $ 3,018,074.

Depreciation expense was charged to functions as follows (dollars in thousands):

Governmental activities:		*Business-type activities:*	
General government	$ 16,760	Port Authority	$ 20,630
Public safety	6,996	Water and Wastewater	39,686
Physical environment	1,996	Transportation Facilities	8,507
Transportation	21,150	Solid Waste	13,996
Economic environment	275	Other non-major Transit	1,354
Human services	153	Total depreciation for business-type activities	$ 84,173
Culture and recreation	11,976		
Total depreciation for governmental activities	$ 59,306		

The total depreciation expense by function does not agree with the related disclosed accumulated depreciation because of asset transfers. Asset transfers may occur between Governmental Activities and Business-Type Activities and asset transfers may also occur between asset categories such as Improvements Other Than Buildings and Infrastructure. The related accumulated depreciation for the asset transfer is reported in the Increase and/or Decrease columns on the Schedule of Capital Assets by Activity; therefore, the increase in accumulated depreciation is different from the current year's depreciation.

Construction Commitments

The County has active construction projects as of September 30, 2014. The significant commitments for remaining contracts were as follows (dollars in thousands):

Project	Contract Amount	Amount Spent-to-date	Remaining Commitment	Retainage
Port Authority	$ 78,476	$ 58,457	$ 20,019	$ 1,168
Water and Wastewater	11,278	3,242	8,036	190
Transportation Facilities	35,100	25,447	9,653	2,395
Solid Waste	14,653	4,280	10,373	370
Library	1,520	1,505	15	-
Culture & recreation	43,622	29,163	14,459	2,006
Transportation	42,546	33,693	8,853	2,086
Other	14,200	7,951	6,249	310
Total	$ 241,395	$ 163,738	$ 77,657	$ 8,525

Interfund Transactions

Interfund Transfers

Interfund transfers for the year ended September 30, 2014, consisted of the following (dollars in thousands):

	Transfers In											
	General Fund	Library	MSTU	Tourist Development Trust Fund	Capital Improvement	Non-Major Gov't Funds	Water and Wastewater	Solid Waste	Other Non-Major Transit	Internal Service Funds	Capital Asset Transfer	Total
Transfers out:												
General Fund	$ -	$ 203	$ 165	$ -	$ 1	$ 22,043	$ -	$ 121	$ 10,291	$ -	$ -	$ 32,824
MSTU	1,591	-	-	-	-	16,499	-	-	-	-	-	18,090
Tourist Development Trust Fund	207	-	-	-	11,242	9,096	-	-	-	-	-	20,545
Capital Improvement	1,981	-	1,500	402	-	-	-	-	-	-	-	3,883
Non-Major Governmental Funds	334	-	-	3,285	-	19,407	-	-	662	-	-	23,688
Water & Wastewater	-	-	-	-	-	-	-	-	-	5	-	5
Solid Waste	-	-	-	-	-	-	-	-	-	29	-	29
Transportation Facilities	-	-	-	-	-	1,694	-	-	-	-	-	1,694
Other Non-Major Transit	1,000	-	-	-	-	-	-	-	-	-	-	1,000
Internal Service Funds	-	-	-	-	-	-	1	-	-	-	676	677
Capital Asset Transfer	-	-	-	-	-	-	-	49	-	-	-	49
	$ 5,113	$ 203	$ 1,665	$ 3,687	$ 11,243	$ 68,739	$ 1	$ 170	$ 10,953	$ 34	$ 676	$ 102,484

The majority of interfund transfers were for recurring annual transfers. There were two notable non-recurring transfers in 2014. The Capital Improvement-Unincorporated MSTU Construction fund transferred $1,500,000 to return construction surplus funds to the MSTU fund. The Capital Improvement-Tourist Development Beach Project fund transferred $1,917,800 to General Fund for reimbursement of beach and shoreline expenses.

Interfund Transactions (continued)

Due To/From Other Funds

Interfund balances for the year ended September 30, 2014, consisted of the following (dollars in thousands):

Receivable Fund/Payable Fund:		Amount
Due to: General Fund		
Library	Interfund billing for services	$ 8
MSTU	Interfund billing for services	35
Tourist Development Trust Fund	Interfund billing for services	55
Non-major governmental funds	Interfund billing for services and return of excess fees	475
Port Authority	Operations	14
Water and Wastewater	Interfund billing for services	30
Transportation Facilities	Interfund billing for services	2
Solid Waste	Interfund billing for services	3
Transit	Interfund billing for services	1
Internal service funds	Interfund billing for services	1,131
Total due to General Fund		1,754
Due to: Lee County Library		
General Fund	Excess fees and Ad Valorem Taxes	214
Total due to Library		214
Due to: MSTU		
General Fund	Excess fees and Ad Valorem Taxes	456
Tourist Development Trust Fund	Operations	7
Non-major governmental funds	Interfund billing for services	21
Total due to MSTU		484
Due to: Tourist Development Trust Fund		
Capital Improvement	Operations	156
Non-major governmental funds	Operations	1
Total due to Tourist Development Trust Fund		157
Due to: Capital Improvement		
General Fund	Excess fees and Ad Valorem Taxes	24
Tourist Development Trust Fund	Operations	25
Total due to Capital Improvements		49
Due to: Non-major governmental funds		
General Fund	Excess fees and Ad Valorem Taxes	376
Library	Operations	12
Non-major governmental funds	Operations	4,171
Transportation Facilities	Operations	62
Total due to Non-major governmental funds		$ 4,621

Receivable Fund/Payable Fund:		Amount
Due to: Water and Wastewater		
General Fund	Interfund billing for services	$ 2
Due to: Transportation Facilities		
Non-major governmental funds	Operations	11
Due to: Solid Waste		
General Fund	Excess fees and Ad Valorem Taxes	126
MSTU	Interfund billing for services	8
Non-major governmental funds	Interfund billing for services	2
Water and Wastewater	Interfund billing for services	38
Internal service funds	Operations	2
Total due to Solid Waste		176
Due to: Transit		
Non-major governmental funds	Operations	54
Total due to Enterprise funds		243
Due to: Internal service funds		
General Fund	Interfund billing for services	576
Library	Interfund billing for services	46
MSTU	Interfund billing for services	150
Tourist Development Trust Fund	Interfund billing for services	5
Capital Improvement	Interfund billing for services	10
Non-major governmental funds	Interfund billing for services	229
Water and Wastewater	Interfund billing for services	147
Transportation Facilities	Interfund billing for services	20
Solid Waste	Interfund billing for services	10
Transit	Interfund billing for services	12
Internal service funds	Interfund billing for services	12
Total due to Internal service funds		1,217
Total		$ 8,739

Advances To/Advances From Other Funds

Interfund advances for the year ended September 30, 2014, consisted of the following (dollars in thousands):

Receivable Fund/Payable Fund:		Amount		
Advances from General Fund				
Port Authority	Interfund construction loan	$ 61	Loan to Port Authority for utility line construction	$ 61
Total		$ 61		$ 61

Repayment of advances is based on cash availability at year end in the borrowing funds therefore the outstanding balances are not on a schedule to be repaid within the following year.

Governmental Fund Balances

At September 30, 2014, the County's governmental fund balances were classified as follows (amounts in thousands):

	Major Funds						
	General Fund	Lee County Library	MSTU	Tourist Development Trust Fund	Capital Improvement	Other Governmental Funds	Total Governmental Funds
Nonspendable:							
Inventory	$ 348	$ -	$ 60	$ -	$ -	$ 2,876	$ 3,284
Advances	61	-	-	-	-	-	61
Total nonspendable	409	-	60	-	-	2,876	3,345
Restricted For:							
Improvement districts	-	-	-	-	-	5,980	5,980
Culture & recreation	-	-	-	-	-	12,232	12,232
Economic development	2,370	-	-	13,289	-	-	15,659
Health, safety & welfare	-	-	-	-	-	22,747	22,747
Transportation roads	-	-	-	-	-	74,970	74,970
Debt service	-	-	-	-	-	21,298	21,298
Court programs	-	-	-	-	-	2,679	2,679
Public records	-	-	-	-	-	3,317	3,317
Aerial maps	-	-	-	-	-	3	3
Inmate welfare	-	-	-	-	-	1,650	1,650
Driver's education	-	-	-	-	-	441	441
Law enforcement activities	-	-	-	-	-	2,113	2,113
Total restricted	2,370	-	-	13,289	-	147,430	163,089
Committed:							
MSTU	-	-	37,789	-	-	-	37,789
Capital improvements	-	-	-	-	144,129	-	144,129
Court programs	-	-	-	-	-	6,614	6,614
Culture & recreation	6	8,795	-	-	-	3,317	12,118
Health, safety & welfare	-	-	-	-	-	422	422
Total committed	6	8,795	37,789	-	144,129	10,353	201,072
Assigned to:							
Culture & recreation	-	-	-	-	-	56	56
Transportation roads	3,550	-	-	-	-	3,244	6,794
Economic development	9,015	-	-	-	-	-	9,015
Total assigned	12,565	-	-	-	-	3,300	15,865
Unassigned:	108,428	-	-	-	-	-	108,428
Total fund balances	$ 123,778	$ 8,795	$ 37,849	$ 13,289	$ 144,129	$ 163,959	$ 491,799

Long-Term Obligations

Leases

Operating Leases

The County is currently committed to various operating leases with terms in excess of one year. The future minimum rental payments as of September 30, 2014, were as follows (dollars in thousands):

Fiscal Year(s)	Amount
2015	$2,229
2016	1,830
2017	1,378
2018	999
2019	711
2020-2024	1,495
2025-2029	1,725
2030-2034	1,884
Total	$12,251

For all operating leases, rental expense is recorded with separate amounts for minimum rentals, contingent rentals, and sublease rentals.

The following schedule shows the total rental expense for all operating leases, including those with terms of less than one year, for the year ended September 30, 2014 (dollars in thousands):

Minimum rentals	$3,087
Contingent rentals	134
Short-term leases	818
Total rent expense	$4,039

An operating lease has a contingent rental when the amount of the rental payment may change based on the occurrence of certain events. For example, rental payments may increase due to additional usage or a change in the Consumer Price Index (CPI) rate or other economic indicators. Most operating leases have the option to renew for either a one or two year term. In most cases, the County expects to renew or replace all operating leases.

Revenue Bonds

The County issued revenue bonds for both governmental and business-type activities. The descriptions and balances of the outstanding revenue bonds as of September 30, 2014, were as follows:

Governmental Activities

- Series 2006 Capital Revenue Bonds for $63,605,000 at interest rates ranging from 4 percent to 5 percent (effective interest rate of 4.41 percent) collateralized by a lien on and a pledge of non-ad valorem funds including ambulance service receipts, building permits, zoning fees, data processing fees, excess County Officer fees, franchise fees, guaranteed entitlement funds, investment earnings, license fees, pledged gas taxes, and sales tax. The bonds are payable through 2026. The outstanding balance was $61,075,000.

The Capital Revenue Bonds were issued for the construction of the Jail and Evidence Facility. The total principal and interest remaining to be paid is $86,872,000. Principal and interest paid for the current year, and pledged revenues collected were $5,485,000 and $106,940,000, respectively.

- Series 2004 Tourist Development Tax Refunding Revenue Bonds for $8,195,000 at interest rates ranging from 2 percent to 5.25 percent (effective interest rate of 5.03 percent), collateralized by a lien on and a pledge of the tourist development tax, gross revenues of the baseball stadiums, and investment earnings. The bonds are payable through 2016. The outstanding balance was $2,250,000.

- Series 2010A Tourist Development Tax Revenue Bonds (Federally Taxable-Build America Bonds-Direct Subsidy) for $42,480,000 at interest rates ranging from 4.10 percent to 6.09 percent (effective interest rate of 5.79 percent), collateralized by a lien on and a pledge of the tourist development tax, gross revenues of the

baseball stadiums, investment earnings, and federal direct subsidy payments on these Build America Bonds. The bonds are payable through 2033. The outstanding balance was $42,480,000.

- Series 2010B Tourist Development Tax Revenue Bonds (Federally Taxable-Build America Bonds Recovery Zone Economic Development Bonds-Direct Subsidy) for $37,403,000 at an interest rate of 6.29 percent (effective interest rate of 6.29 percent), collateralized by a lien on and a pledge of the tourist development tax, gross revenues of the baseball stadiums, investment earnings, and federal direct subsidy payments on these Build America Bonds-Recovery Zone Economic Development Bonds. The bonds are payable through 2040. The outstanding balance was $37,403,000.

- Series 2010C Tourist Development Tax Revenue Bonds for $1,275,000 at interest rates ranging from 2 percent to 3 percent (effective interest rate of 1.84 percent), collateralized by a lien on and a pledge of the tourist development tax, gross revenues of the baseball stadiums, and investment earnings. The bonds are payable through 2016. The outstanding balance was $870,000.

- Series 2013 Tourist Development Tax Revenue Bonds for $41,475,000 at interest rates ranging from 3 percent to 5 percent (effective interest rate of 4.02 percent), collateralized by a lien on and a pledge of the tourist development tax, gross revenues of the baseball stadiums, and investment earnings. The bonds are payable through 2043. The outstanding balance was $41,475,000.

The Tourist Development Tax Revenue Bonds were issued for the construction and capital improvements of the Hammond and the JetBlue baseball stadiums. The total principal and interest remaining to be paid on the Tourist Development Tax Revenue Bonds is $254,960,000. The total principal and interest paid for the current year was $5,748,000. For the current year, pledged revenues collected were $34,647,000 and federal subsidies received to offset the interest expense were $1,725,000.

- Series 2004 Five Cent Local Option Gas Tax Refunding Revenue Bonds for $26,920,000 at interest rates ranging from 2.25 percent to 5 percent (effective interest rate of 4.80 percent), collateralized by a lien on and pledge of the local option gas tax revenues. The bonds were partially refunded on August 13, 2014. The remaining bonds are payable through 2014. The outstanding balance was $1,765,000.

The Local Option Gas Tax Bonds were issued for construction of various road projects. The total principal and interest remaining to be paid on the Local Option Gas Tax Bonds Bonds is $1,796,000. Principal and interest paid for the current year including refunded and matured debt and pledged revenues collected were $2,650,000 and $6,616,000, respectively.

- Series 2012 Non-Ad Valorem Refunding Revenue Bonds for $48,385,000 at interest rates ranging from 2 percent to 5 percent (effective interest rate of 2.21 percent), collateralized by a lien on and a pledge of non-ad valorem funds including ambulance service receipts, building permits, zoning fees, data processing fees, excess County Officer fees, franchise fees, guaranteed entitlement funds, investment earnings, license fees, pledged gas taxes, and sales tax. The bonds are payable through 2024. The outstanding balance was 45,505,000.

The total principal and interest remaining to be paid on the Non-Ad Valorem Bonds is $60,246,000. Principal and interest paid for the current year and pledged revenues collected were $5,026,000 and $112,418,000, respectively.

Business-Type Activities

- Series 2005 Airport Revenue Refunding Bonds, for $37,805,000 at interest rates ranging from 3.5

percent to 5 percent (effective interest rate of 5.49 percent), collateralized by a lien on and a pledge of net revenues of the SWFIA. The bonds are payable through 2033. The outstanding balance was $37,500,000.

- Series 2010A Airport Revenue Refunding Bonds, for $119,350,000 at interest rates ranging from 3.0 percent to 5.5 percent (effective interest rate of 5.25 percent), collateralized by a lien on and a pledge of net revenues of the SWFIA. The bonds are payable through 2022. The outstanding balance was $95,640,000.

- Series 2011A Airport Revenue Refunding Bonds $174,450,000 at interest rates ranging from 3.0 percent to 5.63 percent (effective interest rate of 5.53 percent), collateralized by a lien on and a pledge of net revenues of the SWFIA. The bonds are payable through 2032. The outstanding balance was $174,260,000.

The Airport Revenue Bonds were issued for various capital projects. The total principal and interest remaining to be paid out on the Airport Revenue Bonds is $497,136,000. Principal and interest paid for the current year and pledged revenues collected were $24,719,000 and $31,333,000, respectively.

- Series 2011 Water and Sewer Refunding Revenue Bonds for $74,855,000 at interest rates ranging from 3 percent to 5.25 percent (effective interest rate of 4.29 percent), collateralized by a lien on and a pledge of the net revenues of the Lee County Water and Wastewater System. The bonds are payable through 2026. The outstanding balance was $67,235,000.

- Series 2012A Water and Sewer Refunding Revenue Bonds for $19,990,000 at an interest rate of 5 percent (effective interest rate of 3.65 percent), collateralized by a lien on and a pledge of the net revenues of the Lee County Water and Wastewater System. The bonds are payable through 2029. The outstanding balance was $19,990,000.

- Series 2012B Water and Sewer Refunding Revenue Bonds for $7,490,000 at an interest rate of 5 percent (effective interest rate of 3.75 percent), collateralized by a lien on and a pledge of the net revenues of the Lee County Water and Wastewater System. The bonds are payable through 2029. The outstanding balance was $7,490,000.

- Series 2013A Water and Sewer Revenue Bonds for $53,755,000 at interest rates ranging from 2 percent to 5 percent (effective interest rate of 4.45 percent), collateralized by a lien on and a pledge of the net revenues of the Lee County Water and Wastewater System. The bonds are payable through 2043. The outstanding balance was $53,755,000.

- Series 2013B Water and Sewer Refunding Revenue Bonds for $39,440,000 at interest rates ranging from 2 percent to 5 percent (effective interest rate of 4.29 percent), collateralized by a lien on and a pledge of the net revenues of the Lee County Water and Wastewater System. The bonds are payable through 2027. The outstanding balance was $39,440,000.

The Water and Sewer Revenue Bonds were issued for various capital projects. The total principal and interest remaining to be paid out on the Water and Sewer Revenue Bonds is $295,348,000. Principal and interest paid for the current year which includes refunded bonds and net pledged revenues collected were $11,426,000 and $54,290,000, respectively.

- Series 2004B Transportation Facilities Refunding Revenue Bonds for $58,375,000 at interest rates ranging from 2 percent to 5 percent (effective interest rate of 5.72 percent) collateralized by a lien on and pledge of the net revenues of the Sanibel Bridge, Cape Coral Bridge, and Midpoint Memorial Bridge Facilities. The bonds are payable through 2022. The outstanding balance was $35,315,000.

- Series 2005A Transportation Facilities Refunding Revenue Bonds for $30,285,000 at interest rates ranging from 2 percent to 5 percent (effective interest rate of 5.57 percent) collateralized by a lien on and pledge of the net revenues of the Sanibel Bridge, Cape Coral Bridge, and Midpoint Memorial Bridge Facilities. The bonds are payable through 2027. The outstanding balance was $29,730,000.

- Series 2005B Transportation Facilities Revenue Bonds for $63,865,000 at interest rates ranging from 3 percent to 5 percent (effective interest rate of 4.45 percent) collateralized by a lien on and pledge of the net revenues of the Sanibel Bridge, Cape Coral Bridge, and Midpoint Memorial Bridge Facilities. The bonds are payable through 2035. The outstanding balance was $60,700,000.

The Transportation Facilities Revenue Bonds were issued for various capital projects. The total principal and interest remaining to be paid out on the Transportation Facilities Revenue Bonds is $191,850,000. Principal and interest paid for the current year and net pledged revenues collected were $10,306,000 and $31,808,000, respectively.

- Series 2006A Solid Waste System Revenue Bonds, for $83,335,000 at interest rates ranging from 4.3 percent to 5.125 percent (effective interest rate of 4.96 percent), collateralized by a lien on and a pledge of net revenues of the Lee County Solid Waste System. The bonds are payable through 2026. The outstanding balance was $83,335,000.

- Series 2006B Solid Waste System Refunding Revenue Bonds, for $21,710,000 at interest rates ranging from 4 percent to 5 percent (effective interest rate of 5.25 percent), collateralized by a lien on and a pledge of net revenues of the Lee County Solid Waste System. The bonds are payable through 2015. The outstanding balance was $2,920,000.

The Solid Waste Revenue Bonds were issued for various capital projects. The total principal and interest remaining to be paid out on the Solid Waste Revenue Bonds is $116,960,000. Principal and interest paid for the current year and net pledged revenues collected were $4,387,000 and $11,298,000, respectively.

The annual debt service requirements for revenue bonds at September 30, 2014, were as follows (dollars in thousands):

	Governmental Activities		Business-type Activities		Total	
Fiscal Year(s)	Principal	Interest	Principal	Interest	Principal	Interest
2015	$8,530	$11,505	$24,085	$34,951	$32,615	$46,456
2016	7,075	11,199	25,965	33,812	33,040	45,011
2017	9,195	10,844	27,165	32,558	36,360	43,402
2018	9,680	10,409	28,465	31,235	38,145	41,644
2019	4,025	10,076	30,815	29,787	34,840	39,863
2020-2024	41,760	46,313	179,470	123,806	221,230	170,119
2025-2029	59,780	30,393	206,145	72,398	265,925	102,791
2030-2034	23,345	21,822	149,420	27,760	172,765	49,582
2035-2039	31,215	14,095	20,795	5,730	52,010	19,825
2040-2044	38,218	4,395	14,985	1,947	53,203	6,342
Total	$232,823	$171,051	$707,310	$393,984	$940,133	$565,035

	Port Authority		Water and Wastewater		Transportation Facilities		Solid Waste	
Fiscal Year(s)	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2015	$8,900	$15,818	$6,190	$8,863	$4,165	$6,105	$4,830	$4,165
2016	9,330	15,365	7,195	8,622	4,360	5,906	5,080	3,919
2017	9,800	14,891	7,465	8,311	4,565	5,696	5,335	3,660
2018	10,280	14,399	7,790	7,980	4,785	5,469	5,610	3,387
2019	10,780	13,856	8,130	7,629	6,005	5,203	5,900	3,099
2020-2024	63,470	60,073	46,680	31,959	34,965	21,143	34,355	10,631
2025-2029	84,640	40,409	57,620	18,765	38,740	11,380	25,145	1,844
2030-2034	110,200	14,925	20,110	8,090	19,110	4,745	-	-
2035-2039	-	-	11,745	5,272	9,050	458	-	-
2040-2044	-	-	14,985	1,947	-	-	-	-
Total	$307,400	$189,736	$187,910	$107,438	$125,745	$66,105	$86,255	$30,705

Debt Refunding

On August 13, 2014, the County issued Five Cent Local Option Gas Tax Refunding Revenue Bond, Series 2014, through a commercial bank loan, in the amount of $12,590,000 at an interest rate of 1.37 percent maturing on October 1, 2020. Proceeds of the loan were used to currently refund a $12,435,000 portion of outstanding Five Cent Local Option Gas Tax Refunding Revenue Bonds, Series 2004, with an interest rate of 5 percent on current interest-paying bonds maturing on October 1 in years 2015 through 2020.

The County currently refunded the Five Cent Local Option Gas Tax Refunding Revenue Bonds, Series 2004 to reduce its total debt service payments over the next 7 years by approximately $1,579,000 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of $1,512,000.

Defeased Bonds

In prior years, the County defeased certain revenue bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the County's financial statements.

The amount of defeased bonds outstanding at September 30, 2014, consisted of the following (dollars in thousands):

Gulf Environmental Services, Inc. Water and Sewer System Revenue Bonds, Series 1998	$47,070
Five Cent Local Option Gas Tax Refunding Revenue Bonds, Series 2004 (Partial)	12,435
Total	$59,505

Bond Resolutions

The resolution for the following bonds established certain accounts and determined the order in which certain revenues are to be deposited into those accounts. In addition, there are various other covenants established by the official statements and County resolutions, including such items as debt service coverage, reporting requirements, and maintenance of facilities. Management believes that it has complied, in all material respects, with these covenants. All required balances at September 30, 2014, were maintained on all issues. The following issues are still outstanding:

Revenue Bonds

Five Cent Local Option Gas Tax Refunding Revenue Bonds, Series 2004
Capital Revenue Bonds, Series 2006
Tourist Development Tax Refunding Revenue Bonds, Series 2004
Tourist Development Tax Revenue Bonds, Series 2010A
Tourist Development Tax Revenue Bonds, Series 2010B
Tourist Development Tax Revenue Bonds, Series 2010C
Tourist Development Tax Revenue Bonds, Series 2013
Non-Advalorem Refunding Revenue Bonds, Series 2012
Airport Revenue Refunding Bonds, Series 2005
Airport Revenue Refunding Bonds, Series 2010A
Airport Revenue Refunding Bonds, Series 2011A
Water and Sewer Refunding Revenue Bonds, Series 2011
Water and Sewer Refunding Revenue Bonds, Series 2012A
Water and Sewer Refunding Revenue Bonds, Series 2012B
Water and Sewer Refunding Revenue Bonds, Series 2013A
Water and Sewer Refunding Revenue Bonds, Series 2013B
Transportation Facilities Refunding Revenue Bonds, Series 2004B

Transportation Facilities Refunding Revenue Bonds, Series 2005A
Transportation Facilities Revenue Bonds, Series 2005B
Solid Waste System Revenue Bonds, Series 2006A
Solid Waste System Refunding Revenue Bonds, Series 2006B

Variable Debt

The County has entered into a loan agreement with a commercial bank to provide long-term financing for certain capital projects used in governmental activities. The loan is collateralized by special assessments levied against the benefited property owners of certain municipal service benefit units ("MSBU") of the County. Interest is payable semi-annually. Principal is payable in equal annual installments maturing in fiscal year 2019. The descriptions and the outstanding balances of the variable debt at September 30, 2014, were as follows:

- Bal Isle Drive Sewer district loan was issued on June 4, 2004, for $79,000. The interest rate was fixed at 6.118 until June 4, 2014 when it became variable and was adjusted to 133 percent of the five-year Treasury note yield. For the year ended September 30, 2014, the interest rate was 2.1945 percent. The outstanding balance was $19,000.

- Country/Triple Crown Court Waterline district loan was issued on July 15, 2004, for $195,000. The interest rate was fixed at 5.953 percent until July 14, 2014 when it became variable and was adjusted to 133 percent of the five-year Treasury note yield. For the year ended September 30, 2014, the interest rate was 2.261 percent. The outstanding balance was $39,000.

- Cottage Point Waterline district loan was issued on July 28, 2004, for $131,000. The interest rate was fixed at 5.93 percent until July 27, 2014 when it became variable and was adjusted to 133 percent of the five-year Treasury note yield. For the year ended September 30, 2014, the interest rate was 2.3009 percent. The outstanding balance was $29,000.

The County entered into a $2,500,000 line of credit on November 8, 2011 with a final maturity on November 8, 2013, and extended by a Board resolution on October 29, 2013 through November 8, 2015 with a commercial bank. The line of credit is to be used for initial financing of MSBU projects that are later secured with long-term financing, at an interest rate of London Interbank Offered Rates ("LIBOR") plus 137 basis points, which was 1.70 percent at September 30, 2014. Interest is payable semi-annually beginning May 1, 2012, on the unpaid balance until final maturity on November 8, 2015. Principal for all draws made against the line of credit is due on November 8, 2015. The line of credit is collateralized by special assessments levied against the benefited property owners of certain MSBUs. The outstanding and available balances as of September 30, 2014, were $1,893,000 and $607,000, respectively.

The total principal and interest remaining to be paid out on the MSBU variable debt is $2,020,000.

Principal and interest paid for the current year and pledged revenues collected were $36,000 and $28,000, respectively.

The Port Authority entered into a $10,000,000 line of credit on July 8, 2004, with a commercial bank to finance certain airport-related capital projects in business-type activities at an interest rate of 117 percent of LIBOR. Effective January 1, 2006, a more favorable interest rate of 67 percent of LIBOR plus 73 basis points was negotiated, which was .83 percent as of September 30, 2014. Principal is payable semi-annually beginning June 1, 2006 and interest is payable monthly on the unpaid balance until early redemption on December 1, 2014. The line of credit is collateralized by a lien on and a pledge of the net revenues of Page Field General Aviation Airport. The outstanding and available balances as of September 30, 2014 were $3,042,000 and $6,958,000, respectively.

The total principal and interest remaining to be paid out on the Port Authority line of credit is $3,048,000. Principal and interest paid for the current year and net pledged revenues collected were $422,000 and ($166,000), respectively.

The annual debt service requirements for variable debt at September 30, 2014, were as follows (dollars in thousands):

	Governmental Activities		Business-type Activities		Total	
Fiscal Year(s)	Principal	Interest	Principal	Interest	Principal	Interest
2015	$27	$34	$3,042	$6	$3,069	$40
2016	1,920	5	-	-	1,920	5
2017	27	1	-	-	27	1
2018	6	-	-	-	6	-
	$1,980	$40	$3,042	$6	$5,022	$46

Notes Payable

The County has entered into loan agreements with several banks and government agencies. These loans and agreements are used for both governmental and business-type activities. The descriptions and outstanding balances at September 30, 2014, were as follows:

Commercial Banks

The County has entered into loan agreements with two commercial banks to provide long-term financing for certain capital projects. The loans are collateralized by special assessments levied against the benefited property owners of certain MSBU of the County. Interest is payable semi-annually. Principal is payable in equal annual installments maturing in fiscal years 2015 through 2030.

- Briarcrest Sewer district loan was issued on August 10, 2007, for $324,000 at an interest rate of 5.51 percent. The outstanding balance was $173,000.

- Harbor Drive district loan was issued on February 29, 2008, for $867,000 at an interest rate of 4.67 percent. The outstanding balance was $599,000.

- Western Acres district loan was issued on April 25, 2008, for $1,696,000 at an interest rate of 4.36 percent. The outstanding balance was $1,142,000.

- Emily Lane district loan was issued on August 19, 2009, for $457,000 at an interest rate of 3.99 percent. The outstanding balance was $299,000.

- McGregor Isle district loan was issued on June 10, 2010, for $223,000 at an interest rate of 3.31 percent. The outstanding balance was $112,000.

- San Carlos district loan was issued on June 30, 2010, for $458,000 at an interest rate of 3.17 percent. The outstanding balance was $326,000.

- McGregor Villages district loan was issued on June 23, 2010, for $116,000 at an interest rate of 3.34 percent. The outstanding balance was $82,000.

- Airport Woods Sewer district loan was issued on October 10, 2012, for $451,000 at an interest rate of 2.85 percent. The outstanding balance was $406,000.

- Port Carlos Dredge district loan was issued on August 9, 2013, for $84,000 at an interest rate of 3.10 percent. The outstanding balance was $74,000.

The total principal and interest remaining to be paid out on the MSBU notes payable is $3,966,000. Principal and interest paid for the current year and pledged revenues collected were $502,000 and $479,000, respectively.

On March 9, 2011, the County entered into a loan agreement for $7,060,000 with a commercial bank to refund the Capital Revenue Bonds, Series 2000. The loan is collateralized by a lien on and a pledge of non-ad valorem funds including ambulance service receipts, building permits, zoning fees, data processing fees, excess County Officer fees, franchise fees, guaranteed entitlement funds, investment earnings, license fees, pledged gas taxes, and sales tax. Interest is payable semi-annually at an interest rate of 2.135 percent. Principal is payable annually starting on October 1, 2011, and maturing on October 1, 2015. The outstanding balance was $1,435,000 as a result of the early application of the principal payment by the bank before September 30, 2014.

The total principal and interest remaining to be paid out on the commercial bank loan for the refunding of the Capital Revenue Bonds, series 2000 is $1,466,000. Principal and interest paid for the current year and pledged revenues collected were $1,465,000 and $106,940,000, respectively.

On August 14, 2013, the County entered into a loan agreement for $35,540,000 with a commercial bank to refund the Capital and Transportation Facilities Refunding Revenue Bonds, Series 2003. The County covenanted to budget and appropriate legally available non-ad valorem revenues reduced by General Government and Public Safety expenditures. Interest is payable semi-annually at an interest rate of 2.09 percent. Principal is payable annually starting on October 1, 2014, and maturing on October 1, 2021. The outstanding balance was $35,540,000.

The total principal and interest remaining to be paid out on the commercial bank loan for the refunding of the Capital and Transportation Facilities Refunding Revenue Bonds, Series 2003 is $39,700,000. No principal was paid in the current year. Interest paid for the current year and pledged revenues collected were $468,000 and $112,418, respectively.

On August 13, 2014, the County entered into a loan agreement for $12,590,000 with a commercial bank to refund a portion of the Five Cent Local Option Gas Tax Refunding Revenue Bonds, Series 2004. The loan is collateralized by a lien on and pledge of the local option gas tax revenues. Interest is payable semi-annually at an interest rate of 1.379 percent. Principal is payable annually starting on October 1, 2015, and maturing on October 1, 2020. The outstanding balance was $12,590,000.

The total principal and interest remaining to be paid out on the commercial bank loan for the refunding of the Local Option Gas Tax Refunding Revenue Bonds, Series 2004 is $13,200,000. No principal and interest paid for the current year and pledged revenues collected were $23,000 and $6,616,000, respectively.

On October 19, 2010, the Lee County Port Authority entered into a loan agreement for $18,790,000 with a commercial bank to refund the Series 1998 Passenger Facility Charge Revenue and Refunding Bonds. The loan is collateralized by a lien on and a pledge of the passenger facility charge revenues. Interest is payable semi-annually at an interest rate of 1.906 percent. Principal is payable annually starting on October 1, 2011, with an early redemption on December 1, 2014. The outstanding balance was $6,540,000 as a result of the early application of the principal payment by the bank before September 30, 2014.

The total principal and interest remaining to be paid out on the commercial bank loan for the Port Authority Series 2010 Passenger Facility Charges Revenue bank loan is $6,561,000. Principal and interest paid for the current year and pledged revenues collected for Passenger Facility Charges debt were $3,365,000 and $15,821,000 respectively.

On November 9, 2011, the County entered into a loan agreement for $30,700,000 with a commercial bank to refund the Series 2001A Transportation Facilities Refunding Revenue Bonds. The loan is collateralized by a lien on and a pledge of the net revenues derived from the transportation facilities- three toll facilities- in the County. Interest is payable semi-annually at an interest rate of 1.71 percent. Principal is payable annually starting on October 1, 2012, and maturing on October 1, 2017. The outstanding balance at September 30, 2014 was $21,085,000.

The total principal and interest remaining to be paid out on the commercial bank loan for the Transportation Facilities Refunding Revenue Series 2011 bank loan is $21,824,000. Principal and interest paid for the current year and pledged revenues collected for the debt were $5,450,000 and $31,808,000, respectively.

Florida Department of Environmental Protection

- On April 17, 2001, the Lee County Water and Wastewater System entered into an agreement with the Florida Department of Environmental Protection to borrow up to $4,956,000 for various construction projects at an interest rate of 3.08 percent. To date the County has received $3,278,000 in disbursements from this loan. The outstanding balance also includes capitalized interest and service fees of $587,000. The 20 semiannual loan payments began on July 15, 2007, and will continue semiannually thereafter on January 15 and July 15 of each year until all amounts due have been fully paid in 2017. The outstanding balance was $1,080,000.

- On June 15, 2005, the Lee County Water and Wastewater System entered into an agreement with the Florida Department of Environmental Protection to borrow $3,375,000, excluding capitalized interest, at an interest rate of 2.67 percent for the construction of the North Lee County Water Treatment Plant. The agreement was amended to authorize the borrowing, excluding capitalized interest, of an additional $6,000,000, $5,000,000, $3,000,000, $3,200,000, and $4,557,000 at interest rates of 2.58 percent, 2.64 percent, 2.64 percent, 2.77 percent, and 2.57 percent respectively. To date the County has received a total of $26,255,000 which includes $25,132,000 in disbursements and $1,123,000 in service fees and capitalized interest. The first of 40 semiannual loan payments was due on July 15, 2008 for $691,000. On July 15, 2010, and thereafter, the semiannual installments of $858,000 are due on January 15 and July 15 of each year until all amounts due have been fully paid in 2028. The outstanding balance was $19,400,000.

- On March 3, 2009, the Lee County Water and Wastewater System entered into an agreement with the Florida Department of Environmental Protection to borrow up to $35,930,000 for various construction projects. The first installment was for $10,000,000, excluding capitalized interest, at an interest rate of 3.17 percent. The agreement was amended to authorize the borrowing, excluding capitalized interest, of $10,000,000, $10,000,000, and $3,559,000 at interest rates of 2.62 percent, 2.22 percent, and 2.79 percent respectively. To date the County has received $34,510,000 which includes capitalized interest and service fees of $950,000. The first of 40 semiannual loan payments began on October 15, 2010 for $683,000 and which was increased to $1,000,000 on April 15, 2011. On October 15, 2011 and thereafter the semiannual installments of $1,121,000 are due on April 15 and October 15 of each year until all amounts due have been fully paid in 2030. The outstanding balance was $29,175,000.

The total principal and interest remaining to be paid out on the Florida Department of Environmental Protection loans is $60,406,000. Principal and interest paid for the current year and pledged revenues collected were $4,425,000 and $35,902,000, respectively.

Florida Department of Transportation

- On June 29, 2006, the Lee County Transportation Facilities entered into an agreement with the Florida Department of Transportation to borrow $1,500,000 from the Florida Toll Facilities Revolving Trust Fund for the design of the Colonial Boulevard elevated expressway. The project was discontinued in 2011 and all unspent proceeds along with interest earnings were repaid to the Trust Fund on March 2, 2011. The interest free loan is to be repaid in three annual installments of $314,000 beginning in fiscal year 2013 through 2015. The outstanding balance is $314,000. Principal paid for the current year, including debt that matured was $314,000. Net pledged revenues collected were $31,808,000.

- On June 19, 2012, the Lee County Transit Division entered into an agreement with the Florida Department of Transportation to borrow $9,000,000 from the State Infrastructure Bank (SIB) for the construction of a new transit facility. On June 17, 2014, the County received the first draw of $3,277,000.

Interest begins accruing with the first disbursement at 2 percent and will compound annually each October 1 thereafter, until the loan is completely repaid. The first annual principal and interest payment is due on October 1, 2015 for $1,407,000 and will continue until the loan is repaid which currently is 2017.

Total principal and interest remaining to be paid on the loan as of September 30, 2014 is $3,414,000. The outstanding balance is $3,277,000. No principal or interest was due in the current year.

The annual debt service requirements for notes payable at September 30, 2014, were as follows (dollars in thousands):

	Governmental Activities		Business-type Activities		Total	
Fiscal Year(s)	Principal	Interest	Principal	Interest	Principal	Interest
2015	$1,157	$965	$15,132	$1,649	$16,289	$2,614
2016	4,737	1,007	9,738	1,541	14,475	2,548
2017	3,347	931	9,742	1,313	13,089	2,244
2018	3,392	870	8,907	1,114	12,299	1,984
2019	10,074	738	2,996	977	13,070	1,715
2020-2024	30,045	1,042	16,229	3,636	46,274	4,678
2025-2029	26	1	15,915	1,374	15,941	1,375
2030-2034	-	-	2,212	44	2,212	44
	$52,778	$5,554	$80,871	$11,648	$133,649	$17,202

Other Obligations

Self-Insurance Claims Payable

Self-insurance claims payable are fully described in Note VIII. Since the self-insurance activity is accounted for in an internal service fund, it has been categorized in the governmental activities on the government-wide Statement of Net Position. The balance at September 30, 2014, consisted of the following (dollars in thousands):

Self-insurance group health & dental	$ 5,012
Sheriff internal service fund	3,524
Self-insurance general liability	11,286
Total self-insurance claims payable	$19,822

Arbitrage Rebate Payable

Any excess interest earnings on tax-exempt bond proceeds must be remitted to the federal government in five-year intervals. Even though a payment may not be required until several years into the future, the liability is recognized as it is probable and measurable. The liability is recorded in both governmental and business-type activities. The obligation as of September 30, 2014 is $90,000.

Changes in Long-Term Debt

Changes in bonded and other indebtedness of the County for the year ended September 30, 2014, were as follows (dollars in thousands):

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Bonds payable:					
Revenue bonds	$ 253,208	$ -	$ (20,385)	$ 232,823	$ 8,530
Less/plus deferred amounts:					
Unamort discount/premium	8,942	-	(748)	8,194	-
Total bonds payable	262,150	-	(21,133)	241,017	8,530
Variable debt	114	1,893	(27)	1,980	27
Notes payable	41,951	12,590	(1,763)	52,778	1,157
Other:					
Self-insurance claims payable	19,920	82,239	(82,337)	19,822	9,810
Other postemployment benefits	159,488	29,746	-	189,234	-
Compensated absences	21,496	18,708	(17,711)	22,493	8,235
Total governmental activity long-term liabilities	$ 505,119	$ 145,176	$ (122,971)	$ 527,324	$ 27,759

The liability for compensated absences is liquidated primarily by the General Fund, with other governmental funds and internal service funds liquidating less than 10 percent each on an annual basis. The other postemployment benefit obligation is currently liquidated by the Other Postemployment Benefits Trust Fund. The entire claims liability is reported in the Self-Insurance Group Health and Dental Fund and will be liquidated by that fund.

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Business-Type Activities:					
Port Authority					
Bonds payable:					
Revenue bonds	$ 315,870	$ -	$ (8,470)	$ 307,400	$ 8,900
Less/plus deferred amounts:					
Unamort discount/premium	3,816	-	(444)	3,372	-
Total bonds payable	319,686	-	(8,914)	310,772	8,900
Variable debt	3,437	-	(395)	3,042	3,042
Notes payable	9,720	-	(3,180)	6,540	6,540
Other postemployment benefits	17,653	3,041	-	20,694	-
Compensated absences	1,598	2,574	(2,483)	1,689	1,243
Total Port Authority long-term liabilities	$ 352,094	$ 5,615	$ (14,972)	$ 342,737	$ 19,725

Changes in Long-Term Debt (continued)

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Water and Wastewater					
Bonds payable:					
Revenue bonds	$ 191,800	$ -	$ (3,890)	$ 187,910	$ 6,190
Less/plus deferred amounts:					
Unamort discount/premium	16,078	-	(888)	15,190	-
Total bonds payable	207,878	-	(4,778)	203,100	6,190
Notes payable	52,690	-	(3,035)	49,655	3,118
Arbitrage rebate payable	-	90	-	90	-
Other postemployment benefits	10,710	2,198	-	12,908	-
Compensated absences	935	1,397	(1,361)	971	82
Total Water and Wastewater long-term liabilities	$ 272,213	$ 3,685	$ (9,174)	$ 266,724	$ 9,390
Transportation Facilities					
Bonds payable:					
Revenue bonds	$ 129,785	$ -	$ (4,040)	$ 125,745	$ 4,165
Less/plus deferred amounts:					
Unamort discount/premium	4,469	-	(307)	4,162	-
Total bonds payable	134,254	-	(4,347)	129,907	4,165
Notes payable	26,753	-	(5,354)	21,399	5,474
Other postemployment benefits	3,702	704	-	4,406	-
Compensated absences	279	312	(323)	268	23
Total Transportation Facilities long-term liabilities	$ 164,988	$ 1,016	$ (10,024)	$ 155,980	$ 9,662

Changes in Long-Term Debt (continued)

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Solid Waste					
Bonds payable:					
Revenue bonds	$ 86,355	$ -	$ (100)	$ 86,255	$ 4,830
Less/plus deferred amounts:					
Unamort discount/premium	24	-	(28)	(4)	-
Total bonds payable	86,379	-	(128)	86,251	4,830
Landfill closure & postclosure costs	15,524	-	(1,257)	14,267	-
Other postemployment benefits	2,845	553	-	3,398	-
Compensated absences	298	328	(326)	300	25
Total Solid Waste long-term liabilities	$ 105,046	$ 881	$ (1,711)	$ 104,216	$ 4,855
Other Non-Major - Transit					
Notes Payable	$ -	$ 3,277	$ -	$ 3,277	$ -
Other postemployment benefits	9,370	1,658	-	11,028	-
Compensated absences	511	861	(851)	521	44
Total Other Non-Major long-term liabilities	$ 9,881	$ 5,796	$ (851)	$ 14,826	$ 44
Total Business-Type Activities					
Bonds payable:					
Revenue bonds	$ 723,810	$ -	$ (16,500)	$ 707,310	$ 24,085
Less/plus deferred amounts:					
Unamort discount/premium	24,387	-	(1,667)	22,720	-
Total bonds payable	748,197	-	(18,167)	730,030	24,085
Variable debt	3,437	-	(395)	3,042	3,042
Notes payable	89,163	3,277	(11,569)	80,871	15,132
Landfill closure & postclosure costs	15,524	-	(1,257)	14,267	-
Arbitrage rebate payable	-	90	-	90	-
Other postemployment benefits	44,280	8,154	-	52,434	-
Compensated absences	3,621	5,472	(5,344)	3,749	1,417
Total business-type activity long-term liabilities	$ 904,222	$ 16,993	$ (36,732)	$ 884,483	$ 43,676

NOTE VI. SEGMENT INFORMATION

Segment Information- Port Authority

The County has outstanding revenue bonds which are financed by Southwest Florida International Airport revenues. These activities , and the activities of the Page Field General Aviation and other Port Authority activities, are accounted for in a single fund (Lee County Port Authority). Summary financial information for the Southwest Florida International Airport is presented below (dollars in thousands) as of September 30, 2014.

	Southwest Florida International Airport
Condensed Statement of Net Position	
Assets	
Current assets	$ 95,105
Restricted assets	43,799
Capital assets	621,862
Total assets	760,766
Deferred outflows of resources	
Loss on refunding	9,014
Total deferred outflows of resources	9,014
Liabilities	
Current liabilities	18,429
Current liabilities payable from restricted assets	19,229
Noncurrent liabilities	321,199
Total liabilities	358,857
Net position	
Net investment in capital assets	341,095
Restricted	9,598
Unrestricted	60,230
Total net position	$ 410,923
Condensed Statement of Revenues, Expenses, and Changes in Net Position	
Operating revenues	
User fees	$ 43,590
Rentals	3,078
Concessions	39,120
Miscellaneous	244
Less: Rebates	(3,815)
Total operating revenues	82,217
Operating expenses	
Depreciation	18,214
Other operating expenses	57,275
Total operating expenses	75,489
Operating income	6,728
Non-operating revenues (expenses)	
Investment earnings	141
Interest expense	(16,320)
Other non-operating	(36)
Total non-operating revenues (expenses)	(16,215)

Segment Information- Port Authority (continued)

	Southwest Florida International Airport
Loss before capital contributions	(9,487)
Capital contributions	11,915
Transfers	11,734
Change in net position	14,162
Beginning net position, as restated	396,761
Ending net position	$ 410,923
Condensed Statement of Cash Flows	
Net cash provided (used) by:	
Operating activities	$ 27,468
Noncapital financing activities	6,353
Capital and related financing activities	(38,443)
Investing activities	147
Net increase	(4,475)
Beginning cash and equity in pooled cash and investments	106,214
Ending cash and equity in pooled cash and investments	$ 101,739

Certain funds that relate to activities at both the Southwest Florida International Airport and Page Field are not included in the segmented statements, including the K-9 donation fund and the discretionary fund. In addition, all of the funds related to the passenger facility charges and Page Field activities are omitted from the segmented statements.

NOTE VII. OTHER POSTEMPLOYMENT BENEFITS

The County maintains two single-employer, defined benefit other postemployment benefit plans ("OPEB"), the Group Health Program for Lee County, and the Lee County Sheriff Health Care Plan.

Plan Description

Group Health Program for Lee County

The Group Health Program for Lee County ("GHPLC") provides medical, dental, vision and life insurance benefits (OPEB benefits) to eligible County retirees (hire date prior to January 1, 2008) and their spouses. All the Constitutional Officers, except the Lee County Sheriff, participate in GHPLC. All retirees and their dependents are eligible to use the active employee self-funded insurance plan that is administered by Aetna. In addition, Medicare eligible retirees and their Medicare eligible dependents may enroll in the Medicare Advantage Plan ("MAP"), a fully funded insurance plan administered by United Healthcare. The Board has the authority to establish and amend the benefit provisions of the plan in accordance with Chapter 110.123, *Florida Statutes*.

Lee County Sheriff Health Care Plan

The Lee County Sheriff's Office ("LCSO") operates a separate heath care plan. Lee County Sheriff Health Care Plan ("LCSHCP") offers health, dental, and vision coverage to eligible LCSO retirees (hire date prior to January 1, 2008) and their spouses. The plan also allows retirees the option to continue to participate in the LCSHCP life insurance policy. The life insurance is only available to the retiree, and has a face value of $5,000. The LCSHCP is a single-employer plan and is administered by Self Insured Benefit Administrator. Authority to establish and amend the benefit provisions of the plan is in accordance with Chapter 110.123, *Florida Statutes*.

A publicly available financial report that includes financial statements and required supplementary information is not available for either plan.

Funding Policy

Group Health Program for Lee County

The contribution requirements of the plan members are established and may be amended by the Board and the Constitutional Officers. The County subsidizes medical premiums for the MAP and self-insurance plan at 60 percent, and 50 percent, respectively. A $96 discount is applied for plan members enrolled in Medicare Part B for the self-insurance plan. No discount is offered for MAP. However, this policy was modified on January 1, 2008; therefore, the Board does not currently subsidize any portion of the medical or Medicare premiums for the employees hired after that date. The Clerk of Circuit Court does not subsidize any contribution rates. Vision and dental insurance are offered to retirees; however, they are not subsidized by the County. The plan also allows retirees the option to continue to participate in the GHPLC life insurance policy. The life insurance is only available to the retiree, and has a face value of $5,000. There are currently 1004 retirees and others receiving benefits, and 1976 current active plan members. The table listed below summarizes the retirees' monthly contribution rates for 2014.

	General Employee Retirees		Clerk of Circuit Court Retirees	
	Aetna	MAP	Aetna	MAP
Medical/ Prescriptions:				
Retiree only				
Pre 65 years old	$390	N/A	$780	N/A
Medicare Eligible	294	162	780	405
Retiree plus spouse				
Pre 65 years old	788	N/A	1,575	N/A
Medicare Eligible	595	324	1,575	810
Retiree plus dependent				
Pre 65 years old	773	N/A	1,545	N/A
Medicare Eligible	580	324	1,545	810
Retiree plus family				
Pre 65 years old	795	N/A	1,590	N/A
Medicare Eligible (3) (spouse + one dep)	602	486	1,590	1,215
Life:				
Individual Coverage	5		5	
Spouse	N/A		N/A	

An irrevocable trust was established with ICMA-RC with a contribution of $42,594,000 in December 2008; however, no formal plan has been established for future contributions to the trust. Distributions of $6,497,000 were made from the trust fund for the employer's portion of the insurance premiums and to reimburse the self-insurance fund for retiree claims paid. The balance in the trust fund on September 30, 2014, was $27,707,000.

Lee County Sheriff Health Care Plan

Chapter 74.522, *Laws of Florida*, as amended by Chapter 99.434, and 2003.329, *Laws of Florida*, establishes the contribution requirements of the plan members. The current published monthly rates for retiree Health Care coverage are $717 for single and $634 for family. An $80 discount is applied for plan members enrolled in Medicare Part B. The LCSO subsidizes a percentage of the monthly major medical and hospitalization insurance based on the number of years of service credited to the Florida Retirement System ("FRS") before retirement. Vision and dental insurance are offered to retirees; however, they are not subsidized by LCSO.

The table below shows the contribution percentages for the corresponding years of service.

Percent of the Total Contribution Rates Paid by Retiree

Eligible Service Credit at Retirement or Termination	Retiree	Dependent
More than 10 years but less than 15 years	100%	100%
15 years	25%	100%
16 years	20%	100%
17 years	15%	100%
18 years	10%	100%
19 years	5%	100%
20 years or more	0%	50%

The retiree contribution rate for the life insurance policy is $0.90 per month. The plan is funded on a pay-as-you-go basis.

Annual OPEB Cost and Net OPEB Obligation

The annual OPEB cost (expense) is calculated based on the Annual Required Contribution ("ARC") of the employer, an amount actuarially determined in accordance with the parameters of GASB 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over 30 years. The current ARC rate as a percentage of annual covered payroll is 19 percent and 23 percent for GHPLC and LCSHCP, respectively.

The following table shows the components of the County and Sheriff's OPEB cost for the year, the estimated contributions to the plan per the actuary report, and the changes in the net OPEB obligation.

	GHPLC	LCSHCP
Annual Required Contribution	$27,577,000	$16,799,000
Interest on net OPEB Obligation	5,399,000	3,715,000
Adjustment to ARC	(8,155,000)	(3,870,000)
Annual OPEB cost/expense	24,821,000	16,644,000
Employer contributions made	-	(3,568,000)
Increase, (decrease) in net OPEB obligation	24,821,000	13,076,000
Net OPEB obligation -beginning of year	110,900,000	92,869,000
Net OPEB obligation -end of year	$135,721,000	$105,945,000

The annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal year 2014 and the two preceding years were as follows:

	Year Ended	Annual OPEB Cost	Percent of OPEB Cost Contributed	Net OPEB Obligation
GHPLC	09/30/2014	$24,821,000	0.0%	$135,721,000
	09/30/2013	$28,939,000	0.0%	$110,900,000
	09/30/2012	$26,827,000	6.8%	$81,961,000
LCSHCP	09/30/2014	$16,644,000	21.4%	$105,945,000
	09/30/2013	$15,804,000	20.9%	$92,868,000
	09/30/2012	$20,396,000	17.3%	$80,364,000

Funded Status and Funding Progress

The funded status of the plans was as follows:

	GHPLC As of 09/30/14	LCSHCP As of 09/30/14
Actuarial accrued liability (a)	$269,193,000	$176,268,000
Actuarial value of plan assets (b)	27,707,000	-
Unfunded actuarial accrued liability (funding excess) (a)-(b)	$241,486,000	$176,268,000
Funded ratio (b)/(a)	10.3%	0.0%
Covered payroll (c)	$144,239,000	$69,567,000
Unfunded actuarial accrued liability (funding excess) as a Percentage of covered payroll ((a)-(b))/(c)	167.4%	253.4%

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. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit cost between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

Significant methods and assumptions were as follows:

	GHPLC	LCSHCP
Actuarial valuation date	10/01/2014	07/01/2012
Actuarial cost method	Entry Age	Entry Age
Amortization method	Level dollar, closed	Level percentage of pay, closed
Remaining amortization periods	22	23
Asset valuation method	Market-Value	Plan not funded
Actuarial assumptions:		
Inflation rate	2.5%	3%
Investment rate of return	County 5%, Port 4%	4%
Projected salary increases	n/a	4%-9.47%
Payroll growth assumptions	n/a	4%
Healthcare inflation rate	8.0%, initial 5%, ultimate	8.5%, initial 4.17%, ultimate

NOTE VIII. OTHER INFORMATION

Retirement Plan

Plan Description and Provisions

The County participates in the Florida Retirement System ("FRS"), a cost sharing, multiple-employer, public employee retirement system, which covers substantially all of the full-time and part-time employees. The FRS is contributory and is administered by the State of Florida. Benefits under the plan vest after six years of service for members who joined FRS prior to July 1, 2011, and vest after eight years for members who first joined FRS on or after July 1, 2011. Employees who joined FRS prior to July 1, 2011, and retire at or after age 62 (age 55 for special risk) with six years of credited service, or 30 years of service (25 years for special risk) regardless of age, are entitled to receive an annual retirement benefit, payable monthly for life. Employees who joined FRS on or after July 1, 2011, and retire at or after age 65 (age 60 for special risk) with eight years of credited service, or 33 years of service (30 years for special risk) regardless of age, are entitled to receive an annual retirement benefit, payable monthly for life. The FRS also provides for early retirement at reduced benefits and death and disability benefits. These benefit provisions and all other requirements are established by Chapters 112 and 121, *Florida Statutes*. The FRS offers several other plan and/or investment options that may be elected by the employee. Each offers specific contribution and benefit options. The FRS plan documents should be referenced for complete details of these options and benefits.

Pension costs for the County as required and defined by State statute ranged between 6.95 percent and 43.24 percent of gross salaries for fiscal year 2014. For fiscal years ended September 30, 2014, 2013, and 2012, the County contributed 100 percent of the required contributions. These contributions aggregated $28 million, $22 million, and $19 million, respectively, which represents 11 percent, 9 percent, and 8 percent of covered payroll. The employee is required to contribute three percent of their gross salary.

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

A copy of the FRS's June 30, 2014 annual report can be obtained by writing to the Division of Retirement, PO Box 9000, Tallahassee, Florida 32315-9000, or by phoning (850) 488-5706.

Risk Management

The County is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. After September 30, 1989, and prior to October 1, 1987, the Board established a Self-Insured Retention (SIR) program (an internal service fund) to account for and finance its uninsured risks of loss. Under this program, the SIR provides coverage in the areas mentioned below. The County purchases commercial insurance for claims in excess of coverage provided by the fund and for all other risks of loss. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years. As a result, there was no reduction in insurance coverage.

The County remains liable for open claims asserted prior to October 1, 1987, and after September 30, 1989, covered under the existing self-insurance program, limited to the established annual loss fund limits for unasserted claims for a period, generally four years after date of occurrence. Claims that are filed or settled after the end of the fiscal year of occurrence are charged to, and accumulated within, the year of occurrence. Consequently, the County's total liability within any one year is limited to the annual loss fund limits.

From October 1, 1987, to September 30, 1989, the County was a member of the Southwest Florida Intergovernmental Risk Management Association (SFIRMA), a local government liability risk pool. SFIRMA administered insurance activities similar to those provided by the Board's SIR program. SFIRMA absorbed losses up to a specific amount annually and purchased excess and other specific coverages from third-party carriers.

The County remains liable for estimated additional assessments of $70,266 arising from its years of membership in SFIRMA, which has changed its name to Public Risk Management of Florida.

Additionally, the Board and the Sheriff maintain self-insurance internal service funds to administer insurance activities relating to countywide employee group health and dental programs. The County absorbs losses related to these programs up to aggregate annual loss fund limits. Excess and other specific coverages are purchased from third-party carriers. Funding for these programs is generated by charges to the operating departments based on management's annual estimates of claim loss funding and administration/operating costs.

At September 30, 2014, the County had recorded liabilities equal to the amounts reflected as reserved and unasserted claims. These amounts were calculated by the third-party self-insurance program's underwriters and actuaries, based on industry standards. These liabilities are subject to adjustments in future years, which would be recorded as claim expenses when they are estimated.

The County's and Sheriff's SIR programs and excess insurance provides coverage for all the County and Sheriff departments' exposure. Funding for the SIR is generated by charges to the operating departments based on management's annual estimates of claim loss funding and administration/operating costs. Changes in the County and Sheriff funds' claims liability for the years ended September 30, 2014 and 2013, were as follows (dollars in thousands):

	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claim Payments	Balance at Year- End
Self-Insurance Group Health and Dental:				
2014	$8,880	$78,641	($78,985)	$8,536
2013	7,957	77,312	(76,389)	8,880
Self-Insurance General Liability:				
2014	$11,040	$3,598	($3,352)	$11,286
2013	11,185	2,939	(3,084)	11,040

Landfill Closure and Postclosure Liability

The Florida Department of Environmental Protection (FDEP) requires the County to place a final cover on its landfill cells when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although most closure and post-closure care costs will be paid only near or after the date that the landfill stops accepting waste, the County reports a small portion of these closure and postclosure care costs as an operating expense based on certain minor closure activities that have occurred as of the balance sheet date. The amount

reported as landfill closure and postclosure care liability in the fund statements, $14,267,000, represents the cumulative portion of total estimated closure and postclosure care as of September 30, 2014, based on the use of 30 percent of the capacity of the 79.2 acre active disposal areas at the landfill. The total estimated cost for closure and postclosure care for the landfill at September 30, 2014, was $41,921,000. The County will recognize the remaining estimated cost of closure and postclosure care of $27,654,000 as the remaining estimated capacity is filled. The County will recalculate its liability annually; the liability amount is based on what it presently would cost to perform all closure and postclosure care at September 30, 2014. The Class I - MSW landfill facility configuration, as currently planned, is expected to provide approximately 15 more years of disposal capacity for Lee and Hendry Counties. Actual costs may be higher due to inflation, or changes in regulations.

The County is required by FDEP to annually calculate closure and postclosure costs, and to provide proof of its capacity to fund closure costs. The County is in compliance with these requirements, and at September 30, 2014, cash and investments of $9,323,000 are held for these purposes. These are reported as restricted assets on the balance sheet.

Commitments and Contingencies

The County is currently receiving, and has received in the past, grants that are subject to special compliance audits by the grantor agency that may result in disallowed expense amounts. These amounts constitute a contingent liability of the County. The County does not believe any contingent liabilities to be material.

The County currently prepares rebate calculations on all debt subject to arbitrage per the United States department of the Treasury Regulations, Section 1.148, and the Internal Revenue Service Code of 1986. Rebates, if any, are paid to the Internal Revenue Service every fifth year after the year of issuance and a final computation is completed when paid in full. Within the five-year period, any positive arbitrage (liability) can be offset by any negative arbitrage (non-liability). These rebates constitute a contingent liability of the County. The County does not believe any contingent liabilities to be material.

The Sheriff has agreements with a corporation for the provision of inmate medical services and food services at its detention facilities. The contracts are paid 100 percent by the Sheriff through its annual budget. The food services are based on a cost per meal per inmate basis, and the future contract commitment is estimated at approximately $2,800,000 per year based on the results of the current year. No liability is recorded in the fund statements, as any future commitment will be budgeted and paid from the subsequent year's budget. The minimum payment requirements for inmate medical services are as follows:

	Amount
Year ending September 30, 2014:	$6,700,000

For the year ended September 30, 2014, the Sheriff paid $8,394,221 for inmate medical services and $2,636,138 for food services at its detention facilities.

The Sheriff has an agreement with a corporation to arrange for medical staff, including doctors, to be located at a site (clinic) designated by the Sheriff to provide medical services to the employees, dependents and retirees of the Sheriff. The agreement had an initial one (1) year term ending November 2012 but is cancellable with ninety (90) day written notice. The agreement automatically renews unless cancelled in writing. No liability is recorded in the fund statements, as any future commitment will be budgeted and paid from the subsequent year's budget.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded as reservations of budget, is employed as an extension of the statutory required budgetary process. Although encumbrances lapse at fiscal year-end it is the County's intention to substantially honor these encumbrances under authority provided in the subsequent year's budget. Encumbrances outstanding at September 30, 2014, are as follows:

	Amount
General Fund	$ 6,356,000
Library	66,000
MSTU	466,000
TDC	1,019,000
Capital Improvement	9,179,000
Other Governmental Funds	25,143,000

Litigation

The County is a defendant in various civil lawsuits in both state and federal courts on a variety of issues. The County is not in a position at this time to predict the outcome of the lawsuits or the exact amount of costs and/or potential recovery. The County plans to contest these matters unless settled. The County believes the outcome of these lawsuits will not have a material effect on the financial statements.

Nine separate lawsuits brought under the Bert J. Harris, Jr. Private Property Rights Protection Act (the "Act") allege that an amendment to the Lee County Comprehensive Plan applicable to Pine Island has reduced allowable densities to such a degree that their property values have been destroyed. (The amendment changes allowable densities for parts of Pine Island from one unit per acre to one unit per 17 acres, but allows reclamation of densities of up to 70 percent of the original if the property owner restores native habitat.) Their estimate of the total economic impact of the amendment is approximately $61 million. Offers of settlement have been made to the plaintiffs in these cases and have been rejected which may limit the County's financial exposure per the terms of the Act. The Plaintiffs' estimate of the economic impact of the pending cases is $5 million.

An inverse condemnation suit was filed in the Estero Place, LLC v. Lee County case due to a denial of a rezoning application to rezone the subject property to a more intense use than was originally approved. The plaintiff claims Lee County had no factual basis for denial and obtained a court order directing the County to rezone the property. The Plaintiff claims its property right was taken for a temporary period of time which caused it to miss the market and incur substantial economic damages. The Board approved settlement of this case on January 6, 2015. The sum of $1,700,000 was paid in accordance with the stipulated final judgment in full satisfaction for any and all claims. A liability has been recorded in the financial statements at September 30, 2014.

The County received 19 notices of claim under the Bert J. Harris Act, totaling $43.7 million in connection with Lee County's adoption of new Federal Flood Insurance Rate Maps. To date, six lawsuits for inverse condemnation and Bert Harris Act claims have been filed. Discovery is continuing. The County intends on defending these claims.

A contract dispute was filed by Archer Western Contractors, LLC alleging delays and additional costs in the Matlacha bridge construction stemmed from design flaws. Discovery is ongoing and the plaintiff claims damages in the amount of $4 million.

Subsequent Events

On October 29, 2014, the County closed on the Transportation Facilities Refunding Revenue Bonds, Series 2014, which refunded in full the Transportation Facilities Refunding Revenue Bonds, Series 2004B, and the Transportation Facilities Refunding Revenue Bonds, Series 2005A, and partially refunded Series 2005B.

On November 26, 2014 the Port Authority paid, in full, the outstanding balances on the Line of Credit and the Passenger Facility Charge loan.

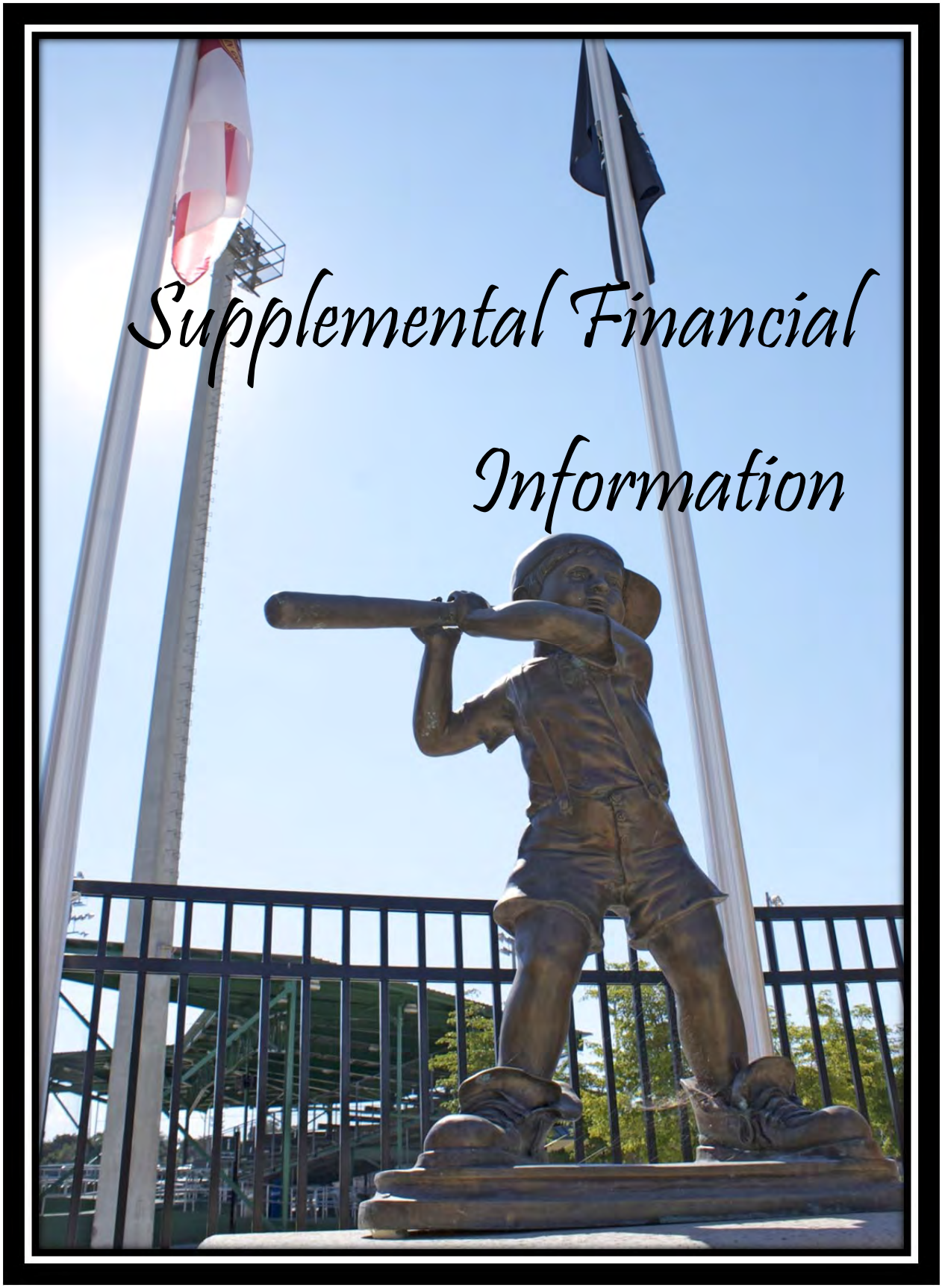
Restatements

Expenditures related to prior years were omitted from the Clerk's Child Support Enforcement fund, a non-major special revenue fund, as of September 30, 2013, which caused an overstatement of fund balance in the amount of $2,153,797. The effect of this prior period adjustment on the Clerk's financial statements decreased fund balance and increased the due to other government liability, for amounts to be remitted to the State, as of September 30, 2014.

Changes to fund balance and net position as of September 30, 2013, are as follows (dollars in thousands):

	Other Governmental Funds	Clerk of Circuit Court's Special Revenue
Fund balance, as previously reported	$ 188,236	$ 10,413
prior perioud adjustment	(2,154)	(2,154)
Fund balance, as restated	$ 186,082	$ 8,259

	Governmental Activities
Net position, as previously reported	$ 1,943,801
prior perioud adjustment	(2,154)
Net position, as restated	$ 1,941,647



Supplemental Financial Information

Lee County, Florida

Required Supplementary Information

September 30, 2014

Other Postemployment Benefit Plan

(unaudited)

Group Health Program for Lee County Plan

Schedule of Funding Progress for Lee County

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL)- Projected Unit Credit (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
9/30/2014	$27,707,000	$269,193,000	$241,487,000	10.3%	$144,239,000	167.4%
9/30/2013	$34,204,000	$251,966,000	$217,762,000	13.6%	$150,273,000	144.9%
9/30/2012	$37,950,000	$252,387,000	$214,437,000	15.0%	$151,468,000	141.6%

Schedule of Employer Contributions

Year Ended	Annual Required Contributions	Percentage Contributed	Net OPEB Obligation
9/30/2014	$27,577,000	0.0%	$135,721,000
9/30/2013	$30,816,000	0.0%	$110,900,000
9/30/2012	$28,032,000	6.8%	$81,961,000

Lee County Sheriff Health Care Plan

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL)- Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
7/1/2012	$0	$176,268,000	$176,268,000	0.0%	$69,567,000	253.4%
7/1/2010	$0	$215,911,000	$215,911,000	0.0%	$75,694,000	285.2%
7/1/2008	$0	$170,587,000	$170,587,000	0.0%	$67,792,000	251.6%

Schedule of Employer Contributions

Year Ended	Annual Required Contributions	Percentage Contributed	Net OPEB Obligation
9/30/2014	$16,799,000	21.2%	$105,945,000
9/30/2013	$15,937,000	20.9%	$92,868,000
9/30/2012	$20,298,000	17.3%	$80,364,000

General Fund

Lee County, Florida
COMBINING SCHEDULE - BALANCE SHEET
GENERAL FUND
As of September 30, 2014
(amounts expressed in thousands)

	Board of County Commissioners	Clerk of Circuit Court	Property Appraiser	Sheriff
ASSETS				
Cash and equity in pooled cash and investments	$ 109,739	$ 4,477	$ 979	$ 6,456
Receivables (net)				
Accounts	4,921	11	-	42
Accrued interest	31	-	-	-
Due from other funds	8,966	77	-	1,162
Due from other governments	3,939	13	-	-
Inventory	2,681	35	2	-
Advances	61	-	-	-
Total assets	130,338	4,613	981	7,660
LIABILITIES AND FUND BALANCES				
Liabilities:				
Contracts and accounts payable	2,419	917	27	3,145
Accrued liabilities	1,197	252	159	4,243
Due to other funds	647	547	680	272
Due to other governments	2,164	256	115	-
Deposits and overbids	88	2,628	-	-
Unearned revenues	9	13	-	-
Other	36	-	-	-
Total liabilities	6,560	4,613	981	7,660
Fund Balances:				
Nonspendable	372	35	2	-
Restricted	2,370	-	-	-
Committed	6	-	-	-
Assigned	12,565	-	-	-
Unassigned	108,465	(35)	(2)	-
Total fund balances	123,778	-	-	-
Total liabilities, deferred inflows of resources, and fund balances	$ 130,338	$ 4,613	$ 981	$ 7,660

(continued)

See accompanying independent auditors' report.

Lee County, Florida
COMBINING SCHEDULE - BALANCE SHEET
GENERAL FUND
As of September 30, 2014
(amounts expressed in thousands)

	Supervisor of Elections	Tax Collector	Eliminations	Total
ASSETS				
Cash and equity in pooled cash and investments	$ 150	$ 9,569	$ -	$ 131,370
Receivables (net)				
Accounts	-	6	-	4,980
Accrued interest	-	-	-	31
Due from other funds	-	8	(8,459)	1,754
Due from other governments	900	-	-	4,852
Inventory	-	-	-	2,718
Advances	-	-	-	61
Total assets	1,050	9,583	(8,459)	145,766
LIABILITIES AND FUND BALANCES				
Liabilities:				
Contracts and accounts payable	548	231	-	7,287
Accrued liabilities	120	496	-	6,467
Due to other funds	382	7,705	(8,459)	1,774
Due to other governments	-	1,151	-	3,686
Deposits and overbids	-	-	-	2,716
Unearned revenues	-	-	-	22
Other	-	-	-	36
Total liabilities	1,050	9,583	(8,459)	21,988
Fund Balances:				
Nonspendable	-	-	-	409
Restricted	-	-	-	2,370
Committed	-	-	-	6
Assigned	-	-	-	12,565
Unassigned	-	-	-	108,428
Total fund balances	-	-	-	123,778
Total liabilities, deferred inflows of resources, and fund balances	$ 1,050	$ 9,583	$ (8,459)	$ 145,766

Lee County, Florida
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GENERAL FUND
For the Year Ended September 30, 2014
(amounts expressed in thousands)

	Board of County Commissioners	Clerk of Circuit Court	Property Appraiser	Sheriff
REVENUES				
Taxes	$ 235,605	$ -	$ -	$ -
Licenses and permits	173	-	-	-
Intergovernmental	63,221	996	1,495	-
Charges for services	28,297	4,044	325	-
Fines and forfeitures	161	-	-	-
Miscellaneous	2,423	317	94	1,213
Total revenues	329,880	5,357	1,914	1,213
EXPENDITURES				
Current				
General government	48,465	12,169	8,773	8,440
Public safety	43,984	-	-	134,147
Physical environment	5,813	-	-	-
Transportation	143	-	-	-
Economic environment	5,770	-	-	-
Human services	13,355	-	-	-
Culture and recreation	15,028	-	-	-
Capital outlay				
General government	715	204	49	-
Public safety	119	-	-	1,172
Physical environment	21	-	-	-
Culture and recreation	303	-	-	-
Debt service				
Interest and fiscal charges	1	-	-	-
Total expenditures	133,717	12,373	8,822	143,759
Excess (deficiencies) of revenues over (under) expenditures	196,163	(7,016)	(6,908)	(142,546)
OTHER FINANCING SOURCES AND (USES)				
Transfers in	13,460	7,460	7,588	142,817
Transfers out	(197,345)	(444)	(680)	(271)
Total other financing sources and (uses)	(183,885)	7,016	6,908	142,546
Net change in fund balances	12,278	-	-	-
Fund balances - beginning	111,500	-	-	-
Fund balances - ending	$ 123,778	$ -	$ -	$ -

See accompanying independent auditors' report.

(continued)

Lee County, Florida
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GENERAL FUND
For the Year Ended September 30, 2014
(amounts expressed in thousands)

	Supervisor of Elections	Tax Collector	Eliminations	Total
REVENUES				
Taxes	$ -	$ -	$ -	$ 235,605
Licenses and permits	-	-	-	173
Intergovernmental	244	-	-	65,956
Charges for services	132	23,858	(13,142)	43,514
Fines and forfeitures	-	-	-	161
Miscellaneous	1,508	75	-	5,630
Total revenues	1,884	23,933	(13,142)	351,039
EXPENDITURES				
Current				
General government	8,345	16,710	(13,142)	89,760
Public safety	-	-	-	178,131
Physical environment	-	-	-	5,813
Transportation	-	-	-	143
Economic environment	-	-	-	5,770
Human services	-	-	-	13,355
Culture and recreation	-	-	-	15,028
Capital outlay				
General government	343	123	-	1,434
Public safety	-	-	-	1,291
Physical environment	-	-	-	21
Culture and recreation	-	-	-	303
Debt service				
Interest and fiscal charges	-	-	-	1
Total expenditures	8,688	16,833	(13,142)	311,050
Excess (deficiencies) of revenues over (under) expenditures	(6,804)	7,100	-	39,989
OTHER FINANCING SOURCES AND (USES)				
Transfers in	7,185	-	(173,397)	5,113
Transfers out	(381)	(7,100)	173,397	(32,824)
Total other financing sources and (uses)	6,804	(7,100)	-	(27,711)
Net change in fund balances	-	-	-	12,278
Fund balances - beginning	-	-	-	111,500
Fund balances - ending	$ -	$ -	$ -	$ 123,778

Lee County, Florida
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET (Non - GAAP Budgetary Basis) AND ACTUAL
GENERAL FUND
For the Year Ended September 30, 2014
(amounts expressed in thousands)

	Non - GAAP Board of County Commissioners		Non - GAAP Clerk of Circuit Court		Non - GAAP Property Appraiser	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
REVENUES						
Taxes	$ 224,544	$ 235,605	$ -	$ -	$ -	$ -
Licenses and permits	128	173	-	-	-	-
Intergovernmental	71,196	63,221	810	996	1,307	1,191
Charges for services	30,565	29,964	4,095	4,044	-	-
Fines and forfeitures	130	161	-	-	-	-
Miscellaneous	2,819	2,475	230	318	-	94
Total revenues	329,382	331,599	5,135	5,358	1,307	1,285
EXPENDITURES						
Current						
General government	55,002	48,882	12,299	12,169	8,845	8,144
Public safety	43,639	43,957	-	-	-	-
Physical environment	11,977	5,813	-	-	-	-
Transportation	149	143	-	-	-	-
Economic environment	12,091	6,288	-	-	-	-
Human services	15,169	13,355	-	-	-	-
Culture and recreation	15,268	15,028	-	-	-	-
Capital outlay						
General government	10	715	296	204	49	49
Public safety	34	119	-	-	-	-
Physical environment	-	21	-	-	-	-
Culture and recreation	144	303	-	-	-	-
Debt service						
Interest and fiscal charges	15	1	-	-	-	-
Total expenditures	153,498	134,625	12,595	12,373	8,894	8,193
Excess (deficiencies) of revenues over (under) expenditures	175,884	196,974	(7,460)	(7,015)	(7,587)	(6,908)
OTHER FINANCING SOURCES (USES)						
Transfers in	16,450	13,460	7,460	7,460	7,587	7,588
Transfers out	(197,030)	(196,919)	-	(444)	-	(680)
Total other financing sources (uses)	(180,580)	(183,459)	7,460	7,016	7,587	6,908
Excess (deficiencies) of revenues and other financing sources over (under) expenditures and other financing use	(4,696)	13,515	-	1	-	-
Fund balances - beginning	109,547	109,203	-	8	-	-
Fund balances - ending	$ 104,851	$ 122,718	$ -	$ 9	$ -	$ -

See accompanying independent auditors' report.

(continued)

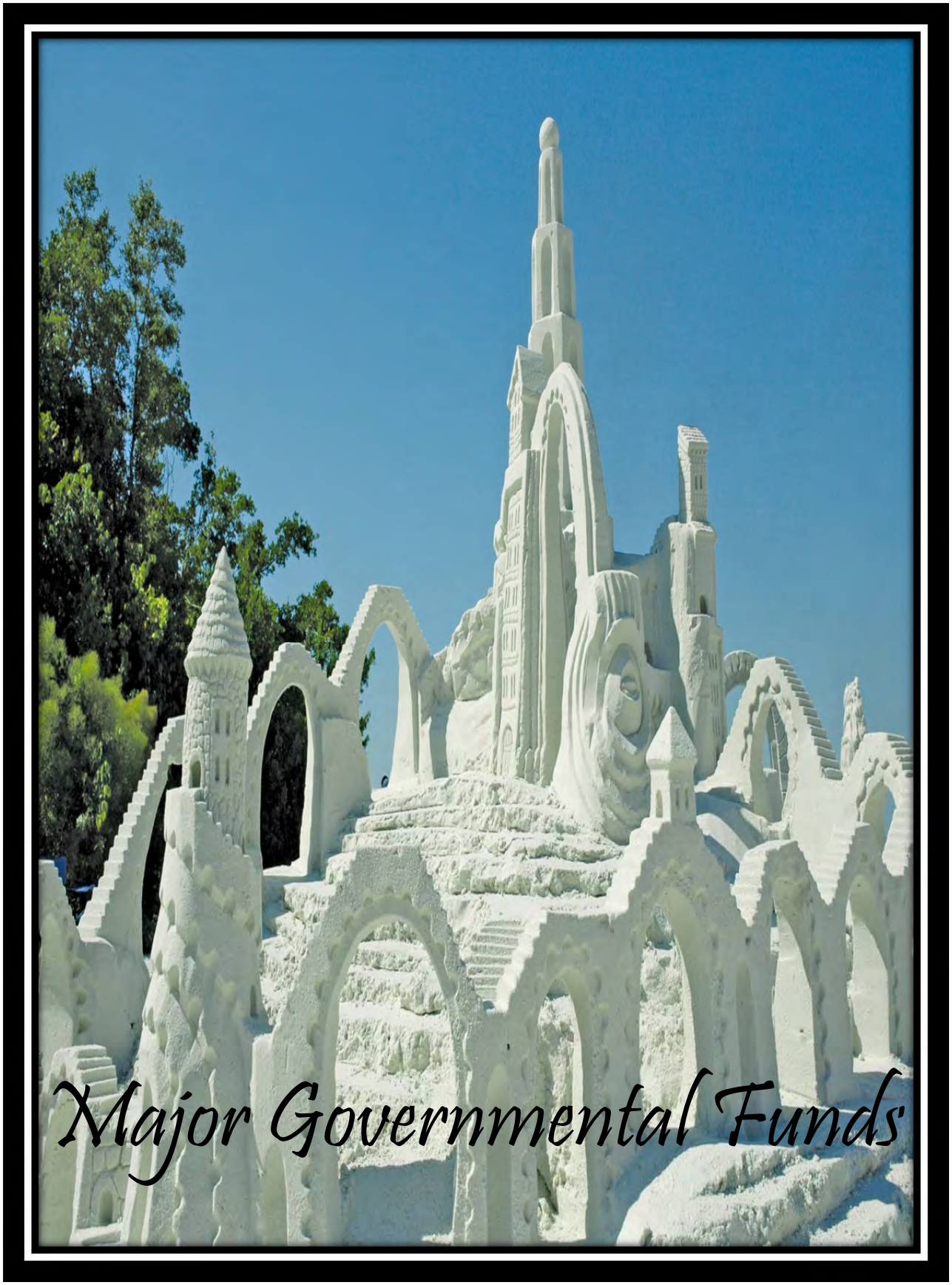
Lee County, Florida
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET (Non - GAAP Budgetary Basis) AND ACTUAL
GENERAL FUND
For the Year Ended September 30, 2014
(amounts expressed in thousands)

	Sheriff		Supervisor of Elections		Tax Collector	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
REVENUES						
Taxes	$ -	$ -	$ -	$ -	$ -	$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	162	244	-	-
Charges for services	-	-	-	132	24,529	23,858
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	1,213	1,213	1,506	1,508	59	75
Total revenues	1,213	1,213	1,668	1,884	24,588	23,933
EXPENDITURES						
Current						
General government	8,440	8,440	8,471	8,345	17,421	16,710
Public safety	134,147	134,147	-	-	-	-
Physical environment	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-
Human services	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Capital outlay						
General government	-	-	382	343	123	123
Public safety	1,172	1,172	-	-	-	-
Physical environment	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Debt service						
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	143,759	143,759	8,853	8,688	17,544	16,833
Excess (deficiencies) of revenues over (under) expenditures	(142,546)	(142,546)	(7,185)	(6,804)	7,044	7,100
OTHER FINANCING SOURCES (USES)						
Transfers in	142,817	142,817	7,185	7,185	-	-
Transfers out	(271)	(271)	-	(381)	(7,044)	(7,100)
Total other financing sources (uses)	142,546	142,546	7,185	6,804	(7,044)	(7,100)
Excess (deficiencies) of revenues and other financing sources over (under) expenditures and other financing use	-	-	-	-	-	-
Fund balances - beginning	-	-	-	-	-	-
Fund balances - ending	$ -	$ -	$ -	$ -	$ -	$ -

(continued)

Lee County, Florida
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET (Non - GAAP Budgetary Basis) AND ACTUAL
GENERAL FUND
For the Year Ended September 30, 2014
(amounts expressed in thousands)

	Total		
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Taxes	$ 224,544	$ 235,605	$ 11,061
Licenses and permits	128	173	45
Intergovernmental	73,475	65,652	(7,823)
Charges for services	59,189	57,998	(1,191)
Fines and forfeitures	130	161	31
Miscellaneous	5,827	5,683	(144)
Total revenues	363,293	365,272	1,979
EXPENDITURES			
Current			
General government	110,478	102,690	7,788
Public safety	177,786	178,104	(318)
Physical environment	11,977	5,813	6,164
Transportation	149	143	6
Economic environment	12,091	6,288	5,803
Human services	15,169	13,355	1,814
Culture and recreation	15,268	15,028	240
Capital outlay			
General government	860	1,434	(574)
Public safety	1,206	1,291	(85)
Physical environment	-	21	(21)
Culture and recreation	144	303	(159)
Debt service			
Interest and fiscal charges	15	1	14
Total expenditures	345,143	324,471	20,672
Excess (deficiencies) of revenues over (under) expenditures	18,150	40,801	22,651
OTHER FINANCING SOURCES (USES)			
Transfers in	181,499	178,510	(2,989)
Transfers out	(204,345)	(205,795)	(1,450)
Total other financing sources (uses)	(22,846)	(27,285)	(4,439)
Excess (deficiencies) of revenues and other financing sources over (under) expenditures and other financing use	(4,696)	13,516	18,212
Fund balances - beginning	109,547	109,211	(336)
Fund balances - ending	$ 104,851	$ 122,727	$ 17,876


Major Governmental Funds

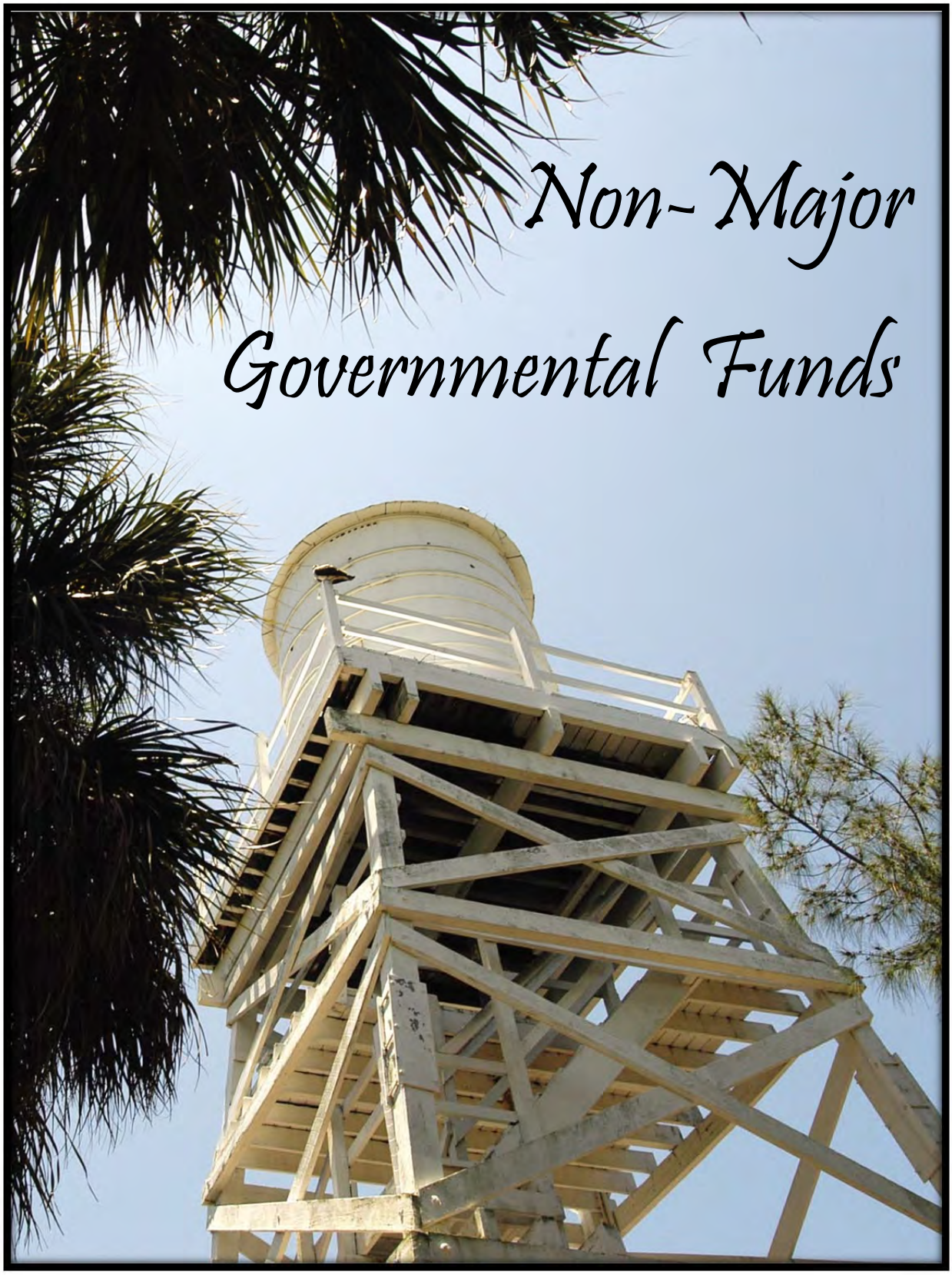
Lee County, Florida
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (Non-GAAP Budgetary Basis) AND ACTUAL WITH RECONCILIATION TO GAAP
CAPITAL IMPROVEMENT
As of September 30, 2014
(amounts expressed in thousands)

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Taxes	$ (5)	$ 74	$ 79
Licenses and permits	285	359	74
Intergovernmental	1,486	849	(637)
Charges for services	63	168	105
Miscellaneous	4,186	4,291	105
Total revenues	6,015	5,741	(274)
EXPENDITURES			
Current			
General government	906	145	761
Physical environment	10,421	8,061	2,360
Culture and recreation	11,856	6,502	5,354
Capital outlay			
General government	67,956	3,632	64,324
Physical environment	8,374	1,261	7,113
Transportation	4,582	1,289	3,293
Culture and recreation	14,898	2,035	12,863
Total expenditures	118,993	22,925	96,068
Excess (deficiencies) of revenue over (under) expenditures	(112,978)	(17,184)	95,794
OTHER FINANCING SOURCES AND (USES)			
Transfers in	15,869	11,301	(4,568)
Transfers out	(4,064)	(3,941)	123
Total other financing sources (uses)	11,805	7,360	(4,445)
Net change in fund balances	(101,173)	(9,824)	91,349
Fund balances - beginning	154,039	154,216	177
Fund balances - ending	$ 52,866	$ 144,392	$ 91,526

RECONCILIATION OF BUDGETARY BASIS TO GAAP

Net change in fund balance, budgetary basis	$ (9,824)
Add: Fair market value adjustment	(86)
Net change in fund balance	$ (9,910)

See accompanying independent auditor's report.



Non-Major Governmental Funds

Non-Major Governmental Fund Descriptions

Special Revenue Funds

Special revenue funds are used to account for proceeds of specific revenue sources, other than expendable trusts, debt service, or capital projects that are legally restricted to expenditures for specific purposes.

Municipal Service Benefit Unit Districts- To account for revenues and expenditures to be used for costs incurred on behalf of the special improvement districts, such as lighting, fire hydrants, and street paving.

Special Assessment Districts- To account for special assessments collected within certain unincorporated areas of the County to provide improvements (lighting, roads, etc.).

Law Enforcement Trust- To account for the monies held in trust by Lee County for the cost of protracted or complex investigations in the form of technical equipment, expertise, or other law enforcement purposes as the Board deems appropriate which are not normal operating needs of the law enforcement agency.

Special Revenue Projects- To account for revenues that are restricted for specific expenditures or projects.

State Housing Incentives Partnership Program (SHIP)- To account for SHIP grants.

Human Services Grants- To account for grant monies received to fund various Human Services projects.

E 9-1-1- To account for revenues and expenditures to be used for the acquisition, development, and operation of the E 9-1-1 emergency telephone system for Lee County.

Transportation Trust- To account for gas taxes distributed by the State of Florida designated for the construction and operating maintenance of County roads.

All Hazards Protection- To account for revenues and expenditures to be used for the implementation of a hazardous preparedness, response, and recovery program.

Impact Fees-Community Parks- To account for revenues received from impact fees that are restricted for use for capital improvements for designated community park districts.

Impact Fees-Regional Parks- To account for revenues received from impact fees that are restricted for use for capital improvements for County regional parks.

Impact Fees-Roads- To account for revenues received from impact fees that are restricted for use for capital improvements to, and expansion of, transportation projects within designated road network areas.

Special Revenue Funds (continued)

Impact Fees-EMS- To account for revenues received from impact fees that are restricted for the purpose of providing advanced life support and related services within Lee County, except for Lehigh Acres Fire Control and Rescue District.

Animal Trust Fund- To account for donations and expenditures used to improve the welfare of animals served by Lee County Animal Services.

Court Administration- To account for the revenues and expenditures of the Twentieth Judicial Circuit Court Administrator's Office funded by Lee County.

Clerk of Circuit Court's Special Revenue- To account for revenues and expenditures mandated by Chapter 28.24(15)(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 Chapter 28.24 (12)(e), *Florida Statutes*, to provide Court Technology support as defined in Chapter 28.008(1)(f)(2) and (h), *Florida Statutes.*

Property Appraiser's Special Revenues- To account for revenues used to operate the County's Geographical Information System (GIS).

Sheriff's Special Revenues- To account for grant revenues to be used for law enforcement purposes.

Debt Service Funds

Debt service funds are used to account for the accumulation of resources to be used for payment of governmental funds' debt principal, interest, and related costs.

Local Option Gas Tax Loan- To account for payment of the 2014 loan, which partially refunded the Five Cent Local Option Gas Tax Bond, Series 2004. Funding is from the five-cent local option gas tax revenue.

Capital Revenue Refunding Bank Note- To account for payment of the Capital Revenue Refunding Bank Loan, Series 2011, which refunded the Capital Revenue Bonds, Series 2000. Funding is from ambulance service receipts, building and zoning permits and fees, data processing fees, excess County Officer fees, franchise fees, guaranteed entitlement funds, investment earnings, license fees, pledged gas taxes, and sales tax.

Tourist Development Tax Revenue Bonds- To account for payment of the 2004, 2010A, 2010B, 2010C, and 2013 Bonds. Funding is from tourist development tax revenues, William Hammond Stadium and JetBlue Park rental revenue.

Five Cent Local Option Gas Tax Revenue Bonds- To account for payment of the 2004 Bonds. Funding is from the five-cent local option gas tax revenue.

Capital Revenue Bonds- To account for payment of the 2006 Bonds. Funding is from ambulance service receipts, building and zoning permits and fees, data processing fees, excess County Officer fees, franchise fees, guaranteed entitlement funds, investment earnings, license fees, pledged gas taxes, and sales tax.

Debt Service Funds (continued)

Non Ad-Valorem Revenue Bond – To account for payment of the 2012 Bond. Funding is from legally available non-ad valorem revenues, which are non-ad valorem revenues less general government and public safety expenditures that are not paid from ad valorem revenues.

MSBU Projects Commercial Loan- To account for payment of the loan obligations for various special improvement districts. Funding is from special assessment tax revenue.

Non Ad-Valorem Loan - To account for payment of the 2013 loan, which refunded the Capital and Transportation Facilities Revenue Bonds, Series 2003. Funding is from legally available non-ad valorem revenues, which are non-ad valorem revenues less general government and public safety expenditures that are not paid from ad valorem revenues.

Capital Projects Funds

Capital projects funds are used to account for financial resources to be used for the acquisition, construction, or improvement of major capital facilities and infrastructure other than those financed by proprietary funds.

Special Assessment Districts Construction- To account for the financial resources to be used for the improvement projects (lighting, roads, etc.) in certain unincorporated areas of the County for which a special assessment is collected.

Transportation Capital Improvements- To account for financial resources to be used for the acquisition or construction of major transportation-related infrastructure.

Tourist Tax Revenue Bonds Construction- To account for financial resources used to construct the JetBlue Park and capital improvements to the Lee County Sports Complex, including Hammond Stadium.

Human Services Grant Construction- To account for grant proceeds to be used to construct various capital projects.

Library Construction Projects- To account for the financial resources to be used for the Library construction projects.

All Hazards Protection Construction Projects- To account for the financial resources to be used for the construction projects of the hazardous preparedness, response, and recovery program.

Impact Fees Community Parks Construction- To account for the financial resources for the capital improvements from impact fees that are designated for community park districts.

Impact Fees Regional Parks Construction- To account for the financial resources for the capital improvements from impact fees that are designated for County regional parks.

Impact Fees Road Construction- To account for the financial resources for the capital improvements to, and expansion of, transportation projects from impact fees that are designated within road network areas.

Capital Projects Funds (continued)

Impact Fees EMS Construction- To account for financial resources to be used for EMS capital projects from impact fees related to designated areas within the County.

Fifth Third Line of Credit Construction– To account for financial resources to be used for various capital improvement projects and public facilities within the County for which funds have been drawn against the line of credit.

Lee County, Florida
COMBINING BALANCE SHEET
NON - MAJOR GOVERNMENTAL FUNDS
As of September 30, 2014
(amounts expressed in thousands)

	Special Revenue Funds			
	Municipal Service Benefit Unit Districts	Special Assessment Districts	Law Enforcement Trust	Special Revenue Projects
ASSETS				
Cash and equity in pooled cash and investments	$ 1,918	$ 3,785	$ 783	$ 4,674
Cash and cash equivalents with fiscal agent	-	-	-	-
Receivables (net)				
Accounts	-	-	-	-
Special assessments	-	1,407	-	-
Accrued interest	1	282	-	1
Due from other funds	26	2	331	209
Due from other governments	-	-	-	139
Inventory	-	-	-	-
Total assets	1,945	5,476	1,114	5,023
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Contracts and accounts payable	16	7	-	179
Accrued liabilities	-	2	-	9
Due to other funds	7	5	-	15
Due to other governments	-	1	-	4
Deposits and overbids	-	-	-	-
Unearned revenues	-	-	-	1
Total liabilities	23	15	-	208
Deferred inflows of resources;				
Accounts receivable	-	-	-	-
Special assessment receivable	-	1,664	-	-
Total deferred inflows of resources	-	1,664	-	-
Fund Balances:				
Nonspendable	-	-	-	-
Restricted	1,922	3,797	1,114	4,719
Committed	-	-	-	96
Assigned	-	-	-	-
Total fund balances	1,922	3,797	1,114	4,815
Total liabilities, deferred inflows of resources, and fund balances	$ 1,945	$ 5,476	$ 1,114	$ 5,023

(continued)

See accompanying independent auditors' report.

Lee County, Florida
COMBINING BALANCE SHEET
NON - MAJOR GOVERNMENTAL FUNDS
As of September 30, 2014
(amounts expressed in thousands)

	Special Revenue Funds			
	State Housing Incentives Partnership Program	Human Services Grants	E 9-1-1	Transportation Trust
ASSETS				
Cash and equity in pooled cash and investments	$ 1,400	$ 442	$ 10,379	$ 3,742
Cash and cash equivalents with fiscal agent	-	-	-	-
Receivables (net)				
Accounts	-	-	242	142
Special assessments	-	-	-	-
Accrued interest	-	-	3	1
Due from other funds	-	-	-	63
Due from other governments	10	284	-	794
Inventory	-	-	-	2,862
Total assets	1,410	726	10,624	7,604
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Contracts and accounts payable	-	104	28	863
Accrued liabilities	-	-	10	254
Due to other funds	-	150	57	168
Due to other governments	-	31	5	113
Deposits and overbids	-	-	-	-
Unearned revenues	-	-	-	-
Total liabilities	-	285	100	1,398
Deferred inflows of resources;				
Accounts receivable	-	-	-	100
Special assessment receivable	-	-	-	-
Total deferred inflows of resources	-	-	-	100
Fund Balances:				
Nonspendable	-	-	-	2,862
Restricted	1,410	441	10,524	-
Committed	-	-	-	-
Assigned	-	-	-	3,244
Total fund balances	1,410	441	10,524	6,106
Total liabilities, deferred inflows of resources, and fund balances	$ 1,410	$ 726	$ 10,624	$ 7,604

(continued)

Lee County, Florida
COMBINING BALANCE SHEET
NON - MAJOR GOVERNMENTAL FUNDS
As of September 30, 2014
(amounts expressed in thousands)

	Special Revenue Funds			
	All Hazards Protection	Impact Fees-Community Parks	Impact Fees-Regional Parks	Impact Fees-Roads
ASSETS				
Cash and equity in pooled cash and investments	$ 4,504	$ 4,815	$ 465	$ 5,546
Cash and cash equivalents with fiscal agent	-	-	-	-
Receivables (net)				
Accounts	-	-	-	-
Special assessments	-	-	-	-
Accrued interest	1	1	-	1
Due from other funds	38	-	-	-
Due from other governments	-	-	-	-
Inventory	-	-	-	-
Total assets	4,543	4,816	465	5,547
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Contracts and accounts payable	4	-	-	28
Accrued liabilities	15	-	-	-
Due to other funds	24	-	-	1
Due to other governments	7	-	-	-
Deposits and overbids	-	-	-	-
Unearned revenues	-	-	-	-
Total liabilities	50	-	-	29
Deferred inflows of resources:				
Accounts receivable	-	-	-	-
Special assessment receivable	-	-	-	-
Total deferred inflows of resources	-	-	-	-
Fund Balances:				
Nonspendable	-	-	-	-
Restricted	4,493	4,816	465	5,518
Committed	-	-	-	-
Assigned	-	-	-	-
Total fund balances	4,493	4,816	465	5,518
Total liabilities, deferred inflows of resources, and fund balances	$ 4,543	$ 4,816	$ 465	$ 5,547

(continued)

Lee County, Florida
COMBINING BALANCE SHEET
NON - MAJOR GOVERNMENTAL FUNDS
As of September 30, 2014
(amounts expressed in thousands)

	Special Revenue Funds			
	Impact Fees-EMS	Animal Trust Fund	Court Administration	Clerk of Circuit Court's Special Revenue
ASSETS				
Cash and equity in pooled cash and investments	$ 760	$ 327	$ 4,510	$ 20,013
Cash and cash equivalents with fiscal agent	-	-	-	-
Receivables (net)				
Accounts	-	-	-	2
Special assessments	-	-	-	-
Accrued interest	-	-	1	-
Due from other funds	-	-	430	4
Due from other governments	-	-	7	191
Inventory	-	-	-	-
Total assets	760	327	4,948	20,210
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Contracts and accounts payable	-	1	123	203
Accrued liabilities	-	-	265	291
Due to other funds	-	-	14	443
Due to other governments	-	-	204	4,377
Deposits and overbids	-	-	-	6,628
Unearned revenues	-	-	-	-
Total liabilities	-	1	606	11,942
Deferred inflows of resources:				
Accounts receivable	-	-	-	-
Special assessment receivable	-	-	-	-
Total deferred inflows of resources	-	-	-	-
Fund Balances:				
Nonspendable	-	-	-	-
Restricted	760	-	-	5,996
Committed	-	326	4,342	2,272
Assigned	-	-	-	-
Total fund balances	760	326	4,342	8,268
Total liabilities, deferred inflows of resources, and fund balances	$ 760	$ 327	$ 4,948	$ 20,210

(continued)

Lee County, Florida
COMBINING BALANCE SHEET
NON - MAJOR GOVERNMENTAL FUNDS
As of September 30, 2014
(amounts expressed in thousands)

	Special Revenue Funds		Debt Service Funds	
	Property Appraiser's Special Revenues	Sheriff's Special Revenues	Local Option Gas Tax Loan	Capital Revenue Refunding Bank Note
ASSETS				
Cash and equity in pooled cash and investments	$ 200	$ 2,833	$ 3	$ 1
Cash and cash equivalents with fiscal agent	-	-	-	-
Receivables (net)				
Accounts	-	353	-	-
Special assessments	-	-	-	-
Accrued interest	-	-	-	-
Due from other funds	-	55	-	-
Due from other governments	-	320	-	-
Inventory	-	14	-	-
Total assets	200	3,575	3	1
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Contracts and accounts payable	6	101	-	-
Accrued liabilities	23	108	-	-
Due to other funds	168	394	-	-
Due to other governments	-	5	-	-
Deposits and overbids	-	-	-	-
Unearned revenues	-	304	-	-
Total liabilities	197	912	-	-
Deferred inflows of resources:				
Accounts receivable	-	-	-	-
Special assessment receivable	-	-	-	-
Total deferred inflows of resources	-	-	-	-
Fund Balances:				
Nonspendable	-	14	-	-
Restricted	3	2,649	3	1
Committed	-	-	-	-
Assigned	-	-	-	-
Total fund balances	3	2,663	3	1
Total liabilities, deferred inflows of resources, and fund balances	$ 200	$ 3,575	$ 3	$ 1

(continued)

Lee County, Florida
COMBINING BALANCE SHEET
NON - MAJOR GOVERNMENTAL FUNDS
As of September 30, 2014
(amounts expressed in thousands)

	Debt Service Funds			
	Tourist Development Tax Revenue Bonds	Five Cent Local Option Gas Tax Revenue Bonds	Capital Revenue Bonds	Non-Ad Valorem Revenue Bonds
ASSETS				
Cash and equity in pooled cash and investments	$ 8,825	$ -	$ -	$ -
Cash and cash equivalents with fiscal agent	4,211	1,796	4,087	4,264
Receivables (net)				
Accounts	-	-	-	-
Special assessments	-	-	-	-
Accrued interest	-	-	-	-
Due from other funds	-	-	-	-
Due from other governments	-	-	-	-
Inventory	-	-	-	-
Total assets	13,036	1,796	4,087	4,264
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Contracts and accounts payable	-	-	-	-
Accrued liabilities	-	-	-	-
Due to other funds	3,464	-	-	-
Due to other governments	-	-	-	-
Deposits and overbids	-	-	-	-
Unearned revenues	-	-	-	-
Total liabilities	3,464	-	-	-
Deferred inflows of resources:				
Accounts receivable	-	-	-	-
Special assessment receivable	-	-	-	-
Total deferred inflows of resources	-	-	-	-
Fund Balances:				
Nonspendable	-	-	-	-
Restricted	9,572	1,796	4,087	4,264
Committed	-	-	-	-
Assigned	-	-	-	-
Total fund balances	9,572	1,796	4,087	4,264
Total liabilities, deferred inflows of resources, and fund balances	$ 13,036	$ 1,796	$ 4,087	$ 4,264

(continued)

Lee County, Florida
COMBINING BALANCE SHEET
NON - MAJOR GOVERNMENTAL FUNDS
As of September 30, 2014
(amounts expressed in thousands)

	Debt Service Funds		Capital Projects Funds	
	MSBU Projects Commercial Loan	Non-Ad Valorem Loan	Special Assessment Districts Construction	Transportation Capital Improvements
ASSETS				
Cash and equity in pooled cash and investments	$ 348	$ -	$ 275	$ 58,405
Cash and cash equivalents with fiscal agent	-	1,227	-	-
Receivables (net)				
Accounts	-	-	-	-
Special assessments	3,293	-	-	-
Accrued interest	-	-	-	15
Due from other funds	-	-	-	-
Due from other governments	-	-	-	1,536
Inventory	-	-	-	-
Total assets	3,641	1,227	275	59,956
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Contracts and accounts payable	-	-	14	2,956
Accrued liabilities	-	-	-	-
Due to other funds	-	-	-	54
Due to other governments	-	-	-	-
Deposits and overbids	-	-	-	-
Unearned revenues	-	-	-	-
Total liabilities	-	-	14	3,010
Deferred inflows of resources:				
Accounts receivable	-	-	-	-
Special assessment receivable	3,293	-	-	-
Total deferred inflows of resources	3,293	-	-	-
Fund Balances:				
Nonspendable	-	-	-	-
Restricted	348	1,227	261	56,946
Committed	-	-	-	-
Assigned	-	-	-	-
Total fund balances	348	1,227	261	56,946
Total liabilities, deferred inflows of resources, and fund balances	$ 3,641	$ 1,227	$ 275	$ 59,956

(continued)

Lee County, Florida
COMBINING BALANCE SHEET
NON - MAJOR GOVERNMENTAL FUNDS
As of September 30, 2014
(amounts expressed in thousands)

	Capital Projects Funds			
	Tourist Tax Revenue Bonds Construction	Human Services Grant Construction	Library Construction Projects	All Hazards Protection Construction Projects
ASSETS				
Cash and equity in pooled cash and investments	$ 6,079	$ 41	$ 3,325	$ 789
Cash and cash equivalents with fiscal agent	-	-	-	-
Receivables (net)				
Accounts	-	-	-	-
Special assessments	-	-	-	-
Accrued interest	-	-	1	-
Due from other funds	3,463	-	-	-
Due from other governments	-	-	-	-
Inventory	-	-	-	-
Total assets	9,542	41	3,326	789
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Contracts and accounts payable	4,798	-	9	-
Accrued liabilities	-	-	-	-
Due to other funds	-	-	-	-
Due to other governments	-	-	-	-
Deposits and overbids	-	-	-	-
Unearned revenues	-	-	-	-
Total liabilities	4,798	-	9	-
Deferred inflows of resources:				
Accounts receivable	-	-	-	-
Special assessment receivable	-	-	-	-
Total deferred inflows of resources	-	-	-	-
Fund Balances:				
Nonspendable	-	-	-	-
Restricted	4,744	41	-	789
Committed	-	-	3,317	-
Assigned	-	-	-	-
Total fund balances	4,744	41	3,317	789
Total liabilities, deferred inflows of resources, and fund balances	$ 9,542	$ 41	$ 3,326	$ 789

(continued)

Lee County, Florida
COMBINING BALANCE SHEET
NON - MAJOR GOVERNMENTAL FUNDS
As of September 30, 2014
(amounts expressed in thousands)

	Capital Projects Funds			
	Impact Fees Community Parks Construction	Impact Fees Regional Parks Construction	Impact Fees Road Construction	Impact Fees EMS Construction
ASSETS				
Cash and equity in pooled cash and investments	$ 1,023	$ 421	$ 12,623	$ 11
Cash and cash equivalents with fiscal agent	-	-	-	-
Receivables (net)				
Accounts	-	-	-	-
Special assessments	-	-	-	-
Accrued interest	-	-	3	-
Due from other funds	-	-	-	-
Due from other governments	-	-	-	-
Inventory	-	-	-	-
Total assets	1,023	421	12,626	11
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Contracts and accounts payable	4	-	120	-
Accrued liabilities	-	-	-	-
Due to other funds	-	-	-	-
Due to other governments	-	-	-	-
Deposits and overbids	-	-	-	-
Unearned revenues	-	-	-	-
Total liabilities	4	-	120	-
Deferred inflows of resources:				
Accounts receivable	-	-	-	-
Special assessment receivable	-	-	-	-
Total deferred inflows of resources	-	-	-	-
Fund Balances:				
Nonspendable	-	-	-	-
Restricted	963	421	12,506	11
Committed	-	-	-	-
Assigned	56	-	-	-
Total fund balances	1,019	421	12,506	11
Total liabilities, deferred inflows of resources, and fund balances	$ 1,023	$ 421	$ 12,626	$ 11

(continued)

Lee County, Florida
COMBINING BALANCE SHEET
NON - MAJOR GOVERNMENTAL FUNDS
As of September 30, 2014
(amounts expressed in thousands)

	Capital Projects Funds Fifth Third Line of Credit Construction	Total Non-Major Governmental Funds
ASSETS		
Cash and equity in pooled cash and investments	$ 1,101	$ 164,366
Cash and cash equivalents with fiscal agent	-	15,585
Receivables (net)		
Accounts	-	739
Special assessments	-	4,700
Accrued interest	-	311
Due from other funds	-	4,621
Due from other governments	-	3,281
Inventory	-	2,876
Total assets	1,101	196,479
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES		
Liabilities:		
Contracts and accounts payable	278	9,842
Accrued liabilities	-	977
Due to other funds	-	4,964
Due to other governments	-	4,747
Deposits and overbids	-	6,628
Unearned revenues	-	305
Total liabilities	278	27,463
Deferred inflows of resources:		
Accounts receivable	-	100
Special assessment receivable	-	4,957
Total deferred inflows of resources	-	5,057
Fund Balances:		
Nonspendable	-	2,876
Restricted	823	147,430
Committed	-	10,353
Assigned	-	3,300
Total fund balances	823	163,959
Total liabilities, deferred inflows of resources, and fund balances	$ 1,101	$ 196,479

Lee County, Florida
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NON - MAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2014
(amounts expressed in thousands)

	Special Revenue Funds			
	Municipal Service Benefit Unit Districts	Special Assessment Districts	Law Enforcement Trust	Special Revenue Projects
REVENUES				
Taxes	$ 2,759	$ -	$ -	$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	2,256
Charges for services	-	114	-	644
Fines and forfeitures	-	-	480	343
Impact fees	-	-	-	-
Special assessments	-	876	-	-
Miscellaneous	10	36	1	1,226
Total revenues	2,769	1,026	481	4,469
EXPENDITURES				
Current				
General government	80	319	-	220
Public safety	1,006	-	-	73
Physical environment	-	3	-	562
Transportation	1,602	262	-	-
Economic environment	-	-	-	-
Human services	-	-	-	2,196
Culture and recreation	-	-	-	-
Capital outlay				
General government	-	1	-	-
Public safety	-	-	-	42
Transportation	4	-	-	-
Economic environment	-	-	-	-
Human services	-	-	-	2
Culture and recreation	-	-	-	-
Debt service				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Bond issuance costs	-	-	-	-
Total expenditures	2,692	585	-	3,095
Excess (deficiencies) of revenues over (under) expenditures	77	441	481	1,374
OTHER FINANCING SOURCES AND (USES)				
Transfers in	20	40	-	-
Transfers out	(6)	(321)	(240)	(75)
Debt issuance	-	-	-	-
Issuance of refunding debt	-	-	-	-
Payments to refunded debt escrow agent	-	-	-	-
Total other financing sources (uses)	14	(281)	(240)	(75)
Net change in fund balances	91	160	241	1,299
Fund balances - beginning - as restated	1,831	3,637	873	3,516
Fund balances - ending	$ 1,922	$ 3,797	$ 1,114	$ 4,815

See accompanying independent auditor's report.

(continued)

Lee County, Florida
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NON - MAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2014
(amounts expressed in thousands)

	Special Revenue Funds			
	State Housing Incentives Partnership Program	Human Services Grants	E 9-1-1	Transportation Trust
REVENUES				
Taxes	$ -	$ -	$ -	$ -
Licenses and permits	-	-	-	55
Intergovernmental	529	2,211	-	8,518
Charges for services	-	-	2,933	863
Fines and forfeitures	-	-	-	-
Impact fees	-	-	-	-
Special assessments	-	-	-	-
Miscellaneous	131	6	11	512
Total revenues	660	2,217	2,944	9,948
EXPENDITURES				
Current				
General government	-	-	-	913
Public safety	-	-	2,121	-
Physical environment	-	-	-	-
Transportation	-	-	-	23,559
Economic environment	371	2,218	-	-
Human services	-	1	-	-
Culture and recreation	-	-	-	-
Capital outlay				
General government	-	-	-	-
Public safety	-	-	239	-
Transportation	-	-	-	373
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Debt service				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Bond issuance costs	-	-	-	-
Total expenditures	371	2,219	2,360	24,845
Excess (deficiencies) of revenues over (under) expenditures	289	(2)	584	(14,897)
OTHER FINANCING SOURCES AND (USES)				
Transfers in	-	-	-	16,500
Transfers out	-	-	-	-
Debt issuance	-	-	-	-
Issuance of refunding debt	-	-	-	-
Payments to refunded debt escrow agent	-	-	-	-
Total other financing sources (uses)	-	-	-	16,500
Net change in fund balances	289	(2)	584	1,603
Fund balances - beginning - as restated	1,121	443	9,940	4,503
Fund balances - ending	$ 1,410	$ 441	$ 10,524	$ 6,106

(continued)

Lee County, Florida
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NON - MAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2014
(amounts expressed in thousands)

	Special Revenue Funds			
	All Hazards Protection	Impact Fees - Community Parks	Impact Fees - Regional Parks	Impact Fees - Roads
REVENUES				
Taxes	$ 2,470	$ -	$ -	$ -
Licenses and permits	-	-	-	-
Intergovernmental	15	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Impact fees	-	232	357	1,962
Special assessments	-	-	-	-
Miscellaneous	18	5	1	138
Total revenues	2,503	237	358	2,100
EXPENDITURES				
Current				
General government	666	-	-	74
Public safety	1,502	-	-	-
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	23	-	-
Capital outlay				
General government	-	-	-	-
Public safety	4	-	-	-
Transportation	-	-	-	-
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Debt service				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Bond issuance costs	-	-	-	-
Total expenditures	2,172	23	-	74
Excess (deficiencies) of revenues over (under) expenditures	331	214	358	2,026
OTHER FINANCING SOURCES AND (USES)				
Transfers in	18	-	-	-
Transfers out	-	-	(150)	(383)
Debt issuance	-	-	-	-
Issuance of refunding debt	-	-	-	-
Payments to refunded debt escrow agent	-	-	-	-
Total other financing sources (uses)	18	-	(150)	(383)
Net change in fund balances	349	214	208	1,643
Fund balances - beginning - as restated	4,144	4,602	257	3,875
Fund balances - ending	$ 4,493	$ 4,816	$ 465	$ 5,518

(continued)

Lee County, Florida
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NON - MAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2014
(amounts expressed in thousands)

	Special Revenue Funds			
	Impact Fees - EMS	Animal Trust Fund	Court Administration	Clerk of Circuit Court's Special Revenue
REVENUES				
Taxes	$ -	$ -	$ -	$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	7	1,183
Charges for services	-	-	5,394	13,118
Fines and forfeitures	-	-	1	-
Impact fees	192	-	-	-
Special assessments	-	-	-	-
Miscellaneous	1	286	239	58
Total revenues	193	286	5,641	14,359
EXPENDITURES				
Current				
General government	2	-	13,588	14,274
Public safety	-	-	-	-
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic environment	-	-	-	-
Human services	-	207	-	-
Culture and recreation	-	-	-	-
Capital outlay				
General government	-	-	427	76
Public safety	-	-	-	-
Transportation	-	-	-	-
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Debt service				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Bond issuance costs	-	-	-	-
Total expenditures	2	207	14,015	14,350
Excess (deficiencies) of revenues over (under) expenditures	191	79	(8,374)	9
OTHER FINANCING SOURCES AND (USES)				
Transfers in	-	-	8,081	-
Transfers out	-	-	-	-
Debt issuance	-	-	-	-
Issuance of refunding debt	-	-	-	-
Payments to refunded debt escrow agent	-	-	-	-
Total other financing sources (uses)	-	-	8,081	-
Net change in fund balances	191	79	(293)	9
Fund balances - beginning - as restated	569	247	4,635	8,259
Fund balances - ending	$ 760	$ 326	$ 4,342	$ 8,268

(continued)

Lee County, Florida
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NON - MAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2014
(amounts expressed in thousands)

	Special Revenue Funds		Debt Service Funds	
	Property Appraiser's Special Revenues	Sheriff's Special Revenues	Local Option Gas Tax Loan	Capital Revenue Refunding Bank Note
REVENUES				
Taxes	$ -	$ -	$ -	$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	4,677	-	-
Charges for services	2	4,908	-	-
Fines and forfeitures	-	-	-	-
Impact fees	-	-	-	-
Special assessments	-	-	-	-
Miscellaneous	-	166	-	1
Total revenues	2	9,751	-	1
EXPENDITURES				
Current				
General government	1,421	-	-	-
Public safety	-	9,121	-	-
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay				
General government	5	-	-	-
Public safety	-	1,124	-	-
Transportation	-	-	-	-
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Debt service				
Principal retirement	-	-	-	1,405
Interest and fiscal charges	-	-	23	60
Bond issuance costs	-	-	49	-
Total expenditures	1,426	10,245	72	1,465
Excess (deficiencies) of revenues over (under) expenditures	(1,424)	(494)	(72)	(1,464)
OTHER FINANCING SOURCES AND (USES)				
Transfers in	1,593	155	23	1,464
Transfers out	(168)	-	(12,539)	-
Debt issuance	-	-	-	-
Issuance of refunding debt	-	-	12,590	-
Payments to refunded debt escrow agent	-	-	-	-
Total other financing sources (uses)	1,425	155	74	1,464
Net change in fund balances	1	(339)	2	-
Fund balances - beginning - as restated	2	3,002	1	1
Fund balances - ending	$ 3	$ 2,663	$ 3	$ 1

(continued)

Lee County, Florida
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NON - MAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2014
(amounts expressed in thousands)

	Debt Service Funds			
	Tourist Development Tax Revenue Bonds	Five Cent Local Option Gas Tax Revenue Bonds	Capital Revenue Bonds	Non-Ad Valorem Revenue Bonds
REVENUES				
Taxes	$ -	$ -	$ -	$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Impact fees	-	-	-	-
Special assessments	-	-	-	-
Miscellaneous	21	2	3	3
Total revenues	21	2	3	3
EXPENDITURES				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay				
General government	-	-	-	-
Public safety	-	-	-	-
Transportation	-	-	-	-
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Debt service				
Principal retirement	830	1,710	2,530	2,880
Interest and fiscal charges	6,321	941	2,955	2,146
Bond issuance costs	-	-	-	-
Total expenditures	7,151	2,651	5,485	5,026
Excess (deficiencies) of revenues over (under) expenditures	(7,130)	(2,649)	(5,482)	(5,023)
OTHER FINANCING SOURCES AND (USES)				
Transfers in	9,096	14,882	5,536	5,319
Transfers out	(6,748)	-	-	-
Debt issuance	-	-	-	-
Issuance of refunding debt	-	-	-	-
Payments to refunded debt escrow agent	-	(12,518)	-	-
Total other financing sources (uses)	2,348	2,364	5,536	5,319
Net change in fund balances	(4,782)	(285)	54	296
Fund balances - beginning - as restated	14,354	2,081	4,033	3,968
Fund balances - ending	$ 9,572	$ 1,796	$ 4,087	$ 4,264

(continued)

Lee County, Florida
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NON - MAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2014
(amounts expressed in thousands)

	Debt Service Funds		Capital Projects Funds	
	MSBU Projects Commercial Loan	Non-Ad Valorem Loan	Special Assessment Districts Construction	Transportation Capital Improvements
REVENUES				
Taxes	$ -	$ -	$ -	$ 18,616
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	531
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Impact fees	-	-	-	-
Special assessments	484	-	-	-
Miscellaneous	2	1	-	101
Total revenues	486	1	-	19,248
EXPENDITURES				
Current				
General government	1	-	-	3
Public safety	-	-	-	-
Physical environment	-	-	-	-
Transportation	-	-	-	7,078
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay				
General government	-	-	-	-
Public safety	-	-	-	-
Transportation	-	-	141	3,091
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Debt service				
Principal retirement	386	-	-	-
Interest and fiscal charges	151	468	-	-
Bond issuance costs	-	-	-	-
Total expenditures	538	468	141	10,172
Excess (deficiencies) of revenues over (under) expenditures	(52)	(467)	(141)	9,076
OTHER FINANCING SOURCES AND (USES)				
Transfers in	21	1,694	300	1
Transfers out	(30)	-	-	(3,028)
Debt issuance	-	-	-	-
Issuance of refunding debt	-	-	-	-
Payments to refunded debt escrow agent	-	-	-	-
Total other financing sources (uses)	(9)	1,694	300	(3,027)
Net change in fund balances	(61)	1,227	159	6,049
Fund balances - beginning - as restated	409	-	102	50,897
Fund balances - ending	$ 348	$ 1,227	$ 261	$ 56,946

(continued)

Lee County, Florida
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NON - MAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2014
(amounts expressed in thousands)

	Capital Projects Funds			
	Tourist Tax Revenue Bonds Construction	Human Services Grant Construction	Library Construction Projects	All Hazards Protection Construction Projects
REVENUES				
Taxes	$ -	$ -	$ -	$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	1,246	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Impact fees	-	-	-	-
Special assessments	-	-	-	-
Miscellaneous	43	-	4	1
Total revenues	43	1,246	4	1
EXPENDITURES				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	33	-
Capital outlay				
General government	-	-	-	28
Public safety	-	-	-	-
Transportation	-	-	-	-
Economic environment	-	1,194	-	-
Human services	-	-	-	-
Culture and recreation	31,656	-	2,482	324
Debt service				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Bond issuance costs	-	-	-	-
Total expenditures	31,656	1,194	2,515	352
Excess (deficiencies) of revenues over (under) expenditures	(31,613)	52	(2,511)	(351)
OTHER FINANCING SOURCES AND (USES)				
Transfers in	3,463	-	-	-
Transfers out	-	-	-	-
Debt issuance	-	-	-	-
Issuance of refunding debt	-	-	-	-
Payments to refunded debt escrow agent	-	-	-	-
Total other financing sources (uses)	3,463	-	-	-
Net change in fund balances	(28,150)	52	(2,511)	(351)
Fund balances - beginning - as restated	32,894	(11)	5,828	1,140
Fund balances - ending	$ 4,744	$ 41	$ 3,317	$ 789

(continued)

Lee County, Florida
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NON - MAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2014
(amounts expressed in thousands)

	Capital Projects Funds			
	Impact Fees Community Parks Construction	Impact Fees Regional Parks Construction	Impact Fees Road Construction	Impact Fees EMS Construction
REVENUES				
Taxes	$ -	$ -	$ -	$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Impact fees	-	-	-	-
Special assessments	-	-	-	-
Miscellaneous	1	-	14	-
Total revenues	1	-	14	-
EXPENDITURES				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Physical environment	-	-	-	-
Transportation	-	-	-	-
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay				
General government	-	-	-	-
Public safety	-	-	-	-
Transportation	-	-	298	-
Economic environment	-	-	-	-
Human services	-	-	-	-
Culture and recreation	1,219	3	-	-
Debt service				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Bond issuance costs	-	-	-	-
Total expenditures	1,219	3	298	-
Excess (deficiencies) of revenues over (under) expenditures	(1,218)	(3)	(284)	-
OTHER FINANCING SOURCES AND (USES)				
Transfers in	-	150	383	-
Transfers out	-	-	-	-
Debt issuance	-	-	-	-
Issuance of refunding debt	-	-	-	-
Payments to refunded debt escrow agent	-	-	-	-
Total other financing sources (uses)	-	150	383	-
Net change in fund balances	(1,218)	147	99	-
Fund balances - beginning - as restated	2,237	274	12,407	11
Fund balances - ending	$ 1,019	$ 421	$ 12,506	$ 11

(continued)

Lee County, Florida
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NON - MAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2014
(amounts expressed in thousands)

	Capital Projects Funds	Total
	Fifth Third Line of Credit Construction	Non - major Governmental Funds
REVENUES		
Taxes	$ -	$ 23,845
Licenses and permits	-	55
Intergovernmental	-	21,173
Charges for services	-	27,976
Fines and forfeitures	-	824
Impact fees	-	2,743
Special assessments	-	1,360
Miscellaneous	1	3,043
Total revenues	1	81,019
EXPENDITURES		
Current		
General government	-	31,561
Public safety	-	13,823
Physical environment	-	565
Transportation	-	32,501
Economic environment	-	2,589
Human services	-	2,404
Culture and recreation	-	56
Capital outlay		
General government	-	537
Public safety	-	1,409
Transportation	1,069	4,976
Economic environment	-	1,194
Human services	-	2
Culture and recreation	-	35,684
Debt service		
Principal retirement	-	9,741
Interest and fiscal charges	2	13,067
Bond issuance costs	-	49
Total expenditures	1,071	150,158
Excess (deficiencies) of revenues over (under) expenditures	(1,070)	(69,139)
OTHER FINANCING SOURCES AND (USES)		
Transfers in	-	68,739
Transfers out	-	(23,688)
Debt issuance	1,893	1,893
Issuance of refunding debt	-	12,590
Payments to refunded debt escrow agent	-	(12,518)
Total other financing sources (uses)	1,893	47,016
Net change in fund balances	823	(22,123)
Fund balances - beginning - as restated	-	186,082
Fund balances - ending	$ 823	$ 163,959

Lee County, Florida
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET (Non-GAAP Budgetary Basis) AND ACTUAL
SPECIAL REVENUE FUNDS
For the Year Ended September 30, 2014
(amounts expressed in thousands)

	Non - GAAP Municipal Service Benefit Unit Districts		Non - GAAP Special Assessment Districts		Non - GAAP Law Enforcement Trust	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
REVENUES						
Taxes	$ 2,699	$ 2,759	$ -	$ -	$ -	$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	151	114	-	-
Fines and forfeitures	-	-	-	-	120	480
Impact fees	-	-	-	-	-	-
Special assessments	-	-	644	881	-	-
Miscellaneous	3	10	4	41	-	1
Total revenues	2,702	2,769	799	1,036	120	481
EXPENDITURES						
Current						
General government	80	80	642	319	-	-
Public safety	1,006	1,006	-	-	-	-
Physical environment	-	-	-	3	-	-
Transportation	1,903	1,602	389	262	-	-
Economic environment	-	-	-	-	-	-
Human services	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Capital outlay						
General government	-	-	-	1	-	-
Public safety	-	-	-	-	-	-
Transportation	7	4	-	-	-	-
Human services	-	-	-	-	-	-
Total expenditures	2,996	2,692	1,031	585	-	-
Excess (deficiencies) of revenues over (under) expenditures	(294)	77	(232)	451	120	481
OTHER FINANCING SOURCES (USES)						
Transfers in	3	20	157	143	-	-
Transfers out	(20)	(11)	(420)	(416)	(240)	(240)
Total other financing sources (uses)	(17)	9	(263)	(273)	(240)	(240)
Net change in fund balances	(311)	86	(495)	178	(120)	241
Fund balances - beginning	1,847	1,740	3,604	4,676	873	872
Fund balances - ending	$ 1,536	$ 1,826	$ 3,109	$ 4,854	$ 753	$ 1,113

See accompanying independent auditors' report.

(continued)

Lee County, Florida
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET (Non-GAAP Budgetary Basis) AND ACTUAL
SPECIAL REVENUE FUNDS
For the Year Ended September 30, 2014
(amounts expressed in thousands)

	Non - GAAP Special Revenue Projects		Non - GAAP State Housing Incentives Partnership Program		Non - GAAP Human Services Grants	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
REVENUES						
Taxes	$ -	$ -	$ -	$ -	$ -	$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	3,809	2,256	-	529	4,158	2,211
Charges for services	640	644	-	-	-	-
Fines and forfeitures	265	343	-	-	-	-
Impact fees	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-
Miscellaneous	108	1,226	-	131	5	6
Total revenues	4,822	4,469	-	660	4,163	2,217
EXPENDITURES						
Current						
General government	392	220	-	-	-	-
Public safety	147	73	-	-	-	-
Physical environment	566	562	-	-	-	-
Transportation	-	-	-	-	-	-
Economic environment	-	-	907	371	4,332	2,218
Human services	3,828	2,196	-	-	1	1
Culture and recreation	-	-	-	-	-	-
Capital outlay						
General government	-	-	-	-	-	-
Public safety	-	42	-	-	-	-
Transportation	-	-	-	-	-	-
Human services	-	2	-	-	-	-
Total expenditures	4,933	3,095	907	371	4,333	2,219
Excess (deficiencies) of revenues over (under) expenditures	(111)	1,374	(907)	289	(170)	(2)
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	(75)	(75)	-	-	-	-
Total other financing sources (uses)	(75)	(75)	-	-	-	-
Net change in fund balances	(186)	1,299	(907)	289	(170)	(2)
Fund balances - beginning	3,545	11,689	1,121	(4,082)	443	441
Fund balances - ending	$ 3,359	$ 12,988	$ 214	$ (3,793)	$ 273	$ 439

(continued)

Lee County, Florida
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET (Non-GAAP Budgetary Basis) AND ACTUAL
SPECIAL REVENUE FUNDS
For the Year Ended September 30, 2014
(amounts expressed in thousands)

	Non - GAAP E 9 - 1 - 1		Non - GAAP Transportation Trust		Non - GAAP All Hazards Protection	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
REVENUES						
Taxes	$ -	$ -	$ -	$ -	$ 2,427	$ 2,470
Licenses and permits	-	-	48	55	-	-
Intergovernmental	-	-	8,039	8,395	15	15
Charges for services	2,986	2,933	807	863	-	-
Fines and forfeitures	-	-	-	-	-	-
Impact fees	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-
Miscellaneous	18	17	467	575	10	21
Total revenues	3,004	2,950	9,361	9,888	2,452	2,506
EXPENDITURES						
Current						
General government	-	-	875	913	1,581	666
Public safety	2,958	2,121	-	-	1,556	1,502
Physical environment	-	-	-	-	-	-
Transportation	-	-	25,048	24,079	-	-
Economic environment	-	-	-	-	-	-
Human services	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Capital outlay						
General government	-	-	-	-	-	-
Public safety	1,174	239	-	-	-	4
Transportation	-	-	207	373	-	-
Human services	-	-	-	-	-	-
Total expenditures	4,132	2,360	26,130	25,365	3,137	2,172
Excess (deficiencies) of revenues over (under) expenditures	(1,128)	590	(16,769)	(15,477)	(685)	334
OTHER FINANCING SOURCES (USES)						
Transfers in	765	765	16,500	16,500	17	18
Transfers out	(765)	(765)	-	-	-	-
Total other financing sources (uses)	-	-	16,500	16,500	17	18
Net change in fund balances	(1,128)	590	(269)	1,023	(668)	352
Fund balances - beginning	9,940	9,941	2,328	3,704	4,143	4,148
Fund balances - ending	$ 8,812	$ 10,531	$ 2,059	$ 4,727	$ 3,475	$ 4,500

(continued)

Lee County, Florida
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET (Non-GAAP Budgetary Basis) AND ACTUAL
SPECIAL REVENUE FUNDS
For the Year Ended September 30, 2014
(amounts expressed in thousands)

	Non - GAAP Impact Fees - Community Parks		Non - GAAP Impact Fees - Regional Parks		Non - GAAP Impact Fees - Roads	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
REVENUES						
Taxes	$ -	$ -	$ -	$ -	$ -	$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Impact fees	42	232	54	357	507	1,962
Special assessments	-	-	-	-	-	-
Miscellaneous	1	8	-	1	134	141
Total revenues	43	240	54	358	641	2,103
EXPENDITURES						
Current						
General government	-	-	-	-	74	74
Public safety	-	-	-	-	-	-
Physical environment	-	-	-	-	-	-
Transportation	-	-	-	-	159	-
Economic environment	-	-	-	-	-	-
Human services	-	-	-	-	-	-
Culture and recreation	52	23	-	-	-	-
Capital outlay						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Human services	-	-	-	-	-	-
Total expenditures	52	23	-	-	233	74
Excess (deficiencies) of revenues over (under) expenditures	(9)	217	54	358	408	2,029
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	(150)	(150)	(383)	(383)
Total other financing sources (uses)	-	-	(150)	(150)	(383)	(383)
Net change in fund balances	(9)	217	(96)	208	25	1,646
Fund balances - beginning	4,602	7,008	257	194	3,875	491
Fund balances - ending	$ 4,593	$ 7,225	$ 161	$ 402	$ 3,900	$ 2,137

(continued)

Lee County, Florida
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET (Non-GAAP Budgetary Basis) AND ACTUAL
SPECIAL REVENUE FUNDS
For the Year Ended September 30, 2014
(amounts expressed in thousands)

	Non - GAAP Impact Fees - EMS		Non - GAAP Animal Trust Fund		Non - GAAP Court Administration	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
REVENUES						
Taxes	$ -	$ -	$ -	$ -	$ -	$ -
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	7
Charges for services	-	-	-	-	4,427	5,394
Fines and forfeitures	-	-	-	-	4	1
Impact fees	96	192	-	-	-	-
Special assessments	-	-	-	-	-	-
Miscellaneous	2	1	290	286	278	241
Total revenues	98	193	290	286	4,709	5,643
EXPENDITURES						
Current						
General government	-	2	-	-	14,409	13,588
Public safety	100	-	-	-	-	-
Physical environment	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-
Human services	-	-	290	207	-	-
Culture and recreation	-	-	-	-	-	-
Capital outlay						
General government	-	-	-	-	276	427
Public safety	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Human services	-	-	-	-	-	-
Total expenditures	100	2	290	207	14,685	14,015
Excess (deficiencies) of revenues over (under) expenditures	(2)	191	-	79	(9,976)	(8,372)
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	8,510	8,510
Transfers out	-	-	-	-	(430)	(429)
Total other financing sources (uses)	-	-	-	-	8,080	8,081
Net change in fund balances	(2)	191	-	79	(1,896)	(291)
Fund balances - beginning	569	572	247	245	4,636	4,765
Fund balances - ending	$ 567	$ 763	$ 247	$ 324	$ 2,740	$ 4,474

(continued)

Lee County, Florida
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET (Non-GAAP Budgetary Basis) AND ACTUAL
SPECIAL REVENUE FUNDS
For the Year Ended September 30, 2014
(amounts expressed in thousands)

	Non - GAAP Clerk of Circuit Court's Special Revenue		Total		
	Final Budget	Actual	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES					
Taxes	$ -	$ -	$ 5,126	$ 5,229	$ 103
Licenses and permits	-	-	48	55	7
Intergovernmental	600	1,183	16,621	14,596	(2,025)
Charges for services	14,169	13,118	23,180	23,066	(114)
Fines and forfeitures	-	-	389	824	435
Impact fees	-	-	699	2,743	2,044
Special assessments	-	-	644	881	237
Miscellaneous	17	61	1,337	2,767	1,430
Total revenues	14,786	14,362	48,044	50,161	2,117
EXPENDITURES					
Current					
General government	15,291	14,274	33,344	30,136	3,208
Public safety	-	-	5,767	4,702	1,065
Physical environment	-	-	566	565	1
Transportation	-	-	27,499	25,943	1,556
Economic environment	-	-	5,239	2,589	2,650
Human services	-	-	4,119	2,404	1,715
Culture and recreation	-	-	52	23	29
Capital outlay					
General government	389	76	665	504	161
Public safety	-	-	1,174	285	889
Transportation	-	-	214	377	(163)
Human services	-	-	-	2	(2)
Total expenditures	15,680	14,350	78,639	67,530	11,109
Excess (deficiencies) of revenues over (under) expenditures	(894)	12	(30,595)	(17,369)	13,226
OTHER FINANCING SOURCES (USES)					
Transfers in	600	-	26,552	25,956	(596)
Transfers out	(675)	-	(3,158)	(2,469)	689
Total other financing sources (uses)	(75)	-	23,394	23,487	93
Net change in fund balances	(969)	12	(7,201)	6,118	13,319
Fund balances - beginning	1,391	8,229	43,421	54,633	11,212
Fund balances - ending	$ 422	$ 8,241	$ 36,221	$ 60,751	$ 24,530

Lee County, Florida
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET (Non-GAAP Budgetary Basis) AND ACTUAL
DEBT SERVICE FUNDS
For the Year Ended September 30, 2014
(amounts expressed in thousands)

	Local Option Gas Tax Loan		Non - GAAP Capital Revenue Refunding Bank Note		Tourist Development Tax Revenue Bonds	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
REVENUES						
Special assessments	$ -	$ -	$ -	$ -	$ -	$ -
Miscellaneous	-	-	1	1	29	21
Total revenues	-	-	1	1	29	21
EXPENDITURES						
Current						
General government	-	-	-	-	-	-
Debt Service						
Principal retirement	-	-	1,405	1,405	830	830
Interest and fiscal charges	104	23	61	60	6,591	6,321
Bond issuance costs	86	49	-	-	-	-
Total expenditures	190	72	1,466	1,465	7,421	7,151
Excess (deficiencies) of revenues over (under) expenditures	(190)	(72)	(1,465)	(1,464)	(7,392)	(7,130)
OTHER FINANCING SOURCES (USES)						
Transfers in	104	23	1,466	1,464	14,747	9,111
Transfers out	(12,539)	(12,539)	-	-	(12,094)	(6,763)
Issuance of refunding debt	12,625	12,590	-	-	-	-
Payments to refunded debt escrow agent	-	-	-	-	-	-
Total other financing sources (uses)	190	74	1,466	1,464	2,653	2,348
Net change in fund balances	-	2	1	-	(4,739)	(4,782)
Fund balances - beginning	1	1	-	-	14,354	14,354
Fund balances - ending	$ 1	$ 3	$ 1	$ -	$ 9,615	$ 9,572

See accompanying independent auditors' report.

(continued)

Lee County, Florida
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET (Non-GAAP Budgetary Basis) AND ACTUAL
DEBT SERVICE FUNDS
For the Year Ended September 30, 2014
(amounts expressed in thousands)

	Five Cent Local Option Gas Tax Revenue Bonds		Non - GAAP Capital Revenue Bonds		Non - GAAP Non-Ad Valorem Bonds	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
REVENUES						
Special assessments	$ -	$ -	$ -	$ -	$ -	$ -
Miscellaneous	1	2	3	3	3	3
Total revenues	1	2	3	3	3	3
EXPENDITURES						
Current						
General government	-	-	-	-	-	-
Debt Service						
Principal retirement	1,710	1,710	2,530	2,530	2,880	2,880
Interest and fiscal charges	1,013	941	2,955	2,955	2,146	2,146
Bond issuance costs	-	-	-	-	-	-
Total expenditures	2,723	2,651	5,485	5,485	5,026	5,026
Excess (deficiencies) of revenues over (under) expenditures	(2,722)	(2,649)	(5,482)	(5,482)	(5,023)	(5,023)
OTHER FINANCING SOURCES (USES)						
Transfers in	14,884	14,882	5,539	5,536	5,322	5,319
Transfers out	-	-	-	-	-	-
Issuance of refunding debt	-	-	-	-	-	-
Payments to refunded debt escrow agent	(12,518)	(12,518)	-	-	-	-
Total other financing sources (uses)	2,366	2,364	5,539	5,536	5,322	5,319
Net change in fund balances	(356)	(285)	57	54	299	296
Fund balances - beginning	2,081	2,081	4,033	4,807	3,968	3,968
Fund balances - ending	$ 1,725	$ 1,796	$ 4,090	$ 4,861	$ 4,267	$ 4,264

(continued)

Lee County, Florida
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET (Non-GAAP Budgetary Basis) AND ACTUAL
DEBT SERVICE FUNDS
For the Year Ended September 30, 2014
(amounts expressed in thousands)

	Non-GAAP MSBU Projects Commercial Loan		Non- Ad Valorem Loan	
	Final Budget	Actual	Final Budget	Actual
REVENUES				
Special assessments	$ 474	$ 484	$ -	$ -
Miscellaneous	1	2	-	1
Total revenues	475	486	-	1
EXPENDITURES				
Current				
General government	3	1	-	-
Debt Service				
Principal retirement	400	386	-	-
Interest and fiscal charges	155	151	468	468
Bond issuance costs	-	-	-	-
Total expenditures	558	538	468	468
Excess (deficiencies) of revenues over (under) expenditures	(83)	(52)	(468)	(467)
OTHER FINANCING SOURCES (USES)				
Transfers in	21	21	1,695	1,694
Transfers out	(39)	(30)	-	-
Issuance of refunding debt	-	-	-	-
Payments to refunded debt escrow agent	-	-	-	-
Total other financing sources (uses)	(18)	(9)	1,695	1,694
Net change in fund balances	(101)	(61)	1,227	1,227
Fund balances - beginning	415	471	-	-
Fund balances - ending	$ 314	$ 410	$ 1,227	$ 1,227

(continued)

Lee County, Florida
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET (Non-GAAP Budgetary Basis) AND ACTUAL
DEBT SERVICE FUNDS
For the Year Ended September 30, 2014
(amounts expressed in thousands)

	Total		
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Special assessments	$ 474	$ 484	$ 10
Miscellaneous	38	33	(5)
Total revenues	512	517	5
EXPENDITURES			
Current			
General government	3	1	2
Debt Service			
Principal retirement	9,755	9,741	14
Interest and fiscal charges	13,493	13,065	428
Bond issuance costs	86	49	37
Total expenditures	23,337	22,856	481
Excess (deficiencies) of revenues over (under) expenditures	(22,825)	(22,339)	486
OTHER FINANCING SOURCES (USES)			
Transfers in	43,778	38,050	(5,728)
Transfers out	(24,672)	(19,332)	5,340
Issuance of refunding debt	12,625	12,590	(35)
Payments to refunded debt escrow agent	(12,518)	(12,518)	-
Total other financing sources (uses)	19,213	18,790	(423)
Net change in fund balances	(3,612)	(3,549)	63
Fund balances - beginning	24,852	25,682	830
Fund balances - ending	$ 21,240	$ 22,133	$ 893

Lee County, Florida
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET (Non-GAAP Budgetary Basis) AND ACTUAL
CAPITAL PROJECTS FUNDS
For the Year Ended September 30, 2014
(amounts expressed in thousands)

	Non - GAAP Special Assessment Districts Construction		Non - GAAP Transportation Capital Improvements		Non - GAAP Tourist Tax Revenue Bonds Construction	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
REVENUES						
Taxes	$ -	$ -	$ 16,653	$ 18,616	$ -	$ -
Intergovernmental	-	-	17	531	-	-
Miscellaneous	-	-	51	129	2	43
Total revenues	-	-	16,721	19,276	2	43
EXPENDITURES						
Current						
General government	-	-	10	3	-	-
Transportation	-	-	9,222	7,078	-	-
Culture and recreation	-	-	-	-	-	-
Capital Outlay						
General government	314	-	-	-	-	-
Transportation	-	141	25,892	3,091	-	-
Economic environment	-	-	-	-	-	-
Culture and recreation	-	-	-	-	35,528	31,656
Debt Service						
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	314	141	35,124	10,172	35,528	31,656
Excess (deficiencies) of revenues over (under) expenditures	(314)	(141)	(18,403)	9,104	(35,526)	(31,613)
OTHER FINANCING SOURCES (USES)						
Transfers in	300	300	4,936	1,938	3,464	3,463
Transfers out	-	-	(4,566)	(3,028)	-	-
Debt issuance	-	-	-	-	-	-
Total other financing sources (uses)	300	300	370	(1,090)	3,464	3,463
Net change in fund balances	(14)	159	(18,033)	8,014	(32,062)	(28,150)
Fund balances - beginning	103	102	51,405	49,703	32,894	32,895
Fund balances - ending	$ 89	$ 261	$ 33,372	$ 57,717	$ 832	$ 4,745

See accompanying independent auditors' report.

(continued)

Lee County, Florida
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET (Non-GAAP Budgetary Basis) AND ACTUAL
CAPITAL PROJECTS FUNDS
For the Year Ended September 30, 2014
(amounts expressed in thousands)

	Non-GAAP Human Services Grant Construction		Non-GAAP Library Construction Projects		Non-GAAP All Hazards Construction Projects	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
REVENUES						
Taxes	$ -	$ -	$ -	$ -	$ -	$ -
Intergovernmental	1,343	1,246	-	-	-	-
Miscellaneous	-	-	1	9	-	2
Total revenues	1,343	1,246	1	9	-	2
EXPENDITURES						
Current						
General government	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Culture and recreation	-	-	-	33	-	-
Capital Outlay						
General government	-	-	-	-	567	28
Transportation	-	-	-	-	-	-
Economic environment	1,343	1,194	-	-	-	-
Culture and recreation	-	-	4,377	2,482	324	324
Debt service						
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	1,343	1,194	4,377	2,515	891	352
Excess (deficiencies) of revenues over (under) expenditures	-	52	(4,376)	(2,506)	(891)	(350)
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Debt issuance	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Net change in fund balances	-	52	(4,376)	(2,506)	(891)	(350)
Fund balances - beginning	19	(11)	5,828	5,824	1,141	1,140
Fund balances - ending	$ 19	$ 41	$ 1,452	$ 3,318	$ 250	$ 790

(continued)

Lee County, Florida
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET (Non-GAAP Budgetary Basis) AND ACTUAL
CAPITAL PROJECTS FUNDS
For the Year Ended September 30, 2014
(amounts expressed in thousands)

	Non-GAAP Impact Fees Community Parks Construction		Non-GAAP Impact Fees Regional Parks Construction		Non-GAAP Impact Fees Road Construction	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
REVENUES						
Taxes	$ -	$ -	$ -	$ -	$ -	$ -
Intergovernmental	-	-	-	-	-	-
Miscellaneous	2	4	-	-	12	21
Total revenues	2	4	-	-	12	21
EXPENDITURES						
Current						
General government	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Capital Outlay						
General government	-	-	-	-	-	-
Transportation	-	-	-	-	8,399	298
Economic environment	-	-	-	-	-	-
Culture and recreation	1,985	1,219	150	3	-	-
Debt Service						
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	1,985	1,219	150	3	8,399	298
Excess (deficiencies) of revenues over (under) expenditures	(1,983)	(1,215)	(150)	(3)	(8,387)	(277)
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	150	150	383	383
Transfers out	-	-	-	-	-	-
Debt issuance	-	-	-	-	-	-
Total other financing sources (uses)	-	-	150	150	383	383
Net change in fund balances	(1,983)	(1,215)	-	147	(8,004)	106
Fund balances - beginning	2,237	2,232	274	274	12,407	12,400
Fund balances - ending	$ 254	$ 1,017	$ 274	$ 421	$ 4,404	$ 12,506

(continued)

Lee County, Florida
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET (Non-GAAP Budgetary Basis) AND ACTUAL
CAPITAL PROJECTS FUNDS
For the Year Ended September 30, 2014
(amounts expressed in thousands)

	Non-GAAP Impact Fees EMS Construction		Fifth Third Line of Credit Construction	
	Final Budget	Actual	Final Budget	Actual
REVENUES				
Taxes	$ -	$ -	$ -	$ -
Intergovernmental	-	-	-	-
Miscellaneous	-	-	-	1
Total revenues	-	-	-	1
EXPENDITURES				
Current				
General government	-	-	-	-
Transportation	-	-	-	-
Culture and recreation	-	-	-	-
Capital Outlay				
General government	-	-	-	-
Transportation	-	-	1,868	1,069
Economic environment	-	-	-	-
Culture and recreation	-	-	-	-
Debt Service				
Interest and fiscal charges	-	-	25	2
Total expenditures	-	-	1,893	1,071
Excess (deficiencies) of revenues over (under) expenditures	-	-	(1,893)	(1,070)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Debt issuance	-	-	1,893	1,893
Total other financing sources (uses)	-	-	1,893	1,893
Net change in fund balances	-	-	-	823
Fund balances - beginning	11	11	-	-
Fund balances - ending	$ 11	$ 11	$ -	$ 823

(continued)

Lee County, Florida
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET (Non-GAAP Budgetary Basis) AND ACTUAL
CAPITAL PROJECTS FUNDS
For the Year Ended September 30, 2014
(amounts expressed in thousands)

	Total		
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Taxes	$ 16,653	$ 18,616	$ 1,963
Intergovernmental	1,360	1,777	417
Miscellaneous	68	209	141
Total revenues	18,081	20,602	2,521
EXPENDITURES			
Current			
General government	10	3	7
Transportation	9,222	7,078	2,144
Culture and recreation	-	33	(33)
Capital Outlay			
General government	881	28	853
Transportation	36,159	4,599	31,560
Economic environment	1,343	1,194	149
Culture and recreation	42,364	35,684	6,680
Debt Service			
Interest and fiscal charges	25	2	23
Total expenditures	90,004	48,621	41,383
Excess (deficiencies) of revenues over (under) expenditures	(71,923)	(28,019)	43,904
OTHER FINANCING SOURCES (USES)			
Transfers in	9,233	6,234	(2,999)
Transfers out	(4,566)	(3,029)	1,537
Debt issuance	1,893	1,893	-
Total other financing sources (uses)	6,560	5,098	(1,462)
Net change in fund balances	(65,363)	(22,921)	42,442
Fund balances - beginning	106,319	104,570	(1,749)
Fund balances - ending	$ 40,956	$ 81,649	$ 40,693

Enterprise Funds

Enterprise Fund Descriptions

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. The intent of the County is that costs of providing the goods or services to the general public on a continuous basis be financed or recovered primarily through user fees.

Port Authority- The Lee County Port Authority is used to account for the activities related to the operation of the County owned aviation facilities, including Southwest Florida International Airport and Page Field General Aviation Airport.

Water and Wastewater- The Lee County Water and Wastewater System is used to account for the activities related to the operation of the County owned water and wastewater system.

Transportation Facilities- The Lee County Transportation Facilities is used to account for the activities related to the operation of the County owned bridges connecting Sanibel and Captiva Islands to the mainland and the Cities of Cape Coral and Fort Myers.

Solid Waste- The Lee County Solid Waste System is used to account for the provision of Municipal Solid Waste disposal facilities to the general public.

Transit- The Lee County Transit System is used to account for the activities related to the operation of the Lee Tran bus system, a County-wide public transportation service.

Lee County, Florida
COMBINING SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN
NET POSITION - BUDGET (NON-GAAP BUDGETARY BASIS)
AND ACTUAL WITH RECONCILIATION TO GAAP
ENTERPRISE FUNDS
For the Year Ended September 30, 2014
(amounts expressed in thousands)

	Port Authority		Water and Wastewater		Transportation Facilities	
	Budget	Actual	Budget	Actual	Budget	Actual
OPERATING REVENUES						
User fees	$ 52,079	$ 50,300	$ 92,407	$ 100,813	$ -	$ -
Tolls	-	-	-	-	35,385	40,363
Rentals and franchise fees	5,376	5,536	170	184	-	-
Concessions	36,343	39,206	-	-	-	-
Miscellaneous	163	252	1,488	1,743	455	816
Total operating revenues	93,961	95,294	94,065	102,740	35,840	41,179
Less: Rebates	(4,128)	(3,815)				
Net operating revenues	89,833	91,479	94,065	102,740	35,840	41,179
OPERATING EXPENSES						
Salaries and wages	21,054	20,578	14,523	13,499	3,284	3,164
Employee benefits	10,417	12,453	6,676	8,549	1,707	2,376
Contractual services, materials, and supplies	26,847	25,101	21,801	19,024	3,069	2,601
Utilities	4,635	4,276	5,556	5,319	293	250
Repairs and maintenance	2,598	2,403	3,112	3,835	361	329
Insurance	2,680	1,757	738	739	1,131	1,014
Other	2,239	1,905	3,742	4,392	707	666
Total operating expenses	70,470	68,473	56,148	55,357	10,552	10,400
Operating income	19,363	23,006	37,917	47,383	25,288	30,779
NON - OPERATING REVENUES (EXPENSES)						
Interest revenue	3,485	269	270	364	29	49
Taxes	-	-	-	-	-	-
Grants	280	327	551	274	-	-
Special assessment collections	-	-	18	68	-	-
Other debt proceeds	-	-	-	-	-	-
Interest expense	(16,262)	(16,251)	(10,358)	(10,331)	(6,572)	(6,568)
Excess fees - City of Sanibel	-	-	-	-	-	(1,367)
Capital outlay	(65,655)	(22,889)	(118,503)	(12,127)	(1,353)	(410)
Principal retirement	(13,450)	(12,045)	(6,925)	(6,925)	(9,394)	(9,394)
Proceeds from disposal of capital assets	-	29	-	119	-	4
Passenger facility charges	16,903	15,771	-	-	-	-
Other revenues	3	4	298	381	337	747
Other expenses	(9)	(1)	(1)	(92)	(1)	(1)
Total non - operating revenues (expenses)	(74,705)	(34,786)	(134,650)	(28,269)	(16,954)	(16,940)
Income (loss) before contributions, special item, and transfers	(55,342)	(11,780)	(96,733)	19,114	8,334	13,839
Capital contributions	15,025	11,880	2,827	6,933		
Transfers in	90,802	67,727	42,635	43,724	33,773	29,600
Transfers out	(88,774)	(67,727)	(45,764)	(43,724)	(38,902)	(33,230)
Total contributions and transfers	17,053	11,880	(302)	6,933	(5,129)	(3,630)
Change in net position	(38,289)	100	(97,035)	26,047	3,205	10,209
Total net position - beginning	158,555	157,295	179,035	218,803	12,806	22,877
Total net position - ending	$ 120,266	$ 157,395	$ 82,000	$ 244,850	$ 16,011	$ 33,086
RECONCILIATION OF BUDGETARY BASIS TO GAAP						
Change in net position, budgetary basis		$ 100		$ 26,047		$ 10,209
Add: Capital outlay		22,889		12,127		410
Principal retirement		12,045		6,925		9,394
Principal retirement-interfund loan		-		-		1,936
Capitalized interest		156		2,861		-
Compensated absences		-		-		12
Inventory adjustments		41		849		186
Prepaid adjustment		-		25		44
Capital contributions		225		8,733		-
Accounts receivable adjustments		-		-		-
Fixed asset transfers and adjustments		-		-		-
Bond amortization		-		528		-
Less: Depreciation		(20,630)		(39,686)		(8,507)
Fair market value adjustment		(38)		(68)		(10)
Compensated absences		(91)		(36)		-
Bond amortization		(370)		-		(546)
Prepaid adjustment		-		-		-
Special assessment collections		-		(68)		-
Other debt proceeds		-		-		-
Loss on discontinued projects		-		(3,889)		-
Net book value of capital assets disposed		(385)		(232)		(3)
Fixed asset transfers and adjustments		-		(4)		-
Accounts receivable adjustments		-		(119)		-
Change in net position		$ 13,942		$ 13,993		$ 13,125

See accompanying independent auditor's report.

(continued)

Lee County, Florida
COMBINING SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN
NET POSITION - BUDGET (NON-GAAP BUDGETARY BASIS)
AND ACTUAL WITH RECONCILIATION TO GAAP
ENTERPRISE FUNDS
For the Year Ended September 30, 2014
(amounts expressed in thousands)

	Solid Waste		Other Non-Major Transit		Total		
	Budget	Actual	Budget	Actual	Budget	Actual	Variance Positive (Negative)
OPERATING REVENUES							
User fees	$ 52,559	$ 52,191	$ 3,777	$ 3,676	$ 200,822	$ 206,980	$ 6,158
Tolls	-	-	-	-	35,385	40,363	4,978
Rentals and franchise fees	1,822	1,654	14	16	7,382	7,390	8
Concessions	-	-	-	-	36,343	39,206	2,863
Miscellaneous	15,470	21,068	1	11	17,577	23,890	6,313
Total operating revenues	69,851	74,913	3,792	3,703	297,509	317,829	20,320
Less: Rebates	-	-	-	-	(4,128)	(3,815)	313
Net operating revenues	69,851	74,913	3,792	3,703	293,381	314,014	20,633
OPERATING EXPENSES							
Salaries and wages	4,446	4,248	9,457	9,320	52,764	50,809	1,955
Employee benefits	2,054	2,674	5,478	7,108	26,332	33,160	(6,828)
Contractual services, materials, and supplies	53,103	50,221	4,121	3,407	108,941	100,354	8,587
Utilities	563	462	236	240	11,283	10,547	736
Repairs and maintenance	1,743	1,740	1,110	1,017	8,924	9,324	(400)
Insurance	391	394	635	635	5,575	4,539	1,036
Other	1,075	1,027	884	810	8,647	8,800	(153)
Total operating expenses	63,375	60,766	21,921	22,537	222,466	217,533	4,933
Operating income	6,476	14,147	(18,129)	(18,834)	70,915	96,481	25,566
NON - OPERATING REVENUES (EXPENSES)							
Interest revenue	10	106	9	17	3,803	805	(2,998)
Taxes	558	568	-	-	558	568	10
Grants	(85)	(85)	6,460	5,937	7,206	6,453	(753)
Special assessment collections	-	-	-	-	18	68	50
Other debt proceeds	-	-	10,407	3,277	10,407	3,277	(7,130)
Interest expense	(4,284)	(4,284)	-	(45)	(37,476)	(37,479)	(3)
Excess fees - City of Sanibel	-	-	-	-	-	(1,367)	(1,367)
Capital outlay	(21,366)	(8,899)	(32,343)	(22,734)	(239,220)	(67,059)	172,161
Principal retirement	(100)	(100)	(1,406)	-	(31,275)	(28,464)	2,811
Proceeds from disposal of capital assets	60	132	-	44	60	328	268
Passenger facility charges	-	-	-	-	16,903	15,771	(1,132)
Other revenues	-	-	7	7	645	1,139	494
Other expenses	-	(3)	-	(5)	(11)	(102)	(91)
Total non - operating revenues (expenses)	(25,207)	(12,565)	(16,866)	(13,502)	(268,382)	(106,062)	162,320
Income (loss) before contributions, special item, and transfers	(18,731)	1,582	(34,995)	(32,336)	(197,467)	(9,581)	187,886
Capital contributions	-	-	39,260	19,542	57,112	38,355	(18,757)
Transfers in	15,723	15,570	12,315	10,953	195,248	167,574	(27,674)
Transfers out	(15,589)	(15,451)	(3,907)	(1,000)	(192,936)	(161,132)	31,804
Total contributions and transfers	134	119	47,668	29,495	59,424	44,797	(14,627)
Change in net position	(18,597)	1,701	12,673	(2,841)	(138,043)	35,216	173,259
Total net position - beginning	98,912	102,235	8,283	104	457,591	501,314	43,723
Total net position - ending	$ 80,315	$ 103,936	$ 20,956	$ (2,737)	$ 319,548	$ 536,530	$ 216,982
RECONCILIATION OF BUDGETARY BASIS TO GAAP							
Change in net position, budgetary basis		$ 1,701		$ (2,841)		$ 35,216	
Add: Capital outlay		8,899		22,734		67,059	
Principal retirement		100		-		28,464	
Principal retirement-interfund loan		-		-		1,936	
Capitalized interest		-		-		3,017	
Compensated absences		-		-		12	
Inventory adjustments		-		-		1,076	
Prepaid adjustment		11		-		80	
Capital contributions		49		-		9,007	
Accounts receivable adjustments		5		-		5	
Fixed asset transfers and adjustments		51		-		51	
Bond amortization		3		-		531	
Less: Depreciation		(13,996)		(1,354)		(84,173)	
Fair market value adjustment		(6)		(4)		(126)	
Compensated absences		(2)		(10)		(139)	
Bond amortization		-		-		(916)	
Prepaid adjustment		-		(6)		(6)	
Special assessment collections		-		-		(68)	
Other debt proceeds		-		(3,277)		(3,277)	
Loss on discontinued projects		-		-		(3,889)	
Net book value of capital assets disposed		(311)		(27)		(958)	
Fixed asset transfers and adjustments		(29)		-		(33)	
Accounts receivable adjustments		-		-		(119)	
Change in net position		$ (3,525)		$ 15,215		$ 52,750	

Internal Service Funds

Internal Service Fund Descriptions

Internal service funds are used to account for the financing of goods or services provided by one County department or agency to other County departments or agencies on a cost reimbursement basis, including depreciation.

Information Technology- To account for the costs of operating the County data processing facility and telephone communication system. Such costs are billed to other departments at estimated cost of operations, plus amounts for equipment replacement and additions.

Governmental Communications Network- To account for the costs of operating the radio communication system owned by the County. Such costs are billed to other departments at estimated cost of operations, plus amounts for equipment replacement and additions.

Self-Insurance Group Health and Dental- To account for the assessed premiums, claims, and administration of the County for group health and dental insurance. Such costs are billed to other departments and agencies at estimated cost of operations.

Self-Insurance General Liability- To account for the assessed premiums, claims, and administration of the County's risk management, including auto liability, workers' compensation, and property liability. Such costs are billed to other departments and agencies at estimated cost of operations.

Fleet Management- To account for the costs of operation for the repair and maintenance of County owned/leased vehicles and equipment. Such costs are billed to other departments at estimated cost of operations, plus amounts for equipment replacement and additions.

Sheriff's Internal Service- To account for the assessed premiums, claims, and administration of the Sheriff's group health insurance.

Lee County, Florida

COMBINING STATEMENT OF NET POSITION

INTERNAL SERVICE FUNDS

As of September 30, 2014

(amounts expressed in thousands)

	Information Technology	Governmental Communications Network	Self-Insurance Group Health and Dental	Self-Insurance General Liability	Fleet Management	Sheriff's Internal Service	Total
ASSETS							
Current Assets:							
Cash and equity in pooled cash and investments	$ 3,227	$ 3,733	$ 45,851	$ 18,890	$ 7,226	$ 17,429	$ 96,356
Cash and cash equivalents with fiscal agent	-	-	-	130	-	-	130
Receivables (net)	1	222	330	734	24	-	1,311
Due from other funds	579	43	-	-	595	-	1,217
Due from other governments	2	95	306	-	6	-	409
Inventories	-	-	-	-	407	-	407
Other	649	29	-	370	10	-	1,058
Total current assets	4,458	4,122	46,487	20,124	8,268	17,429	100,888
Noncurrent Assets:							
Capital assets:							
Non-depreciable	1,422	-	-	-	510	-	1,932
Depreciable	19,796	12,658	2	9	20,020	-	52,485
Less accumulated depreciation	(15,867)	(8,163)	(2)	(9)	(16,361)	-	(40,402)
Total noncurrent assets	5,351	4,495	-	-	4,169	-	14,015
Total assets	9,809	8,617	46,487	20,124	12,437	17,429	114,903
LIABILITIES							
Current liabilities:							
Contracts and accounts payable	276	25	320	1,870	271	125	2,887
Accrued liabilities	2	6	64	6	35	-	113
Due to other funds	1	8	1	101	4	1,030	1,145
Due to other governments	4	3	6	4	16	-	33
Self-insurance claims payable	-	-	5,012	1,274	-	3,524	9,810
Compensated absences	2	2	3	2	11	-	20
Total current liabilities	285	44	5,406	3,257	337	4,679	14,008
Noncurrent liabilities:							
Self - insurance claims payable	-	-	-	10,012	-	-	10,012
Compensated absences	18	19	29	15	117	-	198
Other postemployment benefits	57	192	325	212	1,410	-	2,196
Total noncurrent liabilities	75	211	354	10,239	1,527	-	12,406
Total liabilities	360	255	5,760	13,496	1,864	4,679	26,414
NET POSITION							
Net investment in capital assets	5,277	4,483	-	-	4,150	-	13,910
Unrestricted	4,172	3,879	40,727	6,628	6,423	12,750	74,579
Total net position	$ 9,449	$ 8,362	$ 40,727	$ 6,628	$ 10,573	$ 12,750	$ 88,489

See accompanying independent auditors' report.

Lee County, Florida

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

INTERNAL SERVICE FUNDS

For the Year Ended September 30, 2014

(amounts expressed in thousands)

	Information Technology	Governmental Communications Network	Self-Insurance Group Health and Dental	Self-Insurance General Liability	Fleet Management	Sheriff's Internal Service	Total
OPERATING REVENUES							
User fees	$ 11,058	$ 2,311	$ 60,327	$ 10,034	$ 7,815	$ 25,595	$ 117,140
Total operating revenues	11,058	2,311	60,327	10,034	7,815	25,595	117,140
OPERATING EXPENSES							
Salaries and wages	99	245	434	226	1,321	-	2,325
Employee benefits	38	138	234	129	804	-	1,343
Contractual services, materials and supplies	7,909	196	3,317	408	3,731	3,055	18,616
Utilities	2,105	149	5	3	96	-	2,358
Repairs and maintenance	471	1,359	-	-	2,050	-	3,880
Insurance	-	12	-	4,112	19	1,140	5,283
Insurance claims	-	-	53,725	5,298	-	22,688	81,711
Other	61	218	57	58	221	-	615
Depreciation	1,006	868	-	-	796	-	2,670
Total operating expenses	11,689	3,185	57,772	10,234	9,038	26,883	118,801
Operating income (loss)	(631)	(874)	2,555	(200)	(1,223)	(1,288)	(1,661)
NON-OPERATING REVENUES (EXPENSES)							
Investment earnings	4	5	53	19	7	17	105
Grants	-	(94)	-	-	-	-	(94)
Gain (loss) on disposal of capital assets	-	(127)	-	-	1,980	-	1,853
Other revenues	-	296	2	10	13	-	321
Other expenses	(203)	-	-	-	-	-	(203)
Total non-operating revenues (expenses)	(199)	80	55	29	2,000	17	1,982
Income (loss) before transfers	(830)	(794)	2,610	(171)	777	(1,271)	321
Transfers in	-	-	-	-	34	-	34
Transfers out	-	-	-	(641)	(36)	-	(677)
Total transfers	-	-	-	(641)	(2)	-	(643)
Change in net position	(830)	(794)	2,610	(812)	775	(1,271)	(322)
Total net position - beginning	10,279	9,156	38,117	7,440	9,798	14,021	88,811
Total net position - ending	$ 9,449	$ 8,362	$ 40,727	$ 6,628	$ 10,573	$ 12,750	$ 88,489

See accompanying independent auditors' report.

Lee County, Florida
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the Year Ended September 30, 2014
(amounts expressed in thousands)

	Information Technology	Governmental Communications Network	Self-Insurance Group Health and Dental	Self-Insurance General Liability	Fleet Management	Sheriff's Internal Service Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES							
Receipts from customers and users	$ 16	$ 927	$ 12,961	$ 13	$ 483	$ -	$ 14,400
Receipts from interfund services provided	10,775	1,490	48,355	10,032	7,434	26,624	104,710
Payments to suppliers	(11,845)	(1,806)	(57,623)	(8,286)	(6,390)	(26,755)	(112,705)
Payments to employees	(111)	(289)	(524)	(257)	(1,608)	-	(2,789)
Payments for interfund services used	(13)	(168)	(136)	(76)	(503)	-	(896)
Net cash provided by (used in) operating activities	(1,178)	154	3,033	1,426	(584)	(131)	2,720
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES							
Non-capital grant issued	-	(94)	-	-	-	-	(94)
Net cash (used in) noncapital financing activities	-	(94)	-	-	-	-	(94)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES							
Capital asset purchases	(607)	(956)	-	(641)	(332)	-	(2,536)
Proceeds from sale of capital assets	-	-	-	-	2,634	-	2,634
Net cash provided by (used in) capital and related financing activities	(607)	(956)	-	(641)	2,302	-	98
CASH FLOWS FROM INVESTING ACTIVITIES							
Interest on investments	5	5	56	23	7	17	113
Net cash provided by investing activities	5	5	56	23	7	17	113
Net increase (decrease)	(1,780)	(891)	3,089	808	1,725	(114)	2,837
Cash and cash equivalents at beginning of year	5,007	4,624	42,762	18,212	5,501	17,543	93,649
Cash and cash equivalents at end of year	$ 3,227	$ 3,733	$ 45,851	$ 19,020	$ 7,226	$ 17,429	$ 96,486
Classified as:							
Current assets	$ 3,227	$ 3,733	$ 45,851	$ 19,020	$ 7,226	$ 17,429	$ 96,486

See accompanying independent auditors' report.

(continued)

Lee County, Florida
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the Year Ended September 30, 2014
(amounts expressed in thousands)

	Information Technology	Governmental Communications Network	Self-Insurance Group Health and Dental	Self-Insurance General Liability	Fleet Management	Sheriff's Internal Service Fund	Total
NON-CASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES							
Purchase of machinery, equipment and vehicles on account	$ 74	$ 12	$ -	$ -	$ 19	$ -	$ 105
(Decrease) in fair value of investments	(3)	(2)	(24)	(10)	(3)	-	(42)
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:							
Operating income (loss)	$ (631)	$ (874)	$ 2,555	$ (200)	$ (1,223)	$ (1,288)	$ (1,661)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:							
Depreciation	1,006	868	-	-	796	-	2,670
Other revenues	-	296	2	10	13	-	321
Other expense	(203)	-	-	-	-	-	(203)
(Increase) decrease in accounts receivable	-	(101)	997	(326)	59	-	629
(Increase) decrease in due from other funds	(266)	6	33	-	36	-	(191)
(Increase) in due from other governments	(2)	(94)	(43)	-	(6)	-	(145)
(Increase) in inventories	-	-	-	-	(138)	-	(138)
(Increase) in other assets	(514)	(3)	-	(257)	(10)	-	(784)
Increase (decrease) in contracts and accounts payable	(586)	19	(23)	1,828	(280)	(13)	945
Increase (decrease) in accrued liabilities	-	1	(18)	1	1	-	(15)
Increase (decrease) in due to other funds	1	(2)	(32)	90	-	1,029	1,086
Increase (decrease) in due to other governments	3	-	1	1	(42)	-	(37)
Increase (decrease) in compensated absences	1	2	(5)	3	(3)	-	(2)
Increase in OPEB	13	36	51	30	213	-	343
Increase (decrease) in other liabilities	-	-	(485)	246	-	141	(98)
Total adjustments	(547)	1,028	478	1,626	639	1,157	4,381
Net cash provided by (used in) operating activities	$ (1,178)	$ 154	$ 3,033	$ 1,426	$ (584)	$ (131)	$ 2,720

Lee County, Florida
COMBINING SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN
NET POSITION - BUDGET (NON-GAAP BUDGETARY BASIS)
AND ACTUAL WITH RECONCILIATION TO GAAP
INTERNAL SERVICE FUNDS
For the Year Ended September 30, 2014
(amounts expressed in thousands)

	Information Technology		Governmental Communications Network	
	Budget	Actual	Budget	Actual
OPERATING REVENUES				
User fees	$ 11,182	$ 11,058	$ 2,072	$ 2,311
Total operating revenues	11,182	11,058	2,072	2,311
OPERATING EXPENSES				
Salaries and wages	100	98	246	243
Employee benefits	26	38	99	138
Contractual services, materials, and supplies	7,633	8,388	98	196
Utilities	2,045	2,112	259	149
Repairs and maintenance	649	499	1,549	1,359
Insurance	-	-	12	12
Insurance claims	-	-	-	218
Other	61	61	247	-
Total operating expenses	10,514	11,196	2,510	2,315
Operating income (loss)	668	(138)	(438)	(4)
NON - OPERATING REVENUES (EXPENSES)				
Interest revenue	5	7	6	7
Grants	-	-	(89)	(97)
Capital outlay	(1,728)	(684)	(1,831)	(956)
Proceeds from capital asset disposal	-	-	-	-
Other revenues	-	-	309	296
Total non - operating revenues (expenses)	(1,723)	(677)	(1,605)	(750)
Change in net position	(1,055)	(815)	(2,043)	(754)
Total net position - beginning	4,419	6,845	4,637	3,736
Total net position - ending	$ 3,364	$ 6,030	$ 2,594	$ 2,982
RECONCILIATION OF BUDGETARY BASIS TO GAAP				
Change in net position, budgetary basis		$ (815)		$ (754)
Add: Capital outlay		684		956
Compensated absences		-		-
Prepaid adjustments		514		3
Inventory adjustment		-		-
Claims payable reserve		-		-
Less: Depreciation		(1,006)		(868)
Fair market value adjustment		(3)		(2)
Compensated absences		(1)		(2)
Net book value of capital assets disposed		(203)		(127)
Capital asset transfers out		-		-
Claims payable reserve		-		-
Change in net position		$ (830)		$ (794)

See accompanying independent auditors' report.

(continued)

Lee County, Florida
COMBINING SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN
NET POSITION - BUDGET (NON-GAAP BUDGETARY BASIS)
AND ACTUAL WITH RECONCILIATION TO GAAP
INTERNAL SERVICE FUNDS
For the Year Ended September 30, 2014
(amounts expressed in thousands)

	Self-Insurance Group Health and Dental		Self-Insurance General Liability	
	Budget	Actual	Budget	Actual
OPERATING REVENUES				
User fees	$ 60,449	$ 60,327	$ 10,036	$ 10,034
Total operating revenues	60,449	60,327	10,036	10,034
OPERATING EXPENSES				
Salaries and wages	388	439	224	223
Employee benefits	140	234	101	129
Contractual services, materials, and supplies	4,200	3,317	462	408
Utilities	5	5	3	3
Repairs and maintenance	-	-	1	-
Insurance	-	-	5,291	4,119
Insurance claims	61,567	54,210	4,487	5,052
Other	60	57	78	58
Total operating expenses	66,360	58,262	10,647	9,992
Operating income (loss)	(5,911)	2,065	(611)	42
NON - OPERATING REVENUES (EXPENSES)				
Interest revenue	55	77	50	29
Grants	-	-	-	-
Capital outlay	-	-	(663)	(641)
Proceeds from capital asset disposal	-	-	-	-
Other revenues	500	2		10
Total non - operating revenues (expenses)	555	79	(613)	(602)
Change in net position	(5,356)	2,144	(1,224)	(560)
Total net position - beginning	43,629	44,890	18,485	16,249
Total net position - ending	$ 38,273	$ 47,034	$ 17,261	$ 15,689
RECONCILIATION OF BUDGETARY BASIS TO GAAP				
Change in net position, budgetary basis		$ 2,144		$ (560)
Add: Capital outlay		-		641
Compensated absences		5		-
Prepaid adjustments		-		7
Inventory adjustment		-		-
Claims payable reserve		485		-
Less: Depreciation		-		-
Fair market value adjustment		(24)		(10)
Compensated absences		-		(3)
Net book value of capital assets disposed		-		-
Capital asset transfers out		-		(641)
Claims payable reserve		-		(246)
Change in net position		$ 2,610		$ (812)

(continued)

Lee County, Florida
COMBINING SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN
NET POSITION - BUDGET (NON-GAAP BUDGETARY BASIS)
AND ACTUAL WITH RECONCILIATION TO GAAP
INTERNAL SERVICE FUNDS
For the Year Ended September 30, 2014
(amounts expressed in thousands)

	Fleet Management		Total		
	Budget	Actual	Budget	Actual	Variance Positive (Negative)
OPERATING REVENUES					
User fees	$ 8,488	$ 7,815	$ 92,227	$ 91,545	$ (682)
Total operating revenues	8,488	7,815	92,227	91,545	(682)
OPERATING EXPENSES					
Salaries and wages	1,400	1,323	2,358	2,326	32
Employee benefits	582	804	948	1,343	(395)
Contractual services, materials, and supplies	4,889	3,741	17,282	16,050	1,232
Utilities	66	96	2,378	2,365	13
Repairs and maintenance	2,321	2,188	4,520	4,046	474
Insurance	20	19	5,323	4,150	1,173
Insurance claims	-	-	66,054	59,480	6,574
Other	224	221	670	397	273
Total operating expenses	9,502	8,392	99,533	90,157	9,376
Operating income (loss)	(1,014)	(577)	(7,306)	1,388	8,694
NON - OPERATING REVENUES (EXPENSES)					
Interest revenue	6	10	122	130	8
Grants	-	-	(89)	(97)	(8)
Capital outlay	(1,702)	(332)	(5,924)	(2,613)	3,311
Proceeds from capital asset disposal	1,302	2,634	1,302	2,634	1,332
Other revenues	16	13	825	321	(504)
Total non - operating revenues (expenses)	(378)	2,325	(3,764)	375	4,139
Change in net position	(1,392)	1,748	(11,070)	1,763	12,833
Total net position - beginning	4,368	4,842	75,538	76,562	1,024
Total net position - ending	$ 2,976	$ 6,590	$ 64,468	$ 78,325	$ 13,857

RECONCILIATION OF BUDGETARY BASIS TO GAAP		
Change in net position, budgetary basis	$ 1,748	$ 1,763
Add: Capital outlay	332	2,613
Compensated absences	2	7
Prepaid adjustments	10	534
Inventory adjustment	138	138
Claims payable reserve	-	485
Less: Depreciation	(796)	(2,670)
Fair market value adjustment	(3)	(42)
Compensated absences	-	(6)
Net book value of capital assets disposed	(654)	(984)
Capital asset transfers out	(2)	(643)
Claims payable reserve	-	(246)
Change in net position	$ 775	$ 949

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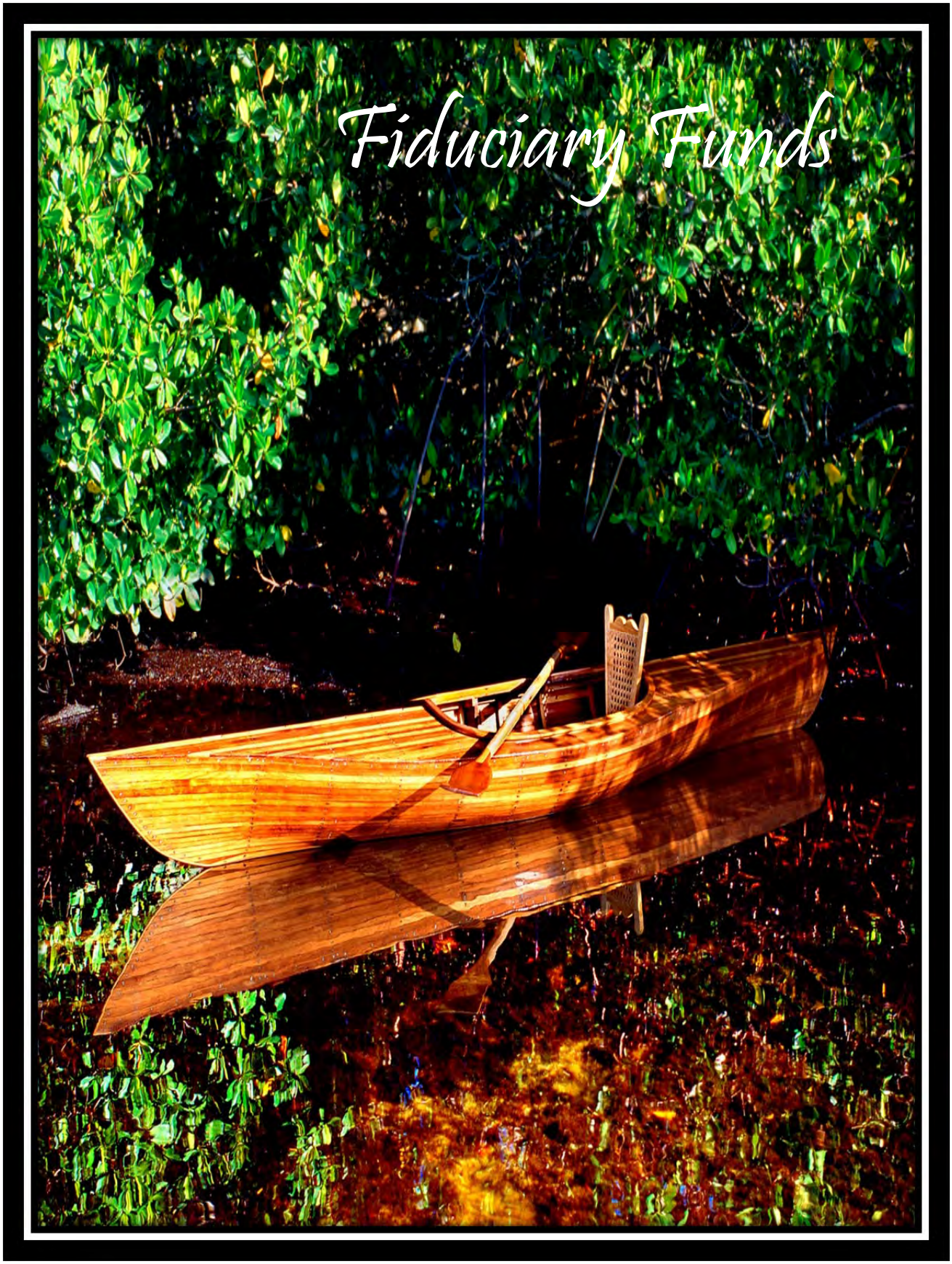
Fiduciary Funds

Agency Fund Descriptions

Agency funds are used to account for assets held by the County as an agent for individuals, private organizations, and other governments.

Construction Management- To account for construction type escrows for pending environmental issues.

Impact Fees- Fire- To account for revenues received from impact fees that are restricted for the purpose of providing equipment and fire protection within designated fire districts.

Impact Fees- School- To account for impact fees collected on behalf of the Lee County School Board and restricted for the construction of new schools and for capital improvements to existing schools within the designated school zones.

Cash Bonds- To account for the assets held by the Board as an agent for individuals, organizations, or other governments.

Clerk of Circuit Court- To account for the assets held by the Clerk of Circuit Court as an agent for individuals, organizations, and other governments. These assets are held for the following purposes: Jury and Witness, Delinquent Tax, Registry, Criminal Fine and Forfeiture, Fine and Forfeiture, Documentary Stamp and Intangible Tax, Juvenile Victim Restitution, Prosecution and Investigation, and Criminal Cash Bonds.

Sheriff- To account for the assets held by the Sheriff as an agent for individuals, organizations, or other governments. These assets are held for the following purposes: Civil Fees and Levies, Jail Inmate monies, Forfeiture, and CLEAN Forfeiture.

Tax Collector- To account for the assets held by the Tax Collector as an agent for individuals, organizations, or other governments. These assets are held for the following purposes: Fee Operating Fund, License and Permit, Occupational License, Tag Agency, Taxes/Ad Valorem, and Taxes - Individual Certificates.

Lee County, Florida
COMBINING STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
As of September 30, 2014
(amounts expressed in thousands)

	Agency Funds			
	Board Of County Commissioners			
	Construction Management	Impact Fees-Fire	Impact Fees-School	Cash Bonds
ASSETS				
Cash and equity in pooled cash and investments	$ 665	$ 259	$ 575	$ 839
Investments	-	-	-	-
Receivables (net)				
Accounts	-	-	-	-
Due from other governments	-	-	-	-
Total assets	665	259	575	839
LIABILITIES				
Contracts and accounts payable	-	2	-	-
Due to individuals	-	-	42	-
Due to other governments	-	257	533	-
Bonds and deposits	665	-	-	839
Total liabilities	$ 665	$ 259	$ 575	$ 839

See accompanying independent auditors' report.

(continued)

Lee County, Florida
COMBINING STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
As of September 30, 2014
(amounts expressed in thousands)

	Agency Funds			
	Clerk of Circuit Court	Sheriff	Tax Collector	Total
ASSETS				
Cash and equity in pooled cash and investments	$ 33,971	$ 356	$ 7,407	$ 44,072
Investments	-	-	4,600	4,600
Receivables (net)				
Accounts	2	3	4	9
Due from other governments	-	-	226	226
Total assets	33,973	359	12,237	48,907
LIABILITIES				
Contracts and accounts payable	533	52	-	587
Due to individuals	-	247	795	1,084
Due to other governments	3,063	60	11,442	15,355
Bonds and deposits	30,377	-	-	31,881
Total liabilities	$ 33,973	$ 359	$ 12,237	$ 48,907

Lee County, Florida
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
For the Year Ended September 30, 2014
(amounts expressed in thousands)

	Beginning Balance	Additions	Deletions	Ending Balance
Construction Management				
ASSETS				
Cash and equity in pooled cash and investments	$ 902	$ 2	$ 239	$ 665
Total assets	902	2	239	665
LIABILITIES				
Contracts and accounts payable	-	477	477	-
Bonds and deposits	902	242	479	665
Total liabilities	902	719	956	665
Impact Fees- Fire				
ASSETS				
Cash and equity in pooled cash and investments	267	746	754	259
Total assets	267	746	754	259
LIABILITIES				
Contracts and accounts payable	4	200	202	2
Due to other governments	263	1,810	1,816	257
Total liabilities	267	2,010	2,018	259
Impact Fees- School				
ASSETS				
Cash and equity in pooled cash and investments	448	1,943	1,816	575
Due from other governments	30	-	30	-
Total assets	478	1,943	1,846	575
LIABILITIES				
Contracts and accounts payable	-	1,810	1,810	-
Due to individuals	43	1	2	42
Due to other governments	435	1,906	1,808	533
Total liabilities	478	3,717	3,620	575
Cash Bonds				
ASSETS				
Cash and equity in pooled cash and investments	3,811	414	3,386	839
Total assets	3,811	414	3,386	839
LIABILITIES				
Contracts and accounts payable	-	3,397	3,397	-
Bonds and deposits	3,811	419	3,391	839
Total liabilities	$ 3,811	$ 3,816	$ 6,788	$ 839

See accompanying independent auditors' report.

(continued)

Lee County, Florida
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
For the Year Ended September 30, 2014
(amounts expressed in thousands)

	Beginning Balance	Additions	Deletions	Ending Balance
Clerk of Circuit Court				
ASSETS				
Cash and equity in pooled cash and investments	$ 27,282	$ 316,774	$ 310,085	$ 33,971
Receivables (net)	2	21	21	2
Due from other governments	-	110	110	-
Total assets	27,284	316,905	310,216	33,973
LIABILITIES				
Contracts and accounts payable	7	117,610	117,084	533
Due to other governments	2,834	96,045	95,816	3,063
Bonds and deposits	24,443	121,342	115,408	30,377
Total liabilities	27,284	334,997	328,308	33,973
Sheriff				
ASSETS				
Cash and equity in pooled cash and investments	242	4,342	4,228	356
Receivables (net)	5	627	629	3
Total assets	247	4,969	4,857	359
LIABILITIES				
Contracts and accounts payable	43	52	43	52
Due to individuals	204	3,858	3,815	247
Due to other governments	-	60	-	60
Total liabilities	247	3,970	3,858	359
Tax Collector				
ASSETS				
Cash and equity in pooled cash and investments	9,331	861,117	863,041	7,407
Investments	2,047	379,554	377,001	4,600
Receivables (net)	10	100	106	4
Due from other governments	215	243	232	226
Total assets	11,603	1,241,014	1,240,380	12,237
LIABILITIES				
Due to individuals	852	55,340	55,397	795
Due to other governments	10,751	891,651	890,960	11,442
Total liabilities	$ 11,603	$ 946,991	$ 946,357	$ 12,237

(continued)

Lee County, Florida
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
For the Year Ended September 30, 2014
(amounts expressed in thousands)

	Beginning Balance	Additions	Deletions	Ending Balance
Total				
ASSETS				
Cash and equity in pooled cash and investments	$ 42,283	$ 1,185,338	$ 1,183,549	$ 44,072
Investments	2,047	379,554	377,001	4,600
Receivables (net)	17	748	756	9
Due from other governments	245	353	372	226
Total assets	44,592	1,565,993	1,561,678	48,907
LIABILITIES				
Contracts and accounts payable	54	123,546	123,013	587
Due to individuals	1,099	59,199	59,214	1,084
Due to other governments	14,283	991,472	990,400	15,355
Bonds and deposits	29,156	122,003	119,278	31,881
Total liabilities	$ 44,592	$ 1,296,220	$ 1,291,905	$ 48,907

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Statistical Section

Statistical Section Descriptions
(unaudited)

The statistical data presents detailed information as a context for understanding Lee County's overall financial health.

Contents

Financial Trends

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

Revenue Capacity

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

Debt Capacity

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

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.

Operating Information

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

Sources: Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports for the relevant year.

Lee County, Florida
SCHEDULE 1
NET POSITION
Last Ten Fiscal Years
(dollars in thousands)

	2005	2006*	2007	2008	2009	2010	2011	2012	2013**	2014***
Governmental Activities										
Net investment in capital assets	$ 769,454	$ 974,518	$ 1,148,026	$ 1,318,137	$ 1,456,025	$ 1,547,366	$ 1,536,885	$ 1,568,248	$ 1,568,957	$ 1,534,250
Restricted for:										
Capital projects	237,428	346,005	370,932	333,179	324,494		74,185	74,621	66,647	75,847
Debt service	25,742	19,567	21,940	20,138	19,849	18,556	15,990	11,239	11,998	12,969
Inventory for resale	-	-	-	-	-	-	-	2,134	1,853	2,370
Special revenue funds	-	-	-	-	-	22,526	47,615	59,119	61,394	63,580
Unrestricted	357,515	449,732	520,745	527,270	440,397	612,235	429,696	305,959	232,952	205,038
Governmental activities net position	1,390,139	1,789,822	2,061,643	2,198,724	2,240,765	2,200,683	2,104,371	2,021,320	1,943,801	1,894,054
Business-type Activities										
Net investment in capital assets	657,657	733,834	860,208	942,028	971,317	1,010,013	1,038,481	1,041,260	1,061,519	1,073,096
Restricted for:										
Capital projects	77,919	92,848	69,877	65,661	56,336	52,319	49,850	59,051	56,200	51,124
Debt service	30,965	30,706	37,626	40,954	41,207	39,901	61,123	26,155	24,971	30,908
Renewal and replacement	23,893	24,079	16,547	13,849	13,658	13,619	13,573	10,249	8,520	17,481
Unrestricted	228,357	246,428	252,241	258,169	284,602	271,908	245,844	268,066	272,561	304,102
Business-type activities net position	1,018,791	1,127,895	1,236,499	1,320,661	1,367,120	1,387,760	1,408,871	1,404,781	1,423,771	1,476,711
Primary Government										
Net investment in capital assets	1,427,111	1,708,352	2,008,234	2,260,165	2,427,342	2,557,379	2,575,366	2,609,508	2,630,476	2,607,346
Restricted for:										
Capital projects	315,347	438,853	440,809	398,840	380,830	52,319	124,035	133,672	122,847	126,971
Debt service	56,707	50,273	59,566	61,092	61,056	58,457	77,113	37,394	36,969	43,877
Renewal and replacement	23,893	24,079	16,547	13,849	13,658	13,619	13,573	10,249	8,520	17,481
Inventory for resale	-	-	-	-	-	-	-	2,134	1,853	2,370
Special revenue funds	-	-	-	-	-	22,526	47,615	59,119	61,394	63,580
Unrestricted	585,872	696,160	772,986	785,439	724,999	884,143	675,540	574,025	505,513	509,140
Total primary government net position	$ 2,408,930	$ 2,917,717	$ 3,298,142	$ 3,519,385	$ 3,607,885	$ 3,588,443	$ 3,513,242	$ 3,426,101	$ 3,367,572	$ 3,370,765

Note: Accounting standards require that net position be reported in three components in the financial statements: net investment in capital assets, restricted, and unrestricted.

* Fiscal year 2006 reflects a cumulative prior period adjustment for impact fees that were treated as deferred revenues in prior years.

** Fiscal year 2013 reflects a cumulative prior period adjustment to remove bond issuance costs from the statement of net position as required by Governmental Accounting Standards Board Statement 65 and to correct amortization from a prior year.

*** Fiscal year 2014 reflects a cummulative prior period adjustment for the Clerk's Child Support Enforcement Fund, a non-major special revenue fund, for expenditures omitted in prior years.

Lee County, Florida
SCHEDULE 2
CHANGES IN NET POSITION
Last Ten Fiscal Years
(dollars in thousands)

	2005	2006**	2007	2008	2009	2010	2011	2012 ***	2013 ***	2014****
Expenses										
Governmental Activities:										
General government	$ 130,947	$ 151,914	$ 202,104	$ 240,356	$ 212,095	$ 217,610	$ 213,936	$ 206,427	$ 207,265	$ 200,741
Public safety	174,137	197,743	228,403	242,867	235,098	223,936	218,590	202,799	204,534	210,796
Physical environment	16,262	22,794	24,951	14,365	16,033	12,413	13,327	14,665	16,907	21,512
Transportation	38,794	45,934	60,292	56,408	65,132	58,863	60,983	54,600	64,484	57,101
Economic environment	19,109	21,649	23,409	25,769	25,126	35,350	34,722	30,613	24,337	25,048
Human services	19,155	20,751	22,947	24,921	25,200	26,475	26,418	26,796	20,474	20,481
Culture and recreation	61,329	63,490	72,903	71,266	67,102	62,953	61,677	64,689	70,437	71,816
Interest on long-term debt	12,763	11,852	13,904	13,007	12,144	11,380	15,486	14,448	12,557	12,136
Total governmental activities expenses	472,496	536,127	648,913	688,959	657,930	648,980	645,139	615,037	620,995	619,631
Business-type Activities:										
Airport	54,242	94,532	100,605	108,382	103,472	99,334	99,750	98,489	103,994	105,761
Water and wastewater	72,222	84,408	91,121	96,895	97,406	105,092	109,700	106,981	105,921	105,469
Transit	16,855	18,652	21,456	24,805	23,250	22,806	24,143	23,511	26,932	23,944
Transportation facilities	22,887	23,779	26,742	31,430	28,714	29,147	27,100	25,392	25,816	27,113
Solid waste	52,799	61,196	64,798	75,997	80,101	78,698	79,381	77,123	82,683	79,264
Total business-type activities expenses	219,005	282,567	304,722	337,509	332,943	335,077	340,074	331,496	345,346	341,551
Total primary government expenses	$ 691,501	$ 818,694	$ 953,635	$ 1,026,468	$ 990,873	$ 984,057	$ 985,213	$ 946,533	$ 966,341	$ 961,182
Program Revenues										
Governmental Activities:										
Charges for services:										
General government	$ 69,135	$ 76,869	$ 79,183	$ 75,516	$ 69,995	$ 55,861	$ 53,791	$ 53,738	$ 59,365	$ 65,673
Public safety	41,645	47,394	48,257	41,546	41,255	42,074	40,648	34,843	38,992	39,925
Physical environment	2,621	3,309	2,871	2,270	2,125	1,984	1,873	1,783	2,004	2,184
Transportation	3,470	3,091	2,388	1,393	1,223	971	951	1,178	939	920
Economic environment	-	-	-	-	3	1,578	3,165	2,025	795	592
Human services	2,302	2,705	3,173	2,976	2,805	2,501	2,391	2,403	2,579	2,099
Culture and recreation	3,248	3,599	4,484	4,430	4,381	4,573	6,158	5,396	5,882	6,396
Operating grants and contributions	45,473	43,793	31,262	31,593	35,215	58,707	47,811	50,227	43,615	32,799
Capital grants and contributions	17,136	18,680	17,779	12,711	10,342	13,761	10,538	10,898	10,943	3,327
Governmental activities program revenues	185,030	199,440	189,397	172,435	167,344	182,010	167,326	162,491	165,114	153,915
Business-type Activities:										
Charges for services:										
Airport	80,191	99,430	101,409	101,974	98,570	98,090	99,360	98,989	104,009	107,250
Water and wastewater	66,880	70,670	72,681	89,495	85,707	85,121	84,736	90,991	97,760	102,740
Transit	2,520	3,074	3,054	3,100	3,340	3,201	3,290	3,690	3,846	3,703
Transportation facilities	43,846	41,192	41,134	38,097	37,160	36,630	36,665	37,448	38,725	41,179
Solid waste	62,479	76,510	79,094	84,399	85,281	86,932	84,972	76,964	70,094	73,264
Operating grants and contributions	4,763	6,310	5,899	7,347	5,749	8,405	5,198	5,582	5,657	6,381
Capital grants and contributions	46,128	59,161	69,501	70,330	46,122	22,045	32,183	17,076	42,245	47,612
Business-type activities program revenues	306,807	356,347	372,772	394,742	361,929	340,424	346,404	330,740	362,336	382,129
Total primary government program revenues	$ 491,837	$ 555,787	$ 562,169	$ 567,177	$ 529,273	$ 522,434	$ 513,730	$ 493,231	$ 527,450	$ 536,044

(continued)

Lee County, Florida
SCHEDULE 2
CHANGES IN NET POSITION
Last Ten Fiscal Years
(dollars in thousands)

	2005	2006**	2007	2008	2009	2010	2011	2012 ***	2013 ***	2014****
Net (Expense) Revenue*										
Governmental Activities	$ (287,466)	$ (336,687)	$ (459,516)	$ (516,524)	$ (490,586)	$ (466,970)	$ (477,813)	$ (452,546)	$ (455,881)	$ (465,716)
Business-type Activities	87,802	73,780	68,050	57,233	28,986	5,347	6,330	(756)	16,990	40,578
Total primary government net expense	$ (199,664)	$ (262,907)	$ (391,466)	$ (459,291)	$ (461,600)	$ (461,623)	$ (471,483)	$ (453,302)	$ (438,891)	$ (425,138)
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Taxes										
Property taxes	$ 316,947	$ 377,567	$ 466,026	$ 463,880	$ 400,300	$ 309,068	$ 265,028	$ 255,944	$ 254,662	$ 274,203
Gas taxes	19,319	20,124	19,541	18,260	17,775	17,232	17,032	17,116	17,992	18,616
Tourist taxes	11,603	18,728	22,986	23,768	21,880	22,756	23,981	26,672	28,535	33,197
Communication taxes	8,577	9,518	10,457	10,946	10,885	10,134	9,818	9,561	9,559	9,606
Franchise fees	6,912	8,836	9,352	9,161	9,293	8,407	8,398	8,013	8,355	16,330
Impact fees	30,954	68,829	39,671	14,769	7,003	3,127	1,892	-	-	-
Unrestricted grants and contributions	44,608	62,618	76,509	59,471	44,666	44,151	46,196	49,484	52,668	57,258
Investment earnings	21,802	47,806	64,510	37,376	14,813	7,112	3,670	2,729	1,826	866
Miscellaneous	24,843	24,851	31,233	24,171	15,592	13,487	13,866	8,744	12,965	16,443
Transfers	(6,131)	(4,464)	(8,948)	(8,197)	(9,580)	(8,586)	(8,380)	(8,768)	(6,045)	(8,396)
Total governmental activities general revenues and transfers	479,434	634,413	731,337	653,605	532,627	426,888	381,501	369,495	380,517	418,123
Business-type Activities:										
Property taxes	1,801	1,783	2,337	2,036	1,524	2,123	1,739	1,077	561	568
Franchise fees	907	1,464	1,535	2,221	1,586	1,580	1,604	1,701	1,677	1,654
Investment earnings	10,382	21,788	26,770	12,452	3,919	2,214	1,344	1,180	1,034	605
Miscellaneous	1,887	5,825	964	2,023	864	790	1,714	886	1,300	1,139
Special item-loss on discontinued project	-	-	-	-	-	-	-	(16,946)	-	-
Transfers	6,131	4,464	8,948	8,197	9,580	8,586	8,380	8,768	6,045	8,396
Total Business-type activities general revenues, special item, and transfers	21,108	35,324	40,554	26,929	17,473	15,293	14,781	(3,334)	10,617	12,362
Total primary government general revenues, special item, and transfers	$ 500,542	$ 669,737	$ 771,891	$ 680,534	$ 550,100	$ 442,181	$ 396,282	$ 366,161	$ 391,134	$ 430,485
Change in Net Position										
Governmental activities	$ 191,968	$ 297,726	$ 271,821	$ 137,081	$ 42,041	$ (40,082)	$ (96,312)	$ (83,051)	$ (75,364)	$ (47,593)
Business-type activities	108,910	109,104	108,604	84,162	46,459	20,640	21,111	(4,090)	27,607	52,940
Total primary government	$ 300,878	$ 406,830	$ 380,425	$ 221,243	$ 88,500	$ (19,442)	$ (75,201)	$ (87,141)	$ (47,757)	$ 5,347

* Net (expense)/revenue is the difference between the expenses and program revenues of a function or program. It indicates the degree to which a function or program is supported with its own fees and program-specific grants versus its reliance upon funding from taxes and other general revenues. Numbers in parentheses indicate that expenses were greater than program revenues and therefore general revenues were needed to finance that function or program. Numbers without parentheses mean that program revenues were more than sufficient to cover expenses.

** Fiscal year 2006 reflects a cumulative prior period adjustment for impact fees that were treated as deferred revenues in prior years.

*** Impact Fees were re-categorized in fiscal years 2012 and 2013 to Capital Grants and Contributions. Additionally, fiscal year 2013 reflects a cumulative prior period adjustment to remove bond issuance costs from the statement of net position as required by Governmental Accounting Standards Board Statement 65 and to correct amortization from a prior year.

**** Fiscal year 2014 reflects a cummulative prior period adjustment for the Clerk's Child Support Enforcement Fund, a non-major special revenue fund, for expenditures omitted in prior years.

Lee County, Florida
SCHEDULE 3
FUND BALANCES OF GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(amounts expressed in thousands)

	2005	2006*	2007	2008	2009	2010**	2011	2012	2013	2014
General Fund										
Reserved:										
Advances	$ -	$ 45,960	$ 65,814	$ 25,947	$ 18,251					
Inventory	168	186	462	544	468					
Unreserved, designated for:										
Next fiscal year's expenditures	39,695	42,762	25,622	20,653	14,870					
Unfunded other post employment benefits	-	18,000	16,437	25,000	25,000					
Roads revolving loan program	30,000	31,000	-	1,088	9,821					
Road construction grant	-	-	10,000	-	1,700					
Unfunded mandates	2,000	2,000	2,000	3,000	-					
Economic incentives	1,500	1,500	1,500	-	805					
Economic development	-	-	-	25,000	23,350					
Fort Myers Beach transportation loan	1,000	1,000	1,000	-	-					
SWFAS commitment	-	-	2,000	-	-					
Community Corrections Facility	-	-	-	10,000	10,000					
Unreserved, undesignated	70,036	57,380	123,921	163,804	173,933					
Nonspendable						$ 23,948	$ 26,244	$ 14,393	$ 429	$ 409
Restricted						-	-	2,134	1,853	2,370
Committed						8,380	-	10	10	6
Assigned						26,102	17,945	49,261	14,900	12,565
Unassigned						191,112	158,320	81,668	94,308	108,428
Total General Fund	$ 144,399	$ 199,788	$ 248,756	$ 275,036	$ 278,198	$ 249,542	$ 202,509	$ 147,466	$ 111,500	$ 123,778
All Other Governmental Funds										
Reserved:										
Advances	$ 1,700	$ -	$ 189	$ 139	$ 80,909					
Inventory	2,170	2,291	2,321	1,855	2,647					
Debt service	25,445	24,582	28,041	26,160	25,433					
Unreserved, designated for:										
Next fiscal year's expenditures	206,404	279,989	303,854	274,702	223,136					
Unfunded other post employment benefits	-	-	4,281	-	-					
Conservation 2020	38,975	18,546	14,628	-	-					
Bequests	-	-	1,374	1,418	1,156					
Hurricane contingency	1,930	-	-	-	-					
Debt service	5,238	4,966	4,371	5,038	1,521					
Unreserved, undesignated, reported in:										
Special revenue funds	178,800	238,898	206,245	235,502	56,871					
Capital projects funds	27,328	38,452	109,944	79,663	101,383					
Nonspendable						$ 76,176	$ 9,531	$ 11,368	$ 2,385	$ 2,936
Restricted						63,101	176,483	159,671	183,519	160,719
Committed						362,017	257,306	224,909	211,770	201,066
Assigned						196	4,703	2,928	3,209	3,300
Unassigned						(75,169)	(16,313)	(22,160)	(11)	-
Total All Other Governmental Funds	$ 487,990	$ 607,724	$ 675,248	$ 624,477	$ 493,056	$ 426,321	$ 431,710	$ 376,716	$ 400,872	$ 368,021

* Fiscal year 2006 reflects a cumulative prior period adjustment for impact fees that were treated as deferred revenues in prior years.

** Fiscal year 2010 fund balance classifications have been revised due to the implementation of the Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions.*

Lee County, Florida
SCHEDULE 4
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(amounts expressed in thousands)

	2005	2006 [1]	2007	2008	2009	2010	2011	2012	2013	2014
Revenues										
Taxes	$ 363,358	$ 434,782	$ 528,362	$ 526,015	$ 460,133	$ 367,597	$ 324,257	$ 317,463	$ 319,103	$ 351,952
Licenses and permits	19,249	18,660	11,760	5,415	4,257	6,036	6,288	6,497	7,822	9,271
Intergovernmental	96,031	117,215	107,328	90,618	87,950	108,713	102,901	103,056	97,298	89,852
Charges for services	82,876	92,684	97,994	92,123	87,878	75,560	74,490	66,328	74,847	79,844
Fines and forfeitures	1,533	1,749	2,236	2,073	1,393	1,404	1,087	1,311	1,374	1,561
Impact fees	30,954	68,830	39,671	14,769	7,003	3,123	1,892	3,446	2,587	2,743
Special assessments	4,044	2,491	2,075	2,024	1,515	2,015	1,493	1,447	1,651	1,360
Miscellaneous	54,055	74,102	91,788	59,019	34,034	21,261	16,517	11,394	14,135	15,985
Total revenues	652,100	810,513	881,214	792,056	684,163	585,709	528,925	510,942	518,817	552,568
Expenditures										
Current										
General government	105,547	119,119	142,153	161,143	181,728	143,296	136,124	132,248	132,932	130,328
Public safety	165,699	189,841	217,040	236,717	228,742	214,989	210,923	195,541	193,533	199,492
Physical environment	15,119	22,357	24,618	13,698	15,351	11,745	12,649	13,968	14,321	18,913
Transportation	29,797	37,127	49,940	44,826	51,459	41,804	35,354	33,800	34,509	32,644
Economic environment	19,025	21,509	23,299	25,629	25,190	35,194	33,770	30,539	24,433	25,095
Human services	18,501	20,155	22,291	24,382	24,804	26,144	26,193	26,690	20,355	20,144
Culture and recreation	56,474	58,049	67,007	65,381	60,737	55,317	53,817	55,032	56,050	59,350
Capital outlay	126,643	232,694	241,054	199,458	182,787	130,446	108,952	87,692	60,314	55,748
Debt service										
Principal retirement	25,058	20,221	20,567	24,008	20,283	19,365	25,581	17,702	15,432	9,741
Interest and fiscal charges	11,936	12,137	13,954	14,770	11,693	10,827	12,805	19,852	20,037	13,068
Bond issuance costs	422	-	1,031	-	-	297	548	-	774	49
Total expenditures	574,221	733,209	822,954	810,012	802,774	689,424	656,716	613,064	572,690	564,572
Excess (deficiencies) of revenues over (under) expenditures	77,879	77,304	58,260	(17,956)	(118,611)	(103,715)	(127,791)	(102,122)	(53,873)	(12,004)
Other Financing Sources (Uses)										
Transfers in	95,542	136,592	142,010	136,352	297,958	131,163	244,570	112,730	221,138	90,650
Transfers out	(101,319)	(142,188)	(154,103)	(146,090)	(308,062)	(141,638)	(239,126)	(121,486)	(221,171)	(99,030)
Insurance proceeds	65	94	-	-	-	-	-	-	-	-
Bond premium	1,132	-	-	-	-	-	55	-	-	-
Proceeds from long-term debt	31,696	1,365	70,325	3,203	456	18,798	88,218	841	134,399	14,483
Payments to refunding escrow agent	(27,622)	-	-	-	-	-	(7,570)	-	(92,303)	(12,518)
Total other financing sources (uses)	(506)	(4,137)	58,232	(6,535)	(9,648)	8,323	86,147	(7,915)	42,063	(6,415)
Net change in fund balances	$ 77,373	$ 73,167	$ 116,492	$ (24,491)	$ (128,259)	$ (95,392)	$ (41,644)	$ (110,037)	$ (11,810)	$ (18,419)
Debt service as a percentage of noncapital expenditures [2]	8.3%	6.5%	5.9%	6.4%	5.2%	5.4%	7.0%	7.1%	6.9%	4.5%

1 Fiscal year 2006 reflects a cumulative prior period adjustment for impact fees that were treated as deferred revenues in prior years.

2 Total debt service for this calculation excludes bond issuance cost.

Lee County, Florida
SCHEDULE 5
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
Last Ten Fiscal Years
(dollars in thousands)

Fiscal Year	Real Property: Residential Property	Real Property: Commercial Property	Real Property: Other	Personal Property	Less: Tax Exempt Real Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value[1]
2005	$ 40,146,873	$ 6,101,600	$ 758,194	$ 3,248,635	$ 13,644,616	$ 36,610,686	$ 24.7705	$ 64,109,276	78.39%
2006	51,598,837	7,988,437	1,021,789	3,455,695	18,280,190	45,784,568	23.7771	82,578,117	77.58%
2007	73,753,174	11,065,933	990,847	3,850,680	28,459,057	61,201,577	21.9282	118,369,446	75.75%
2008	78,264,100	12,649,523	1,212,764	4,122,676	28,724,259	67,524,804	20.4350	125,483,375	76.70%
2009	66,592,240	12,757,889	1,250,737	3,927,562	25,496,141	59,032,287	21.4526	110,753,036	76.32%
2010	50,045,073	10,106,431	750,756	4,022,513	16,818,192	48,106,581	24.9753	82,498,303	78.70%
2011	42,639,954	8,531,480	541,038	3,808,042	13,836,043	41,684,471	26.1007	70,138,366	79.16%
2012	41,682,601	7,543,635	588,774	3,450,443	14,089,660	39,175,793	25.4385	68,116,399	78.20%
2013	41,893,823	7,314,283	545,034	3,147,142	14,947,717	37,952,565	25.7898	68,644,339	77.06%
2014	43,666,928	7,270,866	534,599	3,147,804	17,060,361	37,559,836	26.2393	72,497,286	75.34%

Source: Lee County Property Appraiser

[1] Includes tax-exempt property

Lee County, Florida
SCHEDULE 6
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
(PER $1,000 OF ASSESSED VALUE)
Last Ten Fiscal Years

			2005	2006	2007	2008	2009	2010	2011	2012	2013[3]	2014
Lee County	County wide	Operating millage	4.3277	4.2610	3.9332	3.5216	3.6506	3.6506	3.6506	3.6506	3.6506	4.1506
		Capital improvements millage	1.0124	1.0124	1.0124	0.9536	0.5000	0.5000	0.5000	0.5000	0.5000	0.0000
		Total Lee Countywide millage	5.3401	5.2734	4.9456	4.4752	4.1506	4.1506	4.1506	4.1506	4.1506	4.1506
	Non - Countywide	MSTU (Unincorporated)	1.2114	1.2114	1.0028	0.9300	0.8398	0.8398	0.8398	0.8398	0.8398	0.8398
		Lee County Library	0.9630	0.6055	0.6055	0.4085	0.3972	0.2844	0.2844	0.3383	0.3541	0.5956
		All Hazards Protection Fund	0.0733	0.0733	0.0733	0.0733	0.0693	0.0693	0.0693	0.0693	0.0693	0.0693
		Total Lee Non-Countywide millage	2.2477	1.8902	1.6816	1.4118	1.3063	1.1935	1.1935	1.2474	1.2632	1.5047
		Total Lee County millage	7.5878	7.1636	6.6272	5.8870	5.4569	5.3441	5.3441	5.3980	5.4138	5.6553
		School District	8.3460	8.0650	7.8820	7.0120	6.9600	6.8680	7.5080	8.0150	7.5840	7.5980
Municipalities	Cape Coral	Operating millage	5.6831	5.5287	5.2787	4.8787	4.7698	4.7698	7.9702	7.9702	7.9570	7.7070
		Debt service millage	0.4218	0.2311	0.1119	0.0627	0.0627	0.0627	0.0000	0.0000	0.0000	0.0000
		Total Cape Coral millage	6.1049	5.7598	5.3906	4.9414	4.8325	4.8325	7.9702	7.9702	7.9570	7.7070
	Sanibel	Operating millage	1.7291	2.5000	2.4801	2.5000	2.1966	2.1561	2.1561	2.1561	2.1000	2.0861
		Debt service millage	0.3870	0.2893	0.3218	0.3983	0.1467	0.4199	0.4589	0.4347	0.4570	0.4446
		Total Sanibel millage	2.1161	2.7893	2.8019	2.8983	2.3433	2.5760	2.6150	2.5908	2.5570	2.5307
	Other	Fort Myers	7.7816	7.2100	7.2100	6.8000	6.2560	7.1634	7.4000	8.4000	8.7760	8.7760
		Fort Myers Beach	1.0000	0.8500	0.7498	0.6096	0.6053	0.7093	0.8187	0.9144	0.7687	0.7530
		Bonita Springs	0.9976	0.9976	0.9976	0.7919	0.7244	0.8273	0.8273	0.8273	0.8173	0.8173
		Total municipalities millage	18.0002	17.6067	17.1499	16.0412	14.7615	16.1085	19.6312	20.7027	20.8760	20.5840
Lee County Special Districts		South Florida Water Management Dist.	0.6970	0.6970	0.6970	0.6970	0.6240	0.6240	0.6240	0.6240	0.4289	0.4110
		Lee County Hyacinth Control	0.0295	0.0300	0.0295	0.0223	0.0214	0.0214	0.0277	0.0310	0.0298	0.0291
		Lee County Mosquito Control	0.2984	0.2720	0.2247	0.1695	0.1636	0.1636	0.2132	0.2388	0.2300	0.1113
		West Coast Inland Waterway	0.0400	0.0400	0.0400	0.0400	0.0394	0.0394	0.0394	0.0394	0.0394	0.0394
		Total special districts millage	1.0649	1.0390	0.9912	0.9288	0.8484	0.8484	0.9043	0.9332	0.7281	0.5908
		Other special districts[1]	.0438-6.000	.0011-6.000	.0012-6.000	.0462-6.000	.0245-3.000	.0245-3.4500	.0152-3.5000	.0310-3.5000	.0088-4.7000	.0076-4.5000
		Total direct and overlapping rates[2]	34.9989	33.8743	32.6503	29.8690	28.0268	29.1690	33.3876	35.0489	34.6019	34.4281

[1] Includes fire protection districts and lighting and improvement districts located throughout the unincorporated sections of Lee County.

[2] Does not include Other special districts since reported as a range. Overlapping rates are those of Lee County that apply to property owners within Lee County. Not all overlapping rates apply to all Lee County property owners (e.g. special assessments only apply to the property owners located in that district).

[3] Effective 2013 for this schedule, property tax rates were redefined to reflect the millage rates collected for each year's operations, not the millage rates adopted each year for the following year's operations. All columns have been adjusted accordingly.

Source: Lee County Budget Office

Lee County, Florida
SCHEDULE 7
PRINCIPAL PROPERTY TAXPAYERS
Current Year and Nine Years Ago
(dollars in thousands)

	2014			2005		
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Coconut Point Developers LLC	$ 150,761	1	0.220%			
Christian & Missionary Alliance, Inc.	105,979	2	0.155%	$ 125,589	1	0.343%
Miromar Outlet West LLC	95,616	3	0.139%	50,227	9	0.137%
Gulf Coast Town Center CMBS	92,875	4	0.135%			
Edison Mall Business Trust	76,961	5	0.112%	88,151	2	0.240%
Federal National Mortgage Assoc	57,119	6	0.083%			
Bell Tower Shops LLC	53,660	7	0.078%	55,754	6	0.152%
Target Corporation	44,058	8	0.064%			
Jamaica Bay Associates Ltd	43,716	9	0.064%			
Lofton Island Holdings LLLP	42,209	10	0.062%			
Bay Colony Gateway, Inc.				83,688	3	0.228%
K Hovnanian First Homes LLC				59,979	4	0.163%
Centex Homes				57,842	5	0.158%
Long Bay Partners LLC				54,121	7	0.148%
WCI Communities Inc				50,633	8	0.138%
US Home Corporation				49,379	10	0.135%
Total	$ 762,954		1.112%	$ 675,363		1.842%

Source: Lee County Property Appraiser

Lee County, Florida
SCHEDULE 8
PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten Fiscal Years
(dollars in thousands)

Fiscal Year Ended September 30,	Tax Year	Taxes Levied for the Fiscal Year[1]	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount[2]	Percentage of Levy		Amount	Percentage of Levy
2005	2004	$ 326,026	$ 312,673	95.90	$ 55	$ 312,728	95.92
2006	2005	388,369	372,541	95.92	(99)	372,442	95.90
2007	2006	479,590	460,870	96.10	213	461,083	96.14
2008	2007	478,895	458,933	95.83	1,256	460,189	96.12
2009	2008	413,173	394,828	95.56	1,688	396,516	95.95
2010	2009	316,752	302,267	95.43	888	303,155	95.61
2011	2010	274,268	260,862	95.11	617	261,479	95.11
2012	2011	262,901	251,665	95.73	346	252,011	95.86
2013	2012	260,982	250,828	96.11	131	250,959	96.16
2014	2013	280,806	270,156	96.21		270,156	96.21

Source: Lee County Tax Collector

Notes: [1] These tax levies are for funds for County purposes, excluding School Board, municipalities, and other independent special districts.

[2] Property taxes become due and payable on November 1 of each year and are delinquent on April 1 of the following year. A four percent discount is allowed if the taxes are paid in November, with the discount declining by one percent each month thereafter. Accordingly, taxes collected will not equal 100 percent of the tax levy. Tax certificates for the full amount of any unpaid taxes and assessments must be sold no later than June 1 of the following year.

Lee County, Florida
SCHEDULE 9
RATIO OF OUTSTANDING DEBT BY TYPE
Last Ten Fiscal Years
(dollars in thousands)

	General Bonded Debt							Other Governmental Activities Debt			
Fiscal Year	Capital Revenue Bonds[1]	Gas Tax Bonds	Tourist Development Tax Bonds	Certificates of Participation	Non Advalorem	Total	Percentage of Estimated Actual Taxable Property Value[2]	Per Capita[3]	Special Assessment Bonds	Commercial Paper	Notes
2005	$ 178,688	$ 46,653	$ 7,650	$ 14,275	$ -	$ 247,266	0.39%	0.45	$ 475	$ -	$ 5,207
2006	167,863	41,567	7,120	12,615	-	229,165	0.28%	0.39	-	1,365	3,320
2007	220,703	36,385	6,580	10,805	-	274,473	0.23%	0.45	-	2,800	3,006
2008	209,443	31,010	6,020	6,125	-	252,598	0.20%	0.40	-	640	4,846
2009	197,668	25,430	5,440	5,020	-	233,558	0.21%	0.38	-	-	4,699
2010	185,343	20,730	4,845	3,855	-	214,773	0.26%	0.34	-	-	22,917
2011	164,953	19,170	85,398	2,635	-	272,156	0.39%	0.44	-	-	20,710
2012	158,385	17,565	84,628	1,350	-	261,928	0.38%	0.41	-	-	14,076
2013	63,605	15,910	125,308	-	48,385	253,208	0.37%	0.40	-	-	42,065
2014	61,075	1,765	124,478	-	45,505	232,823	0.32%	0.36	-	-	54,758

	Business-Type Activities Debt										
Fiscal Year	Port Authority Revenue Bonds	Solid Waste Revenue Bonds	Transportation Facilities Revenue Bonds	Water and Wastewater Revenue Bonds	Sewer District General Obligation Bonds	Commercial Paper	Notes	Capital Leases	Total Primary Government[4]	Percentage of Personal Income[3]	Per Capita[3]
2005	$ 396,030	$ 135,415	$ 210,935	$ 192,915	$ -	$ 16,400	$ 24,598	$ 126	$ 1,229,424	6.44%	2.24
2006	389,800	204,005	205,185	187,655	-	26,400	39,169	79	1,286,148	6.20%	2.20
2007	389,800	191,965	198,600	182,170	-	32,712	37,002	30	1,312,558	5.41%	2.13
2008	381,660	179,345	191,785	177,365	-	31,878	36,823	-	1,256,940	4.81%	2.02
2009	373,145	165,755	185,390	172,405	-	20,500	47,918	-	1,203,370	4.88%	1.96
2010	357,505	151,470	178,780	167,275	-	-	58,825	-	1,151,545	4.78%	1.85
2011	331,425	136,380	171,890	159,495	-	-	82,121	-	1,174,177	6.18%	1.88
2012	323,765	86,450	133,355	149,930	-	-	104,934	-	1,074,438	3.96%	1.70
2013	315,870	86,355	129,785	191,800	-	-	92,600	-	1,111,683	4.33%	1.74
2014	307,400	86,255	125,745	187,910	-	-	83,913	-	1,078,804	3.88%	1.68

Note - Details regarding the County's outstanding debt can be found in the notes to the financial statements.

[1] Excludes accreted interest for fiscal years through 2012. For fiscal year 2012 the accreted interest was $5,940,000.

[2] See Schedule 5 for property value data.

[3] See Schedule 11 for personal income and population data for 2005 through 2014. These ratios are calculated using personal income and population for the prior calendar year.

[4] Includes general bonded debt, other governmental activities debt, and business-type activities debt.

Source: Lee County Clerk of Courts Finance and Records Department

Lee County, Florida
SCHEDULE 10
PLEDGED REVENUE BOND COVERAGE
Last Ten Fiscal Years
(dollars in thousands)

Passenger Facility Charge Revenue Bonds

Fiscal Year	Passenger Facility Charge Revenues	Less: Operating Expenses[1]	Net Available Revenues	Debt Service Principal	Debt Service Interest	Coverage
2005	$ 15,615	n/a	$ 15,615	$ 2,005	$ 2,018	3.88
2006	15,567	n/a	15,567	2,090	1,927	3.88
2007	16,858	n/a	16,858	2,185	1,830	4.20
2008	15,478	n/a	15,478	2,285	1,727	3.86
2009	14,942	n/a	14,942	2,390	1,618	3.73
2010	15,156	n/a	15,156	10,060 [6]	1,603	1.30
2011	15,581	n/a	15,581	2,620 [7]	1,000	4.30
2012	14,775	n/a	14,775	3,060	303	4.39
2013	15,197	n/a	15,197	3,120	245	4.52
2014	15,771	n/a	15,771	3,180	185	4.69

Port Authority Line of Credit

Fiscal Year	Page Field General Aviation Airport Revenues	Less: Operating Expenses[1]	Net Available Revenue	Debt Service Principal	Debt Service Interest	Coverage
2005	$ 7,129	$ 5,853	$ 1,276	$ -	$ 59	21.63
2006	8,026	6,974	1,052	230	317	1.92
2007	12,334 [2]	7,996	4,338	4,338 [2]	400	0.92
2008	8,904	8,678	226	295	164	0.49
2009	6,485	6,325	160	305	71	0.43
2010	7,070	6,732	338	325	43	0.92
2011	7,851	7,786	65	340	39	0.17
2012	8,831	8,508	323	355	36	0.83
2013	9,176	9,331	(155)	375	32	-0.38
2014	9,262	9,721	(459)	395	27	-1.09

Port Authority Revenue Bonds

Fiscal Year	Airport Revenues[4]	Less: Operating Expenses[3]	Net Available Revenues	Debt Service Principal	Debt Service Interest	Coverage
2005	$ 62,657	$ 33,902	$ 28,755	$ 4,871	$ 13,648	1.55
2006	87,911	47,573	40,338	5,410	20,507	1.56
2007	86,661	51,679	34,982	5,670	20,196	1.35
2008	88,587	54,941	33,646	5,855	19,972	1.30
2009	84,763	52,175	32,588	6,125	19,611	1.27
2010	85,260	49,952	35,308	6,350	21,217	1.28
2011	84,578	49,921	34,657	7,660	17,146	1.40
2012	81,934	49,372	32,562	7,895	17,654	1.27
2013	86,659	51,623	35,036	8,470	16,459	1.41
2014	89,182	54,877	34,305	8,900	16,039	1.38

Solid Waste System Revenue Bonds

Fiscal Year	Solid Waste System Revenues[5]	Less: Operating Expenses[1]	Net Available Revenue	Debt Service Principal	Debt Service Interest	Coverage
2005	$ 67,356	$ 35,659	$ 31,697	$ 11,390	$ 7,369	1.69
2006	82,864	44,399	38,465	11,940	6,918	2.04
2007	88,584	48,793	39,791	12,040	9,473	1.85
2008	89,490	54,022	35,468	12,620	9,521	1.60
2009	87,919	56,530	31,389	13,590	8,846	1.40
2010	89,713	57,273	32,440	14,285	8,129	1.45
2011	119,737	57,371	62,366	49,385	7,549	1.10
2012	77,675	58,358	19,317	95	4,292	4.40
2013	70,409	62,541	7,868	100	4,288	1.79
2014	73,311	62,013	11,298	4,830	4,284	1.24

Note: Details regarding the county's outstanding debt can be found in the notes to the financial statements.

[1] As defined by bond resolutions - Generally, current operating expense which doesn't include interest expense, depreciation or amortization expense.

[2] Additional principal payment was made in 2007 with funds transferred from the Airport discretionary fund. Amount in Revenues column includes the transferred amount.

[3] As defined by bond resolutions - Generally, current operating expense of Southwest Florida International Airport which includes arbitrage rebate liability and does not include interest expense, depreciation, unpaid Other Post Employment Benefits expense or rebates.

[4] As defined by bond resolutions - Generally, all revenues generated from the operation of Southwest Florida International Airport with the exception of passenger facility charges and grants but including surplus passenger facility charges per Federal Aviation Administration approvals.

[5] As defined by bond resolutions - Generally, all revenues generated from the operation of the Waste - to - Energy Facility, the landfill, and the collection services.

[6] Additional principal payment of $7,555,000 was made in 2010 with a transfer from the PFC capital fund. The coverage before the additional payment is 3.69.

[7] Scheduled debt service payments. Due to refunding, no principal was paid down during the year.

(continued)

Lee County, Florida
SCHEDULE 10
PLEDGED REVENUE BOND COVERAGE
Last Ten Fiscal Years
(dollars in thousands)

	Water and Wastewater Revenue Bonds						Transportation Facilities Revenue Bonds					
				Debt Service						Debt Service		
Fiscal Year	Water and Wastewater Revenues[1]	Less: Operating Expenses[2]	Net Available Revenues	Principal	Interest	Coverage	Transportation Facilities Revenues[3]	Less: Operating Expenses[2]	Net Available Revenue	Principal	Interest	Coverage
2005	$ 71,495	$ 42,108	$ 29,387	$ 5,065	$ 9,112	2.07	$ 45,164	$ 9,856	$ 35,308	$ 5,415	$ 6,720	2.91
2006	78,990	50,699	28,291	5,260	8,888	2.00	44,549	10,808	33,741	5,750	9,182	2.26
2007	81,898	55,143	26,755	5,485	8,650	1.89	43,959	13,129	30,830	6,585	9,621	1.90
2008	95,382	56,882	38,500	4,805	8,449	2.90	39,395	11,864	27,531	6,815	9,396	1.70
2009	88,089	57,085	31,004	4,960	8,287	2.34	37,856	10,158	27,698	6,395	9,182	1.78
2010	86,397	55,572	30,825	5,130	8,115	2.33	37,013	10,291	26,722	6,610	8,939	1.72
2011	86,649	58,912	27,737	5,310	7,925	2.10	37,006	9,863	27,143	6,890	8,658	1.75
2012	91,967	55,406	36,561	5,510	7,259	2.86	37,817	9,426	28,391	7,710	7,890	1.82
2013	98,054	55,286	42,768	7,603	7,874	2.76	39,162	9,698	29,464	8,145	6,908	1.96
2014	102,895	55,567	47,328	3,890	7,536	4.14	41,966	10,158	31,808	9,080	6,676	2.02

	Florida Department of Environmental Protection Loans					
				Debt Service		
Fiscal Year	Water and Wastewater Revenues[1]	Less: Operating Expenses[2]	Net Available Revenues	Principal	Interest	Coverage
2005	$ 71,495	$ 42,108	$ 29,387	$ 522	$ 199	40.76
2006	78,990	50,699	28,291	541	180	39.24
2007	81,898	55,143	26,755	727	220	28.25
2008	95,382	56,882	38,500	1,391	473	20.65
2009	88,089	57,085	31,004	1,805	750	12.13
2010	86,397	55,572	30,825	1,838	717	12.06
2011	86,649	58,912	27,737	2,114	775	9.60
2012	91,967	55,406	36,561	3,572	1,567	7.11
2013	98,054	55,286	42,768	3,650	1,496	8.31
2014	102,895	55,567	47,328	3,035	1,390	10.70

Note: Details regarding the county's outstanding debt can be found in the notes to the financial statements. Operating expenses do not include interest, depreciation or amortization expenses.

[1] As defined by bond resolutions - Generally, all revenues generated from the operation of the Lee County Water and Wastewater System. The pledge of these revenues to the FDEP loan is subordinate to the revenue bonds pledge.

[2] As defined by bond resolutions - Generally, current operating expense which doesn't include interest expense, depreciation or amortization expense.

[3] As defined by bond resolutions - Generally, all revenues generated from the operation of the Lee County Transportation Facilities, including but not limited to toll revenues and investment earnings.

Source: Lee County Clerk of Courts Finance and Records Department

Lee County, Florida
SCHEDULE 11
DEMOGRAPHIC AND ECONOMIC STATISTICS
Last Ten Fiscal Years

Year	Population[1]	Total Personal Income[2] (in thousands)	Per Capita Personal Income[2]	Median Age[2]	School Enrollment[4]	Unemployment Rates (Percentage)[2] County	State	National
2005	549,442	$ 19,098,604	$ 34,760	44.2	75,558	2.9	3.7	4.8
2006	585,608	20,736,965	35,411	43.7	78,775	2.7	3.4	4.4
2007	615,741	24,266,353	39,410	43.2	80,526	5.2	4.3	4.5
2008	623,725	26,111,623	41,864	42.7	79,457	9.2	6.8	6.0
2009	615,124	24,674,348	41,954	42.7	80,161	13.9	11.1	9.8
2010	622,900	24,077,000	38,653	42.8	81,929	13.5	11.9	9.6
2011	625,310	18,986,288 [3]	30,363 [3]	45.6	83,771	11.2	10.6	9.1
2012	631,330 [6]	27,161,256 [6]	43,022 [6]	45.7	85,581	8.7 [5]	8.7 [5]	7.8 [5]
2013	638,029	25,679,391	40,248	45.7	87,215	7.2 [5]	7.1 [5]	7.6 [5]
2014	643,367	27,773,510	43,169 [7]	45.7	90,887	6.1	6.1	5.7

Sources:
[1] Bureau of Economic and Business Research (estimate)
[2] Florida Research and Economic Database (FRED), except as otherwise noted
[3] U.S. Census Bureau estimate
[4] School District of Lee County
[5] Regional Economic Research Institute, Lutgert College of Business, Florida Gulf Coast University
[6] US Bureau of Economic Analysis (BEA) estimate as of April 2012 (no updates available)
[7] Governing.com

Lee County, Florida
SCHEDULE 12
PRINCIPAL EMPLOYERS
Current Year and Nine Years Ago

	2014			2005		
Employer	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Lee Memorial Health System	10,500	1	3.72%	6,473	2	3.09%
Lee County School District	10,000	2	3.54%	10,044	1	4.79%
Publix Super Markets	5,297 *	3	1.88%	2,857	3	1.36%
Lee County Administration	2,528	4	0.89%	2,523	4	1.20%
Wal-Mart Corporation	2,075	5	0.73%	2,189	5	1.04%
Chico's FAS, Inc.	1,703	6	0.60%			
City of Cape Coral	1,654	7	0.59%	1,461	7	0.70%
Lee County Sheriff's Office	1,508	8	0.53%	1,296	9	0.62%
Florida Gulf Coast University	1,490	9	0.53%			
Shell Point Retirement Community	1,000	10	0.35%			
U.S. Postal Service				1,267	10	0.60%
Southwest Florida Regional Medical Center				1,500	6	0.72%
Bonita Bay Group				1,300	8	0.62%
Total	37,755		13.36%	30,910		14.74%

Source: Lee County Office of Economic Development, Florida Research and Economic Database, and U.S. Bureau of Labor Statistics.
* 3rd party citation

Lee County, Florida
SCHEDULE 13
GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
Last Ten Fiscal Years

Function/Program	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Governmental activities:										
General government	1,271	1,363	1,416	1,402	1,426	1,398	1,342	1,312	1,281	1,282
Public safety	1,827	1,981	1,961	1,979	1,942	1,939	1,891	1,884	1,866	1,875
Physical environment	85	90	90	85	80	78	76	76	73	69
Transportation	247	267	271	252	255	221	221	220	220	212
Economic environment	64	68	66	61	61	63	62	66	65	66
Human services	65	64	67	68	68	70	69	76	75	76
Culture and recreation	546	562	566	517	504	503	512	523	518	523
Business-type activities:										
Airport	319	342	359	355	347	345	343	344	346	351
Water and wastewater	279	291	291	281	281	279	275	275	275	274
Transit	239	254	257	257	257	254	253	253	251	263
Transportation facilities	132	125	114	101	98	95	95	95	95	95
Solid waste	55	71	71	71	72	74	77	83	92	94
Total	5,129	5,478	5,529	5,429	5,391	5,319	5,216	5,207	5,157	5,180

Sources: Lee County Budget Office, Lee County Sheriff Finance Department, Lee County Clerk of Circuit Court Human Resources Department, Lee County Property Appraiser Finance Department, Lee County Tax Collector Human Resources Department, Lee County Supervisor of Elections Human Resources Department, Lee County Port Authority Human Resources Department, and 20th Judicial Circuit Court Finance Department

Lee County, Florida
SCHEDULE 14
OPERATING INDICATORS BY FUNCTION/PROGRAM
Last Ten Fiscal Years

Function/program	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Community Development										
Building permits issued	122,000	119,000	84,414	36,916	25,513	30,190	29,952	31,316	36,442	41,023
Inspections	290,000	360,600	230,574	88,965	50,391	52,793	50,599	51,820	63,709	74,358
Public Safety/EMS [1]										
E-911 calls processed	147,730	155,450	155,482	162,630	140,409	155,213	160,780	180,597	179,412	182,859
Sheriff Department										
Physical arrests	15,007	17,856	19,887	22,777	18,296	16,945	15,839	14,877	15,018	14,196
Traffic tickets	44,158	64,272	67,885	68,054	50,917	46,309	33,915	31,543	37,859	36,512
Natural Resources										
Environmental lab tests performed	96,049	106,670	106,435	111,392	114,223	122,071	114,405	109,697	117,670	114,744
Pollutant storage tanks inspections	860	673	932	1,058	944	882	819	738	642	546
Solid Waste										
Number of business and residential customers [2]	216,804	225,711	240,874	245,257	246,240	247,024	247,891	248,928	249,480	244,817
Volume of solid waste collection (tons per year) [3]	581,000	605,747	559,484	517,889	467,008	460,413	445,701	452,618	484,255	481,658
Volume of recycling collection (tons per year) [4]	46,802	51,651	53,782	56,355	51,992	51,293	65,494	67,751	84,270	71,788
Megawatt hours of electricity sold	236,533	218,399	222,005	293,805	298,618	306,385	289,391	295,981	289,583	328,479
Water and Wastewater										
Water customers	73,670	77,149	78,961	79,536	80,072	80,642	80,990	81,654	82,411	83,146
Wastewater customers	51,774	55,668	57,535	57,908	58,422	58,572	58,974	59,315	59,789	60,562
Meter installations	3,754	3,493	1,914	630	537	426	395	477	720	1,176
Department of Transportation										
Number of signal and flasher locations maintained	433	453	459	472	486	496	494	503	497	509
Number of streetlights maintained	2,138	2,194	3,380	4,314	4,358	4,498	4,867	5,140	4,986	5,013
Number of driveway and ROW permits issued	6,435	7,601	3,758	1,071	772	721	769	704	702	810
Asphalt road resurfacing (in thousands of tons)	83	54	35	47	44	49	55	48	43	37
Bridges										
Toll paying traffic per year										
Sanibel	2,910,454	2,835,333	2,889,783	2,925,351	2,906,743	2,898,010	2,931,693	2,990,491	3,062,356	3,181,676
Midpoint Memorial[5]	17,958,287	17,981,689	17,571,604	8,347,488	7,096,132	7,081,245	7,023,381	7,364,006	7,432,540	7,674,340
Cape Coral[5]	17,355,653	17,450,273	17,263,048	8,544,776	7,505,751	7,357,701	7,356,888	7,112,276	7,334,694	7,747,127
Transit										
Number of bus passenger trips	2,821,676	2,891,968	3,037,194	3,061,461	3,047,457	3,019,560	3,212,214	3,756,378	4,075,250	3,939,812
Number of bus route miles	418	418	418	416	417	417	417	417	550	551
Port Authority										
Number of enplanements	3,741,071	3,803,563	4,061,936	3,868,588	3,737,339	3,721,375	3,875,313	3,676,953	3,856,646	3,989,316
Number of deplanements	3,678,511	3,749,462	4,009,718	3,826,610	3,719,794	3,659,221	3,792,235	3,600,007	3,751,062	3,896,241
Human Services										
Number of emergency services provided with General Fund County Service dollars (mortgage, rent, utilities, etc.)	525	602	617	628	744	982	795	836	484	460
Animal Services										
Officer responses	18,209	19,285	21,906	24,383	17,273	19,267	14,309	15,633	16,970	15,600
Animal placement	2,987	3,255	3,354	2,767	2,548	3,313	3,259	4,219	4,220	4,286
Library										
Cardholders	243,917	257,032	280,879	302,025	295,181	282,565	295,574	289,858	291,692	294,953
Items available for circulation	1,238,611	1,347,502	1,384,045	1,410,281	1,537,777	1,626,960	1,619,836	1,598,513	1,567,872	1,594,355
Total circulation	3,171,641	3,484,762	4,059,126	4,942,611	5,492,287	5,854,151	6,017,639	6,148,573	6,032,045	6,123,207
Parks and Recreation										
Number of public parks maintained	65	65	65	65	64	65	65	66	66	67
Number of public pools maintained	9	9	9	9	9	9	9	9	9	9
Number of public boat ramps maintained	6	7	7	7	7	7	7	7	7	7

Source: Various Lee County Departments

[1] Based on calendar year prior to 2012. Based on fiscal year from 2012 and going forward.

[2] Unincorporated Lee County, the City of Bonita Springs, and Town of Fort Myers Beach.

[3] Total solid waste processed and landfilled for unincorporated Lee County, Hendry County, and the cities of Sanibel, Fort Myers, Cape Coral, Bonita Springs, and Fort Myers Beach.

[4] Total tons recycled for unincorporated Lee County and the cities of Sanibel, Fort Myers, Cape Coral, Fort Myers Beach and Bonita Springs.

[5] One way tolling began in fiscal year 2008.

Lee County, Florida
SCHEDULE 15
CAPITAL ASSET STATISTICS BY FUNCTION
Last Ten Fiscal Years
(in units)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Governmental Activities										
General government	10,107	11,010	11,493	12,638	10,943	10,624	10,853	10,407	10,862	10,957
Public safety	7,581	8,055	8,997	9,789	10,196	10,535	10,374	10,085	10,299	10,089
Physical environment	447	433	505	521	528	531	530	550	552	574
Transportation	3,237	3,264	3,360	3,396	3,411	3,559	3,610	3,713	3,805	3,837
Economic environment	147	202	214	206	224	219	227	237	247	261
Human services	842	885	875	818	877	885	795	647	639	602
Culture and recreation	4,022	4,085	4,340	4,182	4,396	4,486	4,489	4,606	4,680	4,865
	26,383	27,934	29,784	31,550	30,575	30,839	30,878	30,245	31,084	31,185
Business-type Activities										
Port Authority	2,061	2,147	2,227	2,262	2,346	2,430	2,516	2,522	2,549	2,552
Water and Wastewater	7,814	9,033	10,800	12,776	13,806	14,691	15,650	16,633	17,285	18,084
Transportation Facilities	881	995	1,071	984	992	989	1,149	1,149	1,176	1,176
Solid Waste	407	441	459	482	487	543	596	608	646	665
Transit	504	541	606	631	811	832	867	897	948	963
	11,667	13,157	15,163	17,135	18,442	19,485	20,778	21,809	22,604	23,440

Source: Lee County Clerk of Courts Finance and Records Department and the Lee County Sheriff's Office

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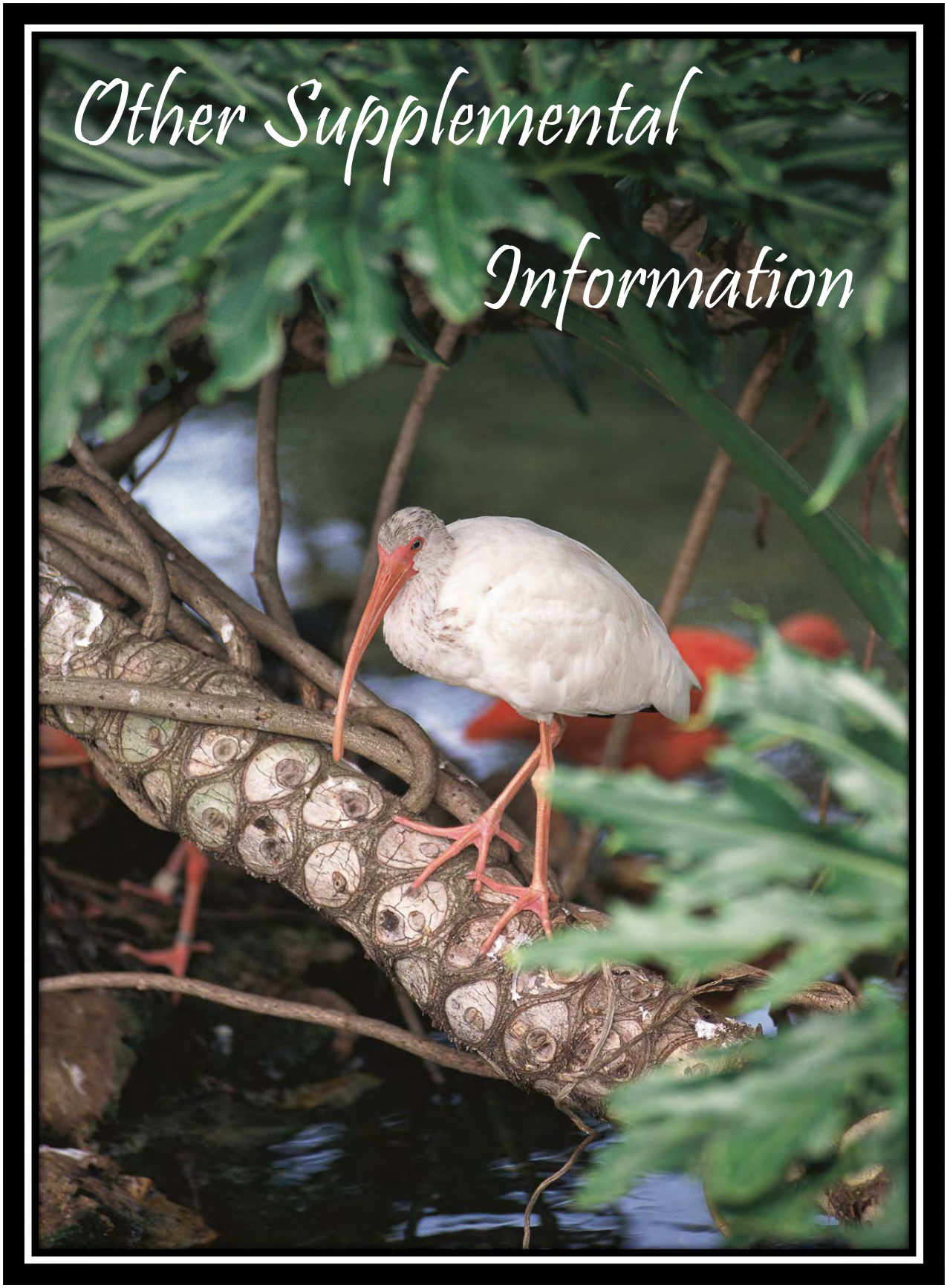
Other Supplemental
Information

Lee County, Florida
SUPPLEMENTAL SCHEDULES
TOURIST DEVELOPMENT TAX REVENUE BONDS
September 30, 2014

(dollars in thousands)

Historical Tourist Development Tax Revenues, Gross Revenues and
State Funds and Pro Forma Debt Service Coverage

Fiscal Year Ended September 30	2009	2010	2011	2012	2013	2014
Tourist Development Tax Revenues (debt portion)	$ 13,123	$ 13,653	$ 23,981	$ 26,672	$ 28,535	$ 33,197
Gross Revenues[1]	300	300	300	950	950	950
State Funds	n/a	n/a	n/a	n/a	125	500
Total Pledged Funds[2][3]	$ 13,423	$ 13,953	$ 24,281	$ 27,622	$ 29,610	$ 34,647
Maximum Annual Debt Service[4] Payable from Pledged Funds	821	818	6,273	6,273	8,936	8,936
Debt Service Coverage	16.3x	17.1x	3.9x	4.4x	3.3x	3.9x

[1] Includes stadium rental revenue and payments received by the County from JetBlue Airways in connection with the naming rights for JetBlue Par a part of the 2010 Project.

[2] Investment earnings, if any, have not been included in these calculations.

[3] This figure includes only Tourist Development Tax revenues as defined in the Bond Resolution. Revenues from the 2% tax increase which went into effect in 2006 are not included for years 2009-2010. Fiscal years 2011-2014 include 100% of Tourist Development Tax revenues.

[4] Maximum Annual Debt Service is calculated net of the Federal Direct Payments received in connection with Subsidy Bonds.

Source: Lee County Clerk of Courts Finance and Records Department

Lee County, Florida

SUPPLEMENTAL SCHEDULES

TOURIST DEVELOPMENT TAX REVENUE BONDS

September 30, 2014

(unaudited)

Statement of Historical Collections and Disbributions of the General Sales and Use Tax

Fiscal Years Ended June 30, 2006 through June 30, 2014 [2][4]

State Fiscal Year		Collections	General Revenue	Local Governments [3]	Ecosystem and Restoration Management Trust Fund	Sports Facilities Transfer	Emergency Distribution	Public Employees Relations Commission Trust Fund
2014-15	[1]	$22,960,400,000	$20,452,300,000	$2,434,700,000	$ -	$22,700,000	$19,100,000	$1,700,000
2013-14	[1]	21,908,300,000	19,511,360,000	2,323,900,000	-	23,440,000	18,200,000	1,600,000
2012-13		20,686,400,000	18,417,563,319	2,226,904,066	-	23,272,221	17,103,286	1,531,896
2011-12		19,573,276,105	17,422,017,710	2,110,305,421	-	23,313,888	16,191,413	1,447,673
2010-11		18,697,072,646	16,638,328,066	2,018,168,676	-	23,730,558	15,463,982	1,381,364
2009-10		17,992,091,826	16,014,736,490	1,937,498,114	-	23,730,558	14,802,480	1,324,184
2008-09		18,609,519,245	16,531,424,863	2,000,692,853	36,957,571	23,730,558	15,345,300	1,368,100
2007-08		20,721,299,764	18,428,916,348	2,209,833,935	41,191,617	23,730,556	17,112,840	1,514,468
2006-07		21,877,149,948	19,435,200,499	2,358,309,936	43,539,314	20,409,979	18,060,908	1,629,311
2005-06		21,812,428,112	19,367,389,624	2,362,466,167	43,453,669	18,016,900	18,016,900	1,635,040

[1] Estimate.

[2] These figures reflect estimated distributions based on the State Fiscal Year of July 1 to June 30.

[3] Local Government distributions include the half-cent, county and municipal revenue sharing, and the shift of $29,915,500 to counties that used to be funded from pari-mutual tax revenues.

[4] In addition to sales tax, these figures include state communications services taxes imposed under Chapter 202, Florida Statutes, on the sale of communications services as described in Section 202.12, Florida Statutes.

SOURCE: State of Florida, Office of Economic & Demographic Research, *Florida Tax Handbook*

Lee County, Florida

SUPPLEMENTAL SCHEDULES

CAPITAL REVENUE BONDS

September 30, 2014

(unaudited)

Pledged Revenues and Debt Service Coverage

	Historical				
Revenues[1]	2010	2011[3]	2012[3]	2013[4]	2014[4]
Ambulance service receipts	$ 18,645,842	$ 18,900,548	$ 20,479,278	$ 19,523,357	$ 21,024,488
Excess county officer fees	11,798,434	8,715,550	7,920,524	7,873,485	7,425,726
Race track funds	223,250	223,250	223,250	223,250	223,250
Communication services tax	2,600,000	2,600,000	2,600,000	2,600,000	2,600,000
First guaranteed entitlement	579,000	579,000	579,000	579,000	579,000
License fees (mobile home/alcohol/insurance)	825,271	819,828	815,951	830,888	843,967
Sales tax	31,813,728	33,544,826	36,129,946	38,654,071	42,131,369
Investment earnings	1,752,846	751,704	588,150	240,693	207,292
Data processing fees	9,909,126	8,023,916	7,627,844	8,227,104	7,543,309
Sub-Total Pledged Revenues	78,147,497	74,158,622	76,963,943	78,751,848	82,578,401
Maximum Annual Debt Service	21,776,744	21,627,618	18,460,932	16,022,563	16,022,563
Debt Service Coverage	3.59 x	3.43 x	4.17 x	4.92 x	5.15 x
Plus Limited Availability Revenues[2]					
Building and zoning permits and fees	9,931,481	9,887,491	10,197,122	11,489,822	13,041,578
Pledged gas taxes					
Constitutional gas tax	5,270,499	5,240,184	5,445,520	5,420,374	5,699,910
County (7th cent) gas tax	2,300,545	2,289,279	2,357,848	2,393,180	2,458,537
Ninth Cent (voted) gas tax (net of series '93 and '03 debt service through 2009 when issue retired)	2,978,528	2,931,172	2,914,997	3,059,332	3,161,526
Total Pledged Revenues	$ 98,628,550	$ 94,506,748	$ 97,879,430	$ 101,114,556	$ 106,939,952
Maximum Annual Debt Service	$ 21,776,744	$ 21,627,618	$ 18,460,932	$ 16,022,563	$ 16,022,563
Debt Service Coverage	4.53 x	4.37 x	5.30 x	6.31 x	6.67 x

(1) Not all sources of Pledged Revenues may be legally available to pay debt service on all series of bonds.

(2) Availability to pay debt service may be limited.

(3) Maximum Annual Debt Service includes the commercial bank loan issued on March 9, 2011.

(4) Maximum Annual Debt Service includes Non-Ad Valorem Refunding Revenue Bonds, Series 2012 and commercial bank loans issued on March 9, 2011 and August 14, 2013.

SOURCE: Lee County Clerk of Courts Finance and Records Department for historical figures.

Lee County, Florida
SUPPLEMENTAL SCHEDULES
NON-AD VALOREM REVENUE BONDS
September 30, 2014
(unaudited)

Historical Major Sources of Non-Ad Valorem Revenues [1]
(dollars in thousands)

Fiscal Year Ended September 30	2010	2011	2012	2013	2014
Taxes:					
Local communications services tax	$ 10,134	$ 9,818	$ 9,561	$ 9,559	$ 9,606
FPL electrical franchise fees	8,407	8,398	8,013	8,355	13,096
LCEC electrical franchise fees					3,234
Intergovernmental Revenues:					
State revenue sharing	11,092	11,437	12,174	12,821	13,807
Local half cent sales tax	31,814	33,545	36,130	38,654	42,131
Mobile home/insurance/alcohol beverage licenses	825	820	816	831	844
Racing tax	223	223	223	223	223
Charges for Services					
Ambulance service receipts [2]	18,646	18,901	20,479	19,523	21,024
Excess county officer fees	11,798	8,716	7,921	7,873	7,544
Licenses and Permits					
Occupational licenses	698	679	688	703	702
Miscellaneous					
Investment earnings [3]	1,753	752	588	241	207
Total	$ 95,390	$ 93,289	$ 96,593	$ 98,783	$ 112,418

(1) The table above includes a general description of Non-Ad Valorem Revenues and does not include sources that are not considered major when viewed independently. Certain other Non-Ad Valorem Revenues may be received by the County that are not reflected in the table above as such revenues are considered restricted for certain purposes, and would not be available for payment of debt service on the Series 2012 Bonds.

(2) A portion of Ambulance Service Receipts are generated from the County's Medstar helicopter flight program, which service was discontinued in 2012.

(3) To the extent Investment Earnings are earnings on investments held to the credit of funds that are not legally available to pay debt service on the Series 2012 Bonds, such investment earnings will not constitute legally available Non-Ad Valorem Revenues.

Source: Lee County Clerk of Courts Finance and Records Department

Lee County, Florida
SUPPLEMENTAL SCHEDULES
NON-AD VALOREM REVENUE BONDS
September 30, 2014
(unaudited)

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
TOTAL GOVERNMENTAL FUNDS
(dollars in thousands)

	2010	2011	2012	2013	2014
REVENUES					
Taxes	$ 367,597	$ 324,257	$ 317,463	$ 319,103	$ 351,952
Licenses and permits	6,036	6,288	6,497	7,822	9,271
Intergovernmental	108,713	102,901	103,056	97,298	89,852
Charges for services	75,560	74,490	66,328	74,847	80,372
Fines and forfeitures	1,404	1,087	1,311	1,374	1,561
Impact fees	3,123	1,892	3,446	2,587	2,743
Special assessments	2,015	1,493	1,447	1,651	1,360
Miscellaneous	21,261	16,517	11,394	14,135	15,457
Total revenues	585,709	528,925	510,942	518,817	552,568
EXPENDITURES					
Current					
General government	143,296	136,124	132,248	132,932	130,328
Public safety	214,989	210,923	195,541	193,533	199,492
Physical environment	11,745	12,649	13,968	14,321	18,913
Transportation	41,804	35,354	33,800	34,509	32,644
Economic environment	35,194	33,770	30,539	24,433	25,095
Human services	26,144	26,193	26,690	20,355	20,144
Culture and recreation	55,317	53,817	55,032	56,050	59,350
Capital outlay					
General government	42,760	19,271	16,358	8,269	5,721
Public safety	6,514	5,124	7,503	5,762	2,848
Physical environment	2,366	2,307	7,427	2,472	1,217
Transportation	37,667	37,247	29,785	16,554	6,265
Economic environment	831	535	250	871	1,194
Human services	2	2	1	2	8
Culture and recreation	40,306	44,466	26,368	26,384	38,495
Debt service					
Principal retirement	19,365	25,581	17,702	15,432	9,741
Interest and fiscal charges	10,827	12,805	19,852	20,037	13,068
Bond issuance costs	297	548	-	774	49
Total expenditures	689,424	656,716	613,064	572,690	564,572
Excess (deficiencies) of revenues over (under) expenditures	(103,715)	(127,791)	(102,122)	(53,873)	(12,004)
OTHER FINANCING SOURCES AND (USES)					
Transfers in	131,163	244,570	112,730	221,138	90,650
Transfers out	(141,638)	(239,126)	(121,486)	(221,171)	(99,030)
Bond premium	-	55	-	8,427	-
Debt issuance	18,798	81,158	841	42,047	1,893
Issuance of refunding debt	-	7,060	-	83,925	12,590
Payments to refunded bonds escrow agent	-	(7,570)	-	(92,303)	(12,518)
Total other financing sources and (uses)	8,323	86,147	(7,915)	42,063	(6,415)
Net change in fund balances	(95,392)	(41,644)	(110,037)	(11,810)	(18,419)
Fund balances - beginning	771,255	675,863	634,219	524,182	510,218 *
Fund balances - ending	$ 675,863	$ 634,219	$ 524,182	$ 512,372 *	$ 491,799

* The 2014 beginning fund balance is $2,154 less than the 2013 ending fund balance due to a restatement to the Clerk's special revenue fund.

Source: Lee County Clerk of Courts Finance and Records Department

Lee County, Florida
SUPPLEMENTAL SCHEDULES
LOCAL OPTION GAS TAX BONDS
September 30, 2014
(unaudited)

Gas Tax Revenues and Number of Taxable Gallons Sold

(dollars in thousands)

County Fiscal Year[1]	Five Cent Local Option Gas Tax Revenues	Percentage Increase (Decrease)	State Fiscal Year[2]	Gallons of Motor Fuel[3]	Percentage Increase (Decrease)
2005	$6,731	5.4%	2005	288,353,645	9.0%
2006	6,978	3.7%	2006	299,544,192	3.9%
2007	6,874	-1.5%	2007	303,698,720	1.4%
2008	6,364	-7.4%	2008	283,149,975	-6.8%
2009	6,299	-1.0%	2009	272,857,247	-3.6%
2010	6,032	-4.2%	2010	269,538,511	-1.2%
2011	6,006	-0.4%	2011	264,466,600	-1.9%
2012	6,027	0.3%	2012	264,609,679	0.1%
2013	6,356	5.5%	2013	269,731,950	1.9%
2014	6,616	4.1%	2014	282,803,639	4.8%

Five Cent Local Option Gas Tax Debt Service Coverage

County Fiscal Year[1]	Five Cent Local Option Gas Tax Revenues	Maximum Annual Debt Service	Debt Service Coverage Ratio
2005	$6,731	$2,539	2.65
2006	6,978	2,539	2.75
2007	6,874	2,436	2.82
2008	6,364	2,436	2.61
2009	6,299	2,433	2.59
2010	6,032	2,430	2.48
2011	6,006	2,430	2.47
2012	6,027	2,424	2.49
2013	6,356	2,423	2.62
2014	6,616	2,422	2.73

Allocation of Gas Tax Revenues

City of Cape Coral	24.95%
City of Fort Myers	14.00%
Sanibel	5.00%
Town of Ft. Myers Beach	1.02%
City of Bonita Springs	4.54%
Lee County	50.49%
	100.00%

[1] County fiscal year ended September 30.
[2] State fiscal year ended June 30.
[3] Number of gallons sold in Lee County.

Source: Lee County Clerk of Courts Finance and Records Department and Lee County Budget Services

Monthly Water Rates

Customer Classification

Residential Service	Monthly Service Charge	User Charge Per 1,000 Gallons For Each ERU	
Single – family	$8.95 per unit	1 - 6,000	$3.20
		6,001 - 12,000	4.00
		12,001 - 18,000	4.80
		18,001 and above	6.40
Multi – family	$7.16 per unit/lot	1 - 6,000	3.20
		6,001 - 12,000	4.00
		12,001 - 18,000	4.80
		18,001 and above	6.40
Recreational vehicle	$3.58 per unit/lot	1 - 6,000	3.20
		6,001 - 12,000	4.00
		12,001 - 18,000	4.80
		18,001 and above	6.40
Mobile home	$7.16 per unit/lot	1 - 6,000	3.20
		6,001 - 12,000	4.00
		12,001 - 18,000	4.80
		18,001 and above	6.40

Each residential service account will be charged a monthly administrative fee of $3.36 per bill.

An additional well field development surcharge of $0.50 per ERU will be assessed to those residential customers whose monthly water consumption exceeds their initial water conservation block during the monthly billing period (6,000 gallons per ERU).

The total monthly rate for residential service is the sum of the: a) service charge; b) administrative fee; c) well field development surcharge (if applicable); and d) user charges in accordance with this schedule.

Commercial and All Non-Residential

Meter Size	Monthly Service Charge	ERU Ratio	User Charge Per 1,000 Gallons For Each ERU	
5/8"	$12.31	1.0	1 - 6,000	$3.20
3/4"	16.79	1.5	6,001 - 12,000	4.00
1"	25.74	2.5	12,001 - 18,000	4.80
1½"	48.11	5.0	18,001 and above	6.40
2"	74.96	8.0		
3"	146.56	16.0	Non-irrigation class	
4"	227.11	25.0	Per 1,000	3.36
6"	450.86	50.0		
8"	719.36	80.0	Irrigation class	
10"	1,301.11	145.0	1 - 6,000	4.00
			6,001 - 12,000	4.80
			12,001 and over	6.40

An additional well field development surcharge of $0.50 per ERU will be assessed to those commercial and non-residential customers whose monthly water consumption exceeds their initial water conservation block during the monthly billing period (6,000 gallons per ERU).

The total monthly rate is the sum of the service and the user charges.

Water Restriction Surcharge Adjustment

In the event that the South Florida Water Management District or other authority having appropriate jurisdiction declares a water shortage requiring a mandatory water usage reduction in the amount of 15%, the water user charges listed above will be increased by 18%.

In the event that a reduction of water use greater than 15% is required, the County Commission may establish by resolution, a surcharge based upon the recommendation of the Public Works Director in order to meet revenues required to comply with existing bond debt service covenants, or to meet other requirements of the water system.

Source: Lee County Utilities Division

Lee County, Florida
SUPPLEMENTAL SCHEDULES
LEE COUNTY WATER AND WASTEWATER SYSTEMS
September 30, 2014
(unaudited)

Monthly Wastewater Rates

Customer Classification

Residential Service	Monthly Service Charge	User Charge Per 1,000 Gallons	Unmetered User Charge
Single – family	$16.27 per unit	$5.59	$25.17 per unit
Multi – family	13.01 per unit/lot	5.59	20.13 per unit/lot
Recreational vehicle	6.51 per unit/lot	5.59	10.07 per unit/lot
Mobile Home	13.01 per unit/lot	5.59	20.13 per unit/lot

Each residential service account shall be charged a monthly administrative fee of $3.28 per bill.

No wastewater user charge shall be imposed on metered water usage above nine thousand (9,000) gallons per month, per residential service dwelling unit.

The total monthly rate for residential service is the sum of the: a) service charge; b) administrative fee; and c) user charges, in accordance with the schedule.

Commercial and All Non-Residential

Meter Size	Monthly Service Charge	User Charge Per 1,000 Gallons
5/8"	$19.55	$5.59
3/4"	27.69	5.59
1"	43.96	5.59
1½"	84.63	5.59
2"	133.44	5.59
3"	263.60	5.59
4"	410.03	5.59
6"	816.78	5.59
8"	1,304.88	5.59
10"	2,362.43	5.59

Unmetered commercial and non-residential charges will be calculated individually based on estimates of wastewater discharges and the above schedule of rates.

The total monthly rate is the sum of the service and the user charges.

Connection Fees

Customer Classification	Number ERU's	Water Charge	Wastewater Charge
Residential Service			
Single – family	1.00	$2,440.00	$2,660.00
Multi – family (per Dwelling Unit)	0.80	1,952.00	2,128.00
Recreational vehicle (per Dwelling Unit/Lot)	0.40	976.00	1,064.00
Commercial and All Non-Residential			
Charge Per Gallon		$9.76	$10.64

Water Meter Installation and Service Connection Fees

Meter Size	Installation Charge	Tap-In Charge
5/8"	$260.00	$1,025.00
3/4"	295.00	1,060.00
1"	325.00	1,090.00
1½"	525.00	1,650.00
2"	595.00	1,800.00
3" and above	Actual Cost	Actual Cost
Wastewater Main Tap Charge		Actual Cost

In addition to new installations, these rates may also apply to water and sewer service upgrades or facility locations.

Charges for larger meter and wastewater main taps will be based on estimates of actual time and expense. Amounts collected by the County in excess of actual costs will be credited to the customer's account or be refunded, as may be applicable. Amounts due, caused by underestimation, will be billed and payable to Lee County Utilities.

Source: Lee County Utilities Division

Lee County, Florida
SUPPLEMENTAL SCHEDULES
LEE COUNTY WATER AND WASTEWATER SYSTEMS
September 30, 2014
(unaudited)

Historical Revenues, Expenses, and Debt Service Coverage
(dollars in thousands)

	2010	2011	2012	2013	2014
Water and wastewater sales revenues	$83,339	$83,064	$89,180	$95,675	$100,623
Other operating revenue[1]	1,781	1,672	1,811	2,085	2,117
Total operating revenues	85,120	84,736	90,991	97,760	102,740
Operating expenses[2]	55,557	53,979	55,407	55,286	55,567
Net operating revenue	29,563	30,757	35,584	42,474	47,173
Interest income[3]	568	358	311	294	155
Net available revenues	30,131	31,115	35,895	42,768	47,328
Net available revenues after other transfers	30,131	31,115	35,895	42,768	47,328
Connection fee revenues[4]	1,317	2,114	2,879	4,818	6,962
Net revenues and connection fees	31,448	33,229	38,774	47,586	54,290
Senior lien debt service	13,245	13,235	12,769	15,477	11,426
Senior lien debt service coverage:					
Without pledged connection fees	2.27	2.35	2.81	2.76	4.14
With pledged connection fees	2.37	2.51	3.04	3.07	4.75
Other debt service requirements[5]	2,723	4,572	5,139	5,146	4,425
Net available revenues and other funds received for capital improvements and other purposes[6]	$14,163	$13,308	$17,987	$22,145	$31,477

(1) Amount shown includes miscellaneous operating revenues including bulk water sales, meter installation charges, turn-on and turn-off fees, etc.

(2) Amount shown does not include depreciation or amortization expenses which are not considered an operating expense pursuant to the County's Bond Resolution.

(3) Amount shown includes interest earnings on unrestricted fund balances as defined in the Bond Resolution.

(4) Includes all Connection Fees, only a portion of which may be legally available to pay debt service under Florida law.

(5) Includes State Revolving Fund (SRF) indebtedness.

(6) Amount shown does not include Connection Fees and associated interest earnings.

Source: Lee County Clerk of Courts Finance and Records Department

Customer Statistics:

Historical customer statistics with respect to the Lee County Water System are set forth below:

County Water System[1] Customer Accounts and Sales Statistics

Fiscal Year Ended September 30 [2] (Historical)	Retail Customers: Average Accounts	Retail Customers: Water Sales (000s of gallons)	Retail Customers: Monthly Use per Account (gallons)	Wholesale Water Sales (000s of gallons)	Total Water Sales (000s of gallons)	Treated/Purchased Finished Water (000s of gallons)	ADF-MGD
2007	76,385	8,087,012	8,823	767,315	8,854,327	9,320,365	25.54
2008	76,145	7,503,846	8,212	742,338	8,246,184	8,838,535	24.22
2009 [3]	75,778	7,414,916	8,154	766,239	8,181,155	8,719,119	23.89
2010 [3]	75,588	7,052,466	7,775	712,203	7,764,669	8,424,254	23.08
2011	76,189	7,279,995	7,963	715,428	7,995,423	8,591,946	23.54
2012	77,396	7,116,776	7,663	724,001	7,852,972	8,750,233	23.97
2013	78,452	7,082,552	7,523	705,247	7,787,799	8,422,904	23.08
2014	78,751	7,191,865	7,610	723,867	7,915,732	8,532,693	23.38

[1] It should be noted that the average use per single family residential customer - the largest customer class of the System - averaged approximately 5,000 gallons per month of water use during the last seven years ended Fiscal Year 2014.

[2] During the Fiscal Year 2005, the County adopted 2 day per week irrigation restrictions. Subsequently, during the Fiscal Year 2007 and continuing in some form today, SFWMD had imposed water use restrictions on the use of potable water in order to reduce water demands.

[3] The decline in Water System accounts was anticipated by the County to be a direct result of the economic downturn in the Florida economy, which materially affected new construction and development and which has resulted in an increase in inactive accounts.

Historical customer statistics with respect to the Lee County Wastewater System are set forth below:

County Wastewater System Customer Accounts and Sales Statistics[1]

Fiscal Year Ended September 30 (Historical)	Retail Customers: Average Accounts	Retail Customers: Billed Flows (000s of gallons)	Retail Customers: Monthly Flow per Account (gallons)	Wholesale Billed Flows (000s of gallons)	Total Billed Sales (000s of gallons)	Treated Waste-Water Flows (000s of gallons)	ADF-MGD
2007	54,356	5,456,888	8,366	287,578	5,744,466	5,901,537	16.17
2008	54,403	5,034,468	7,712	249,849	5,284,317	5,833,278	15.98
2009	53,873	5,166,383	7,992	247,458	5,413,841	5,602,042	15.35
2010	54,162	5,012,425	7,712	214,507	5,226,932	6,067,368	16.62
2011	54,763	5,699,953	8,674	254,450	5,954,403	5,663,066	15.51
2012	55,922	5,714,966	8,516	276,247	5,992,162	5,580,126	15.29
2013	56,222	5,079,107	7,528	275,787	5,354,894	5,475,070	15.00
2014	56,753	5,311,386	7,799	277,082	5,588,468	4,883,559	16.12

[1] Amounts shown include all customer classes, including wholesale customers. It should be noted that the average billed wastewater flow per single family residential customer - the largest customer class of the System - averaged approximately 4,000 gallons per month during the years ended Fiscal year 2014, and is based on metered water use at the customer's premise.

Source: Lee County Utilities Division

Lee County, Florida

SUPPLEMENTAL SCHEDULES

LEE COUNTY WATER AND WASTEWATER SYSTEMS

September 30, 2014

(unaudited)

County System Top Ten Retail Utility Customers (Based on Sales Revenue)

Customer	Class	Meter Size	Type of Service	System Revenue	% of Total County Sales Revenue
Landings Env. Wrm. Assoc. Inc.	Multifamily	6"	Water/Sewer	$ 665,118	0.66%
Gulf Coast Town Center	Commercial	10"	Water/Sewer	636,784	0.63%
Lee Memorial Health System - Gulf Coast Medical Center	Commercial	10"	Water/Sewer	484,808	0.48%
Shell Point Village	Commercial	8"	Water/Sewer	451,190	0.45%
Jamaica Bay Assoc. LDT	Multifamily	8"	Water	425,408	0.42%
Lee Memorial Health System - Health Park Medical Center	Commercial	2"	Water/Sewer	342,212	0.34%
Lee County Port Authority - International Airport	Commercial	6"	Water/Sewer	301,442	0.30%
Corkscrew Woodlands Assoc., Inc.	Multifamily	6"	Water/Sewer	300,684	0.30%
Lee Memorial Health System - Health Park Medical Center	Commercial	6"	Water/Sewer	277,883	0.28%
Indian Creek Park	Multifamily	6"	Water/Sewer	271,829	0.27%
				$4,157,358	4.13%

Source: Lee County Utilities Division

Lee County, Florida

SUPPLEMENTAL SCHEDULES

LEE COUNTY SOLID WASTE SYSTEM

September 30, 2014

(unaudited)

Historic Tipping Fees for Solid Waste System

Fiscal Year	Unincorporated Area (1)	Incorporated Area
2005	$54.82	$48.15
2006	57.51	49.59
2007	58.40	51.20
2008	59.77	53.25
2009	59.93	54.00
2010	61.48	54.00
2011	61.44	55.00
2012	47.62	40.00
2013	37.74	32.00
2014	34.93	30.00

(1) Includes Surcharges

Source: Lee County Solid Waste Division

Historical Revenue and Operating Expenses of Lee County Solid Waste Enterprise Fund

September 30, 2014
(unaudited)
(amounts in thousands)

Fiscal Year	Revenues	Operating Expenses	Net Revenues	Annual Debt Service	Coverage	Net Position
2005	$67,356	$35,659*	$31,697	$18,759	1.69	$163,798
2006	82,865	44,399	38,466	18,858	2.04	187,842
2007	88,584	48,793	39,791	21,513	1.85	215,911
2008	89,490	54,022	35,468	22,141	1.60	232,626
2009	87,919	56,934	30,985	22,436	1.38	243,246
2010	89,713	57,273	32,440	22,414	1.45	258,250
2011	119,737(1)	57,371	62,366	56,934(1)	1.10	267,071
2012	77,675	58,358	19,317	4,387	4.40	269,769
2013	70,409	62,542	7,867	4,388	1.79	259,835
2014	73,311	62,013	11,298	9,114	1.24	256,310

*Excludes expense related to hurricane damage which is treated in the financial statements as non-operating expense.

(1)Revenues include $34,090,000 transferred from the System Reserve Fund for early redemption of $34,462,000 included in the annual debt service.

Source: Lee County Clerk of Courts Finance and Records Department

Lee County, Florida
SUPPLEMENTAL SCHEDULES
LEE COUNTY SOLID WASTE SYSTEM
September 30, 2014
(unaudited)

Historic Solid Waste Tonnage

The following table provides the historic tons of solid waste delivered to the System for FY 2005 through FY 2014.

Lee County Historic Solid Waste Delivered to the System

	Unincorporated Area		Incorporated Area	Hendry County		Total	
Fiscal Year	Processible Solid Waste (1)	Non-Processible Solid Waste (2)	Processible Solid Waste (1)	Processible Solid Waste (1)	Non-Processible Solid Waste (2)	Processible (1)	Non-Processible (2)
2005	294,152	9,081	232,140	40,706	9,404	566,998	18,485
2006	302,615	14,284	252,006	46,942	16,551	601,563	30,835
2007	290,989	24,640	228,642	46,342	5,780	565,973	30,420
2008	317,429	15,939	235,969	45,353	783	598,751	16,722
2009	334,627	37,804	236,076	36,370	112	607,073	37,916
2010	284,211	78,348	239,000	39,346	1,406	562,557	79,754
2011 (3)	392,874		250,312	37,060		680,246	
2012	391,787		254,128	35,044		680,959	
2013	433,696		215,797	35,687		685,180	
2014	437,893		225,152	36,079		699,124	

(1) Processible Waste - Waste quantities generated by Lee County which are anticipated to be processed at the County's Waste-to-Energy Facility. This does not include processible waste that is recovered/recycled.

(2) Non-processible Waste - Waste generated by Lee County and Hendry County which is landfilled, primarily consisting of construction and demolition debris, XL tires, sludge, etc. It does not include non-processibles that are recycled, horticulture waste and ash residue

(3) Includes all waste delivered to the Waste-to Energy and Landfill system excluding material delivered to the recycling facility, horticulture waste and ash residue, for 2011 and thereafter.

Source: Lee County Solid Waste Division

Lee County, Florida
SUPPLEMENTAL SCHEDULES
LEE COUNTY SOLID WASTE SYSTEM
September 30, 2014
(Unaudited)

HISTORICAL REVENUES AND EXPENSES
Lee County, Florida
Solid Waste System

System Income ($)	Fiscal Year 2013	Fiscal Year 2014
1. WTE Facility Energy Revenues	16,112,121	20,286,640
2. Hendry County Disposal Revenues	1,443,036	1,508,736
3. Disposal Facility Assessment	2,667,106	2,614,392
4. Interest Income	146,605	99,662
5. Reserve Fund Earnings	609	341
6. Franchise Fees	1,677,170	1,654,082
7. Solid Waste Program Revenues	45,927,229	45,326,275
8. Transfers from System Reserve Fund	0	0
9. Resource Recovery Tip Fees Revenues	included in line 7	included in line 7
10. Landfill Tip Fee Revenues	included in line 7	included in line 7
11. MSTU Tax Fund	561,052	568,491
12. Other Revenue	4,204,272	3,467,267
13. TOTAL SYSTEM INCOME	72,739,200	75,525,886
14. Less Non-applied Income	2,330,525	2,215,108
15. NET SYSTEM INCOME	70,408,675	73,310,778
System Expenses ($)		
Landfill Operation Costs		
16. Landfill Operating Costs	3,355,646	3,787,921
17. Landfill Closure Operating Costs	1,043,768	-1,255,481
WTE Facility Operation Costs		
18. Operation and Maintenance Charge	19,524,464	19,871,837
19. Energy Credit	1,415,940	1,814,196
20. Pass Through Costs	3,581,830	3,629,908
21. County Operations	5,951,563	5,923,827
22. Regulation Service Charge	0	0
Solid Waste Program Costs		
23. Solid Waste Program Costs	43,397,228	40,980,901
24. TOTAL SYSTEM EXPENSES	78,270,439	74,753,109
25. Non-applied Expenses	15,729,084	12,740,562
26. NET SYSTEM EXPENSES	62,541,355	62,012,547
System Annual Debt Service ($)		
27. Series 2006A Bonds	4,138,969	8,868,969
28. Series 2006B Bonds	249,200	245,000
29. TOTAL ANNUAL DEBT SERVICE	4,388,169	9,113,969
30. NET REVENUES APPLIED TO D.S.	7,867,320	11,298,231
31. DEBT SERVICE COVERAGE	179%	124%

NOTES TO HISTORICAL REVENUES AND EXPENSES FOR FISCAL YEAR 2014

1. Electrical revenues from the Seminole Electric Cooperative Power Purchase Agreement.

2. The Hendry County Disposal Revenues in accordance with the terms and conditions stipulated in the Hendry County Disposal Agreement.

3. The Disposal Facilities Assessment based on the FY14 assessment fee of $6.00 per ton.

4. Interest Income is equal to the sum of the annual interest earnings on the Reserve Funds and various Solid Waste Program balances (including Solid Waste Operations, Solid Waste Administration, Right-of-Way Cleanup, Rate Stabilization and Recycling) for FY14.

5. Debt Service Reserve Fund Earnings are equal to the sum of the interest earnings on the Series 2006 Bonds Reserve Fund for FY14.

6. Franchise Fees calculated at 5.5 percent as per Collection Hauler collection agreements.

7. The Solid Waste Program Revenues are equal to the sum of the Solid Waste Operations and Right-of-Way Cleanup surcharges. Plus the Solid Waste Collection and Billing revenues, Horticulture Waste Tip Fees and Other Waste Material Tip Fee revenues.

Notes to Historical Revenues and Expenses (continued):

8. Transfers from the System Reserve Fund are used to minimize annual fluctuations in the disposal rates related to debt service or other significant expenditures.

9. The Resource Recovery Tip Fees for FY14 are based on the following per ton fees: MSW - $30.00, Commercial Horticulture- $22.00, Residential Horticulture - $22.00, Tires - $50.00, Extra Large Tires - $110.00, C & D - $30.00.

10. Landfill Tips Fees based on a $32.00 per ton MSW tip fee; $25.00 per ton C & D tip fee.

11. The MSTU Tax Fund Revenue from the City of Cape Coral.

12. Other Revenue is the sum of Grant Awards, Material Recovery Facility Revenues, Contractual Reimbursements, New Construction Assessments and Other Miscellaneous Revenue including advanced disposal fees and delinquent accounts.

13. The Total System Income is the sum of Lines 1 through 12.

14. Non-applied Income consists of income that the County derives from certain sources, which is not within the definition of Revenues and Net Revenues and, therefore, is not applied toward debt service coverage. Non-applied Income is equal to the Material Recovery Facility Revenues ($2,215,108).

15. Net System Income is equal to the Total System Income (Line 13) less the Non-applied Income (Line 14).

16. Landfill Operating Costs are equal to the total landfill operating costs including the landfill operations agreement with Waste Management, Inc.

Notes to Historical Revenues and Expenses (continued):

17. Landfill Closure operating costs include the Landfill and Deep Injection Well calculated liabilities related to closure. Specific operating costs associated with closure are $1,984 for FY 2014 and are also included.

18. The Operation and Maintenance Charge (O & M) is based on the Initial Operation and Maintenance Charge of $12,454,411 for 427,216 tons processed in a billing year plus $13.2904 per ton up to 569,619 tons or tonnage declared by Lee County for a total of $14,347,000. The Initial O & M charge was established for January 2005 and is adjusted annually based on published indices. If the operator achieves above 90% throughput the contract allows for an additional per ton fee.

19. Energy Credit is based on 10 percent of the Net Energy Revenues. Net Energy Revenue is equal to the Facility Energy Revenues (Line 1) minus the Renewable Energy Credits ($1,751,181) minus the FPL stand-by and electricity consumption ($147,819) plus electrical costs for the Material Recycling Facility usage ($126,998). Then minus the additional capacity lump sum payment ($37,268) from Covanta, Inc. received when Waste-to-Energy exceeds 85 percent availability.

20. Pass through Costs include FPL stand-by plus electricity consumption, Lime, Sewer, Propane, Water, Reuse Water, Ammonia, Urea, Insurance, Mercury Reduction Reagent, ash testing, emissions testing and miscellaneous sales tax.

21. County Operations include expenses related to disposal administration costs, horticultural processing, Waste-to-energy transfer station, ash hauling.

22. The Regulation Service Charge for FY14 is $0 based on the Seminole Electric Cooperative Power Purchase Agreement. The Regulation Service Charge was discontinued on January 1, 2012.

Notes to Historical Revenues and Expenses (continued):

23. The Solid Waste Program Costs are equal to the sum of the Solid Waste Operations, Solid Waste Management, Right-of-Way Clean-up, and Recycling Program Costs; plus Hendry County Transfer Station O&M, Solid Waste Residential Collection, Depreciation and Billing cost.

24. The Total System Expenses equal the sum of Lines 16 through 23.

25. Non-applied Expenses are equal to the sum of the Landfill Closure Operating Costs (Line 17) and Depreciation ($13,996,043). These expenses are not Operating Expenses as defined in the Indenture and are, therefore, not applied in determining debt service coverage.

26. Net System Expenses are equal to the Total System Expenses (Line 24) less the Non-applied Expenses (Line 25).

27. The Series 2006A Bonds represent the deposits made into the Principal and Interest accounts for the annual debt service payments for the Series 2006A Revenue Bonds.

28. The Series 2006B Refunding Revenue Bonds represent the deposits made into the Principal and Interest accounts for the annual debt service payments for the refunding of the Series 1995 Revenue Bonds.

29. Total Annual Debt Service equals the sum of the Series 2006A Bonds (Line 27) and the Series 2006B Bonds (Line 28).

30. Net Revenues Applied to D.S. (Debt Service) is equal to the Net System Income (Line 15) less the Net System Expenses (Line 26).

31. The Debt Service Coverage is equal to the Net System Revenues Applied to D.S. (Line 30), divided by the Total Annual Debt Service (Line 29).

Source: Lee County Solid Waste Division

Toll Rates - Sanibel Bridge

The schedule below reflects the toll structure:

Vehicle Class	September 30, 2014
Motorcycles	$ 2.00
2 axles	6.00
3 axles	9.00
4 axles	12.00
5 axles	15.00
6 or more axles, per axle	3.00

Commuters can choose between annual or semi-annual electronic toll collection ("ETC") discount programs that, depending on the cost of the program, require no additional toll ("Unlimited ETC") or a $2.00 toll for each westbound crossing. Purchasers of Unlimited ETC's at least one month after the beginning of the validity period (May 1 or November 1) are entitled to a prorated discount on the purchase price. In addition, further discounts on the cost of the ETC are offered for non-commercial vehicles registered or leased to the same natural person (the "Second Vehicle") who has purchased a discount program for a first vehicle (the "Initial Vehicle").

The following table sets forth the toll rates for two axle vehicles that carry an ETC transponder:

Type of Discount Program	Vehicle	Cost of Discount Program	Additional Toll
Annual[1]	Initial Vehicle	$ 67.00	$ 2.00
	Second Vehicle	33.50	2.00
	Initial Vehicle	400.00	-0-
	Second Vehicle	200.00	-0-
Semiannual[2]	Initial Vehicle	50.00	2.00
	Second Vehicle	25.00	2.00
	Initial Vehicle	300.00	-0-
	Second Vehicle	150.00	-0-

Source: June 2007 Toll Resolution

[1] Valid for 12 months commencing November 1 of each year.

[2] Valid for 6 months commencing on November 1 or May 1 of each year.

The County has offered, in addition to ETC's valid only on the Cape Coral Bridge, a combination transponder, which is valid on all three facilities. Commuters can also choose to purchase unlimited discount programs that are valid on all three facilities. The costs of combination unlimited discount programs are also subject to proration as described above in the case of ETC's for the Sanibel Causeway. The costs are as follows:

COMBINATION TOLLS
(Sanibel Causeway, Cape Coral Bridge and Midpoint Memorial Bridge)

Type of Discount Program	Vehicle	Cost of Discount Program	Additional Toll
Annual[1]	Initial Vehicle	$ 107.00	$ 1.00 for Cape Coral or Midpoint; $ 2.00 for Sanibel
	Second Vehicle	53.50	$ 1.00 for Cape Coral or Midpoint; $ 2.00 for Sanibel
	Initial Vehicle	730.00	-0-
	Second Vehicle	365.00	-0-
Semiannual[2]	Initial Vehicle	74.00	$ 1.00 for Cape Coral or Midpoint; $ 2.00 for Sanibel
	Second Vehicle	37.00	$ 1.00 for Cape Coral or Midpoint; $ 2.00 for Sanibel
	Initial Vehicle	500.00	-0-
	Second Vehicle	250.00	-0-

Source: June 2007 Toll Resolution

[1] Valid for 12 months commencing November 1 of each year.
[2] Valid for 6 months commencing on November 1 or May 1 of each year.

Toll Rates - Cape Coral Bridge and Midpoint Memorial Bridge

The schedule below reflects the toll structure:

Vehicle Class	September 30, 2014
Motorcycles	$ 1.00
2 axles	2.00
3 axles	4.00
4 axles	6.00
5 axles	8.00
6 or more axles, per axle	2.00
Commuter Discounts	(See below)

The Cape Coral Bridge and Midpoint Memorial Bridge toll structure also offers commuter toll discounts similar to those offered on the Sanibel Causeway. The annual or semi-annual ETC, depending on its cost, requires either (i) no additional toll or (ii) one dollar ($1.00) toll for each westbound crossing. Second Vehicle discounts are available. Combination ETC's which are valid on both the Sanibel Causeway and the Cape Coral Bridge are also available. See the above Combination Tolls table for a list of toll rates for combination ETC's.

The following table sets forth the toll rates for two axle vehicles that carry an ETC transponder:

Type of Discount Program	Vehicle	Cost of Discount Program	Additional Toll
Annual[1]	Initial Vehicle	$ 40.00	$ 1.00
	Second Vehicle	20.00	1.00
	Initial Vehicle	330.00	-0-
	Second Vehicle	165.00	-0-
Semiannual[2]	Initial Vehicle	24.00	1.00
	Second Vehicle	12.00	1.00
	Initial Vehicle	200.00	-0-
	Second Vehicle	100.00	-0-

Source: June 2007 Toll Resolution

[1] Valid for 12 months commencing November 1 of each year.

[2] Valid for 6 months commencing on November 1 or May 1 of each year.

Variable Pricing Program

During the term of the variable pricing program, a toll for each westbound trip on the Cape Coral and Midpoint Memorial Bridges the toll rates for off-peak usage with and without an ETC transponder are set forth in the table below:

Vehicle Class	Specified Off-Peak Hour Toll Without ETC	Specified Off-Peak Hour Toll With ETC
Motorcycles	$1.00	n/a
2 axles	2.00	$ 1.50/0.75
3 axles	4.00	3.00
4 axles	6.00	4.50
5 axles	8.00	6.00
6 or more axles	2.00 per axle	1.50 per axle

Source: Lee County Department of Transportation

Lee County, Florida
SUPPLEMENTAL SCHEDULES
LEE COUNTY TRANSPORTATION FACILITIES
September 30, 2014
(unaudited)

TRANSPORTATION FACILITIES TRAFFIC, REVENUES AND EXPENSES BY BRIDGE
MIDPOINT MEMORIAL BRIDGE TRAFFIC, REVENUE AND EXPENSES

	TOLL PAYING TRAFFIC						
Year	Passenger Cars	Other Traffic[1]	Total	Percentage Change	Gross Toll Revenues	Operating and Maintenance Expenses[2]	Net Revenues
					(000's omitted)	(000's omitted)	(000's omitted)
2005	17,547,324	410,963	17,958,287	8.33%	$15,520.00	$3,439.00	$12,081.00
2006	17,528,811	452,878	17,981,689	0.13%	15,571	4,305	11,266
2007	17,181,104	390,500	17,571,604	-2.28%	15,144	4,772	10,372
2008[3]	8,165,132	182,356	8,347,488	-52.49%	12,956	3,285	9,671
2009	6,944,989	151,143	7,096,132	-14.99%	12,515	3,816	8,699
2010	6,946,530	134,715	7,081,245	-0.21%	12,191	3,755	8,436
2011	6,900,623	122,758	7,023,381	-0.82%	12,127	3,669	8,458
2012	7,216,252	147,754	7,364,006	4.85%	12,865	3,726	9,139
2013	7,282,092	150,448	7,432,540	0.93%	13,203	3,654	9,549
2014	7,432,895	165,659	7,598,554	2.23%	14,164	3,888	10,276

Source: Lee County Department of Transportation

(1) Includes motorcycles and 3+ axle vehicles.
(2) Does not include depreciation.
(3) One-way tolling was implemented; tolls are only collected in the westbound direction and traffic figures include only one-way traffic.

CAPE CORAL BRIDGE TRAFFIC, REVENUE AND EXPENSES

	TOLL PAYING TRAFFIC						
Year	Passenger Cars	Other Traffic[1]	Total	Percentage Change	Gross Toll Revenues	Operating and Maintenance Expenses[2]	Net Revenues
					(000's omitted)	(000's omitted)	(000's omitted)
2005	17,041,302	314,351	17,355,653	6.46%	$14,404.00	$3,821.00	$10,583.00
2006	17,117,630	332,643	17,450,273	0.55%	14,269	4,312	9,957
2007	16,956,173	306,875	17,263,048	-1.07%	14,124	4,799	9,325
2008[3]	8,369,252	175,524	8,544,776	-50.50%	12,675	3,271	9,404
2009	7,363,719	142,032	7,505,751	-12.16%	12,541	3,419	9,122
2010	7,231,368	126,333	7,357,701	-1.97%	12,288	3,411	8,877
2011	7,235,214	121,674	7,356,888	-0.01%	12,163	3,339	8,824
2012	6,979,108	133,168	7,112,276	-3.32%	12,086	3,614	8,472
2013	7,198,104	136,590	7,334,694	3.13%	12,586	3,556	9,031
2014	7,521,133	147,931	7,669,064	4.56%	13,685	3,737	9,948

Source: Lee County Department of Transportation

(1) Includes motorcycles and 3+ axle vehicles.
(2) Does not include depreciation.
(3) One-way tolling was implemented; tolls are only collected in the westbound direction and traffic figures include only one-way traffic.

TRANSPORTATION FACILITIES TRAFFIC, REVENUES AND EXPENSES BY BRIDGE
MIDPOINT MEMORIAL BRIDGE TRAFFIC, REVENUE AND EXPENSES

SANIBEL CAUSEWAY TRAFFIC, REVENUE AND EXPENSES

	TOLL PAYING TRAFFIC(1)						
Year	Passenger Cars	Other Traffic[1]	Total	Percentage Change	Gross Toll Revenues	Operating and Maintenance Expenses[2]	Net Revenues
					(000's omitted)	(000's omitted)	(000's omitted)
2005[3]	2,832,771	77,683	2,910,454	-8.84%	$14,243.00	$2,187.00	$12,056.00
2006	2,777,745	57,588	2,835,333	-2.58%	11,776	2,200	9,576
2007	2,839,065	50,718	2,889,783	1.92%	12,270	2,130	10,140
2008	2,852,072	73,279	2,925,351	1.23%	12,461	1,737	10,724
2009	2,832,446	74,297	2,906,743	-0.64%	12,484	2,139	10,345
2010	2,831,860	66,150	2,898,010	-0.30%	12,434	2,088	10,346
2011	2,869,091	62,602	2,931,693	1.16%	12,375	2,038	10,337
2012	2,919,284	71,207	2,990,491	2.01%	12,833	2,458	10,375
2013	2,987,257	75,099	3,062,356	2.40%	13,341	2,433	10,907
2014	3,090,340	75,346	3,165,686	3.37%	14,104	2,597	11,507

Source: Lee County Department of Transportation

(1) Includes motorcycles and 3+ axle vehicles.
(2) Does not include depreciation.
(3) Toll increase effective 11/1/04.

Lee County, Florida
SUPPLEMENTAL SCHEDULES
LEE COUNTY TRANSPORTATION FACILITIES
September 30, 2014
(unaudited)

Revenues, Operating Expenses and Debt Service Coverage

Last Ten Fiscal Years
(dollars in thousands)

Fiscal Year	Revenues	Operating Expenses	Net Available for Debt Service	Debt Service	Coverage
2005	$45,164	$9,856	$35,308	$12,135	2.91
2006	44,549	10,808	33,741	14,932	2.26
2007	43,959	13,129	30,830	16,206	1.90
2008	39,395	11,864	27,531	16,211	1.70
2009	37,856	10,158	27,698	15,577	1.78
2010	37,013	10,291	26,722	15,549	1.72
2011	37,006	9,863	27,143	15,548	1.75
2012	37,817	9,426	28,391	15,600	1.82
2013	39,162	9,698	29,464	15,053	1.96
2014	41,966	10,158	31,808	15,756	2.02

Source: Lee County Clerk of Courts Finance and Records Department

Lee County, Florida
SUPPLEMENTAL SCHEDULES
LEE COUNTY PORT AUTHORITY
September 30, 2014
(unaudited)

The following table lists the airlines serving the Airport, including all airlines operating passenger service into the Airport which have entered into an Airline-Airport Use and Lease Agreement with the Authority (the "Signatory Airlines").

Airlines Serving the Airport[1]

Domestic Carriers	Regionals/Commuters
AirTran Airways*	Compass Airlines
American Airlines*	Endeavor Air
Delta Air Lines *	Executive Airlines
JetBlue*	Express Jet
Frontier	Republic
Shuttle America	Silver Airways
Southwest*	Skywest
Spirit Airlines*	
Sun Country	
United*	
US Airways*	

International Air Carriers	Air Cargo Carriers
AirBerlin	Fedex
Air Canada	United Parcel Service
Westjet	

(1) During the peak winter months, a number of other domestic and international charter airlines also operate at the Airport.

* Denotes Signatory Airline as defined in Use Agreements

Source: Lee County Port Authority

Lee County, Florida
SUPPLEMENTAL SCHEDULES
LEE COUNTY PORT AUTHORITY
September 30, 2014
(Unaudited)

Airport Enplanements October 2013 - September 2014

	Commercial Air Carriers	Regionals/ Commuters	International Air Carriers	Domestic Charters	Total Enplanements	Total Enplanements for Month in Prior Year	Percentage Change
October 2013	216,253	5,550	6,155	485	228,443	229,059	-0.3%
November 2013	303,774	6,211	12,194	238	322,417	333,316	-3.3%
December 2013	331,561	6,849	15,787	93	354,290	328,303	7.9%
January 2014	361,922	6,470	18,892	-	387,284	380,445	1.8%
February 2014	397,578	4,790	18,947	147	421,462	403,429	4.5%
March 2014	552,528	5,605	24,539	226	582,898	557,471	4.6%
April 2014	437,828	11,966	19,379	227	469,400	456,979	2.7%
May 2014	292,351	14,132	8,527	185	315,195	305,165	3.3%
June 2014	230,346	8,715	5,344	188	244,593	244,080	0.2%
July 2014	236,917	8,122	6,013	-	251,052	235,368	6.7%
August 2014	213,622	8,877	6,609	157	229,265	214,100	7.1%
September 2014	171,393	6,599	4,862	163	183,017	168,931	8.3%

The following table sets forth the historical enplanements for the Airport by air carrier type, as well as the annual percentage increase in enplaned passengers.

Historical Enplanements by Carrier Type

Fiscal Year	Commercial Air Carriers	Regionals/ Commuters	International Air Carriers	Domestic Charters	Airport Total
2005	3,495,001	160,366	75,913	9,791	3,741,071
2006	3,484,671	224,102	91,865	2,925	3,803,563
2007	3,799,938	154,413	103,988	3,597	4,061,936
2008	3,644,495	130,160	90,815	3,118	3,868,588
2009	3,552,775	87,677	94,173	2,714	3,737,339
2010	3,541,118	73,477	103,544	3,236	3,721,375
2011	3,646,656	108,630	117,975	2,052	3,875,313
2012	3,491,950	58,721	121,323	4,959	3,676,953
2013	3,627,678	91,476	132,134	5,358	3,856,646
2014	3,746,073	93,886	147,248	2,109	3,989,316
Compounded Growth					
2005-2014	0.77%	-5.78%	7.64%	-15.68%	0.72%

Source: Lee County Port Authority

Lee County, Florida
SUPPLEMENTAL SCHEDULES
LEE COUNTY PORT AUTHORITY
SOUTHWEST FLORIDA INTERNATIONAL AIRPORT
September 30, 2014
(Unaudited)

HISTORICAL LANDED WEIGHT BY AIRLINE (1000 lbs)

	FY 2013		FY 2014	
Airline	Landed Weight	Share	Landed Weight	Share
Delta	1,001,259	22.7%	980,870	21.7%
Southwest	410,222	9.3%	702,378	15.5%
JetBlue	535,866	12.2%	521,014	11.5%
US Airways	397,127	9.0%	420,308	9.3%
United	357,066	8.1%	370,402	8.2%
AirTran	674,832	15.3%	360,784	8.0%
American	292,118	6.6%	308,178	6.8%
Spirit Airlines	223,481	5.1%	268,419	5.9%
International Airlines	168,991	3.8%	191,446	4.2%
Cargo	114,342	2.6%	116,843	2.6%
Frontier	33,270	0.8%	60,861	1.3%
Sun Country	50,802	1.2%	53,347	1.2%
Endeavor Air	3,680	0.1%	46,262	1.0%
Shuttle America	26,491	0.6%	46,193	1.0%
Republic Airline	26,325	0.6%	34,388	0.8%
Silver Airways	15,476	0.4%	25,109	0.6%
SkyWest	6,700	0.2%	5,937	0.1%
Express Jet	8,729	0.2%	4,275	0.1%
Domestic Charters	7,962	0.2%	3,663	0.1%
Envoy	-	0.0%	1,038	0.02%
Cape Air	11,090	0.3%	932	0.02%
Compass Airlines	35,213	0.8%	301	0.01%
Executive Airlines	611	0.0%	218	0.00%
Total	4,401,652	100.0%	4,523,164	100.0%

Source: Lee County Port Authority

Lee County, Florida
SUPPLEMENTAL SCHEDULES
LEE COUNTY PORT AUTHORITY
SOUTHWEST FLORIDA INTERNATIONAL AIRPORT
September 30, 2014
(Unaudited)

HISTORICAL ENPLANEMENTS BY AIRLINE

	FY 2013		FY 2014	
Airline	Enplanements	Share	Enplanements	Share
Delta	863,598	22.4%	864,916	21.7%
Southwest	394,917	10.2%	658,928	16.5%
JetBlue	464,448	12.0%	461,858	11.6%
US Airways	386,641	10.0%	388,392	9.7%
AirTran	624,356	16.2%	343,629	8.6%
United	323,166	8.4%	339,269	8.5%
American	254,058	6.6%	283,061	7.1%
Spirit Airlines	219,737	5.7%	261,171	6.5%
International Airlines	132,134	3.4%	147,248	3.7%
Frontier	31,827	0.8%	59,799	1.5%
Sun Country	41,262	1.1%	46,274	1.2%
Endeavor Air	3,326	0.1%	39,978	1.0%
Shuttle America	23,668	0.6%	38,776	1.0%
Republic Airline	23,638	0.6%	31,708	0.8%
Silver Airways	9,817	0.3%	12,273	0.3%
SkyWest	6,377	0.2%	5,437	0.1%
Express Jet	9,379	0.2%	4,222	0.1%
Domestic Charters	4,597	0.1%	1,483	0.04%
Cape Air	9,290	0.2%	601	0.0%
Compass Airlines	30,410	0.8%	293	0.0%
	3,856,646	100%	3,989,316	100%

Lee County, Florida
SUPPLEMENTAL SCHEDULES
LEE COUNTY PORT AUTHORITY
SOUTHWEST FLORIDA INTERNATIONAL AIRPORT
September 30, 2014
(Unaudited)

An Airport's air service is often measured through the distribution of its origin and destination (O & D) markets, which is a function of air travel demands and the airport's available nonstop service. The following table presents historical data on the Airport's top 30 O&D markets.

PRIMARY DOMESTIC ORIGIN & DESTINATION PASSENGER MARKETS

Fiscal Year 2013						Fiscal Year 2014					
Rank	Market	Nonstop Service	Nonstop Miles	Total O&D Passengers	Percent of Total	Rank	Market	Nonstop Service	Nonstop Miles	Total O&D Passengers	Percent of Total
1	Boston	•	1,271	452,195	5.73%	1	Boston	•	1,271	504,879	6.40%
2	Detroit	•	1,090	368,625	4.67%	2	Detroit	•	1,090	436,022	5.53%
3	Minneapolis	•	1,439	327,300	4.15%	3	Minneapolis	•	1,439	384,496	4.88%
4	Chicago (O'Hare)	•	1,120	326,622	4.14%	4	Chicago (O'Hare)	•	1,120	371,101	4.71%
5	New York (Newark)	•	1,068	258,367	3.28%	5	New York (Newark)	•	1,068	311,504	3.95%
6	Chicago (Midway)	•	1,105	246,121	3.12%	6	Chicago (Midway)	•	1,105	262,318	3.33%
7	New York (JFK)	•	1,074	214,916	2.73%	7	New York La Guardia	•	1,480	241,990	3.07%
8	Philadelphia	•	1,010	194,335	2.46%	8	New York (JFK)	•	1,074	235,504	2.99%
9	Indianapolis	•	966	182,652	2.32%	9	Philadelphia	•	1,010	218,327	2.77%
10	New York La Guardia	•	1,480	176,397	2.24%	10	Indianapolis	•	966	214,269	2.72%
11	Baltimore	•	932	154,280	1.96%	11	Atlanta	•	1,017	208,381	2.64%
12	Milwaukee	•	1,213	138,670	1.76%	12	Baltimore	•	932	189,489	2.40%
13	Pittsburg	•	1,003	134,869	1.71%	13	Milwaukee	•	1,213	162,883	2.07%
14	Columbus	•	997	134,336	1.70%	14	Columbus	•	997	161,143	2.04%
15	Atlanta	•	1,017	127,259	1.61%	15	Harford	•	1,241	160,270	2.03%
16	St. Louis	•	1,009	112,981	1.43%	16	Pittsburg	•	1,003	153,019	1.94%
17	Washington (National)	•	933	105,926	1.34%	17	Washington (National)	•	933	149,918	1.90%
18	Cleveland	•	1,037	104,833	1.33%	18	Atlantic City	•	981	138,602	1.76%
19	Buffalo	•	1,192	102,909	1.31%	19	St. Louis	•	1,009	136,918	1.74%
20	Atlantic City	•	981	100,220	1.27%	20	Cleveland	•	1,037	128,186	1.63%
21	Denver	•	1,708	86,745	1.10%	21	Buffalo	•	1,192	116,098	1.47%
22	Akron/Canton	•	1,017	81,598	1.03%	22	Denver	•	1,708	111,714	1.42%
23	Harford	•	1,241	81,455	1.03%	23	Dallas/Ft. Worth	•	1,072	107,500	1.36%
24	Cincinnati	•	887	76,188	0.97%	24	Cincinnati	•	887	91,683	1.16%
25	Dallas/Ft. Worth	•	1,072	75,813	0.96%	25	Akron/Canton	•	1,017	90,018	1.14%
26	Kansas City	•	1,284	59,069	0.75%	26	Kansas City	•	1,284	75,406	0.96%
27	Providence	•	1,254	57,148	0.72%	27	Providence	•	1,254	74,062	0.94%
28	Westchester County	•	1,120	51,889	0.66%	28	Westchester County	•	1,120	73,907	0.94%
29	Charlotte	•	523	49,034	0.62%	29	Charlotte	•	523	63,610	0.81%
30	Grand Rapids	•	1,149	47,874	0.61%	30	Grand Rapids	•	1,149	55,115	0.70%
	Total- Top 30 Markets			4,630,626	60.9%		Total- Top 30 Markets			5,628,332	71.4%
	Total - All Other Markets			2,977,082	39.1%		Total - All Other Markets			2,257,225	28.6%
	Total - All Markets			7,607,708	100.0%		Total - All Markets			7,885,557	100.0%

Average Stage Length [1]			
	Airport	1,106	miles
	United States	1,185	miles

Average Stage Length [1]			
	Airport	1,106	miles
	United States	1,185	miles

[1] Average passenger trip distance for all of the Airport's O&D markets
Source: U.S. DOT O&D Summary Report

Lee County, Florida
SUPPLEMENTAL SCHEDULES
LEE COUNTY PORT AUTHORITY
SOUTHWEST FLORIDA INTERNATIONAL AIRPORT
September 30, 2014
(Unaudited)

Historical aircraft operations are defined as the arrival or departure of an aircraft. The following table presents historical data on the Airport's aircraft operations by carrier class.

HISTORICAL AIRCRAFT OPERATIONS

Fiscal Year	Commercial Air Carriers	Regionals/ Commuters	International Air Carriers	Domestic Charters	General Aviation[1]	All-Cargo	Military	Airport Total
2005	58,266	12,950	1,104	198	15,025	2,174	1,794	91,511
2006	57,570	13,782	1,198	112	10,973	2,546	1,148	87,329
2007	64,622	10,326	1,476	162	11,866	2,336	401	91,189
2008	61,708	9,834	1,362	116	13,865	2,242	711	89,838
2009	59,780	8,114	1,370	102	12,744	1,608	808	84,526
2010	59,444	7,008	1,448	126	13,287	1,192	748	83,253
2011	60,904	7,582	1,568	100	12,758	1,112	578	84,602
2012	57,012	5,672	1,680	210	12,531	1,100	600	78,805
2013	58,830	6,630	1,888	178	11,533	1,106	682	80,847
2014	58,796	4,596	2,000	90	10,154	1,106	914	77,656
Compounded Growth								
2005-2014	0.10%	-10.87%	6.83%	-8.39%	-4.26%	-7.23%	-7.22%	-1.81%

[1] Also includes activity by miscellaneous air taxis.

Source: Lee County Port Authority

Lee County, Florida
SUPPLEMENTAL SCHEDULES
LEE COUNTY PORT AUTHORITY
SOUTHWEST FLORIDA INTERNATIONAL AIRPORT
September 30, 2014
(dollars in thousands)

HISTORICAL STATEMENT OF NET REVENUES[1]
FISCAL YEARS 2010-2014

OPERATING REVENUES:	2010	2011	2012	2013	2014
User fees	$43,102	$41,399	$40,900	$43,330	$43,590
Rentals and franchise fees	2,697	3,027	2,847	2,880	3,078
Concessions	35,014	35,701	34,043	37,223	39,120
Interest revenue	550	369	412	322	175
Miscellaneous	244	312	139	24	247
Total Operating Revenues	81,607	80,808	78,341	83,779	86,210
OPERATING EXPENSES[2]:					
Salaries and wages	18,291	18,430	18,491	18,472	18,860
Employee benefits	7,918	8,166	7,675	7,918	8,573
Contractual services, materials and supplies	14,226	14,832	14,766	16,221	17,829
Utilities	3,881	3,892	3,701	3,824	3,840
Repairs and maintenance	2,450	1,602	1,655	1,625	2,208
Insurance	1,749	1,651	1,648	1,632	1,621
Other	1,437	1,348	1,436	1,931	1,946
Arbitrage rebate[3]	-	-	-	-	-
Total Operating Expenses	49,952	49,921	49,372	51,623	54,877
NET REVENUES:	31,655	30,887	28,969	32,156	31,333
Transfers in[4]	3,446	3,533	3,351	2,616	2,678
Transfers in (Other)[5]	207	237	242	264	294
Debt service interest	18,963	17,146	17,654	16,459	16,039
Principal	6,620	7,660	7,895	8,470	8,900
TOTAL DEBT SERVICE:	25,583	24,806	25,549	24,929	24,939
BOND SERVICE REQUIREMENT COVERAGE BEFORE TRANSFERS	1.24	1.25	1.13	1.29	1.26
BOND SERVICE REQUIREMENT COVERAGE AFTER TRANSFERS	1.38	1.40	1.27	1.41	1.38

[1] Net Revenues are determined in accordance with the bond resolution as excerpted from the audited financial statements.
[2] Operating Expenses do not include depreciation, amortization and unpaid Other Post Employment Benefits expense ($1,538,000, FY2010; $2,669,000, FY2011; $2,936,000, FY2012; $3,118,000, FY2013; $2,751,000, FY2014) in accordance with the bond resolution.
[3] Annual, accrued arbitrage rebate liability is included as a Current Expense in accordance with the bond resolution, but not under applicable GAAP standards. Current amounts payable may be found in the Changes in Long-Term Debt table in the footnotes.
[4] Includes transfers from surplus Passenger Facility Charges (PFC) used to pay debt service on the Series 2010 bonds in accordance with Federal Aviation Administration approvals.
[5] Other transfers include a Federal Inspection Station user fee of $2.00 per deplaned passenger ($207,000 in FY2010, $237,000 in FY2011, $242,000 in FY2012, $264,000 in FY2013, and $294,000 in FY2014)

Source: Lee County Clerk of Courts Finance and Records Department

LEE COUNTY PORT AUTHORITY
SOUTHWEST FLORIDA INTERNATONAL AIRPORT
PASSENGER FACILITY CHARGE REVENUE REPORT
(unaudited)

Fiscal Year Ended September 30	Total Enplaned Passengers	Eligible Enplaned Passengers	Net PFC Cash Collections	Interest Income	Total PFC Revenue
2010	3,721,375	3,654,887	$15,156,618	$131,438	$15,288,056
2011	3,875,313	3,805,978	15,581,888	78,217	15,660,105
2012	3,676,953	3,603,476	14,774,926	96,890	14,871,816
2013	3,856,646	3,781,659	15,197,100	85,799	15,282,899
2014	3,989,316	3,910,506	15,771,027	50,047	15,821,074

SOUTHWEST FLORIDA INTERNATIONAL AIRPORT
ESTIMATED DEBT SERVICE COVERAGE
PFC Revenue Refunding Note Series 2010
For Fiscal Year Ending September 30, 2014
(unaudited)

Actual PFC Revenues	Actual 2014 PFC debt service requirements	Actual debt service factor
$15,821,074	$3,365,215	4.70

Source: Lee County Port Authority